



**MAPS**

Methodology for Assessing  
Procurement Systems

HEALTH SECTOR ASSESSMENT OF ANGOLA

PUBLIC PROCUREMENT SYSTEM

2024

*Testing the MAPS Module on  
Sector Level Assessment (SLA)*





**MAPS**

Methodology for Assessing  
Procurement Systems

# Health Sector Assessment of Angola Procurement System

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[NOVEMBER DE 2023]





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## Angola

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# Health Sector Assessment of the Public Procurement system



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This report comprises the following:



Volume III: Main Report – Sector Level Assessment of the Health Sector

Volume IV: Detailed Matrix – Sector Level Assessment of the Health Sector



# Executive summary

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Public Procurement in Angola's Health Sector is not currently regulated by specific legislation. Procurement of health related goods, services and works is administered under the general Public Procurement Law (PPL)<sup>1</sup> provisions. This Module aims to delve deeper into the Angolan Health framework to assess the function and performance of the public procurement system and market conditions of the health sector with a view to pinpointing its efficiencies, identifying areas of concern, and proposing actionable recommendations to enhance the system.

## Key Observations

1. **Legal Framework and Accessibility:** The existing legal framework, although organized, is not easily accessible to the public, rendering it challenging for stakeholders to navigate.
2. **Procurement Mechanisms:** While the National Service for Public Contracting (SNCP) provides model procurement documents, designed to enhance formal compliance with the law, sector-specific model procurement documents could better address the health sector's specialized needs.
3. **Operational Challenges:** The implementation of multi-annual procurement plans faces hurdles, primarily due to the short-term orientation of the State's General Budget. This misalignment often results in implementation inefficiencies, especially concerning budgeting and financial execution.
4. **Technical and Monitoring Shortcomings:** A significant gap exists in the enforcement of technical standards, which hampers the quality of procurement procedures. The monitoring framework, specifically the quality of statistical data, is inadequate, thereby limiting effective oversight.
5. **Transparency and Digitization:** Despite the advantages of e-procurement, its adoption remains limited in the country, and more so in the health sector. Significant gaps in transparency and digitization persist, with only a fraction of Budgetary Units publishing their annual procurement plans via more accessible means.
6. **Private Sector Engagement:** Knowledge dissemination focuses primarily on public procurement units, mostly sidelining the private sector. This creates a notable competences gap between public administration and economic operators active in the health sector.

## Recommendations

1. **Sector-specific procurement documents:** The development of sector-specific procurement documents (models/templates), reflecting the health sector's unique

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<sup>1</sup> Law 41/20 of 23 December.





requirements, would be an important step in the direction of optimizing procurement procedures.

2. **Strategic Alignment:** Adopting a multi-annual budgetary system, coupled with reinforced technical proficiency of private and public sectors, can bridge the gap between strategic planning and operational execution.
3. **Strengthened Monitoring:** Introducing robust monitoring tools, especially focusing on budgetary and financial execution aspects during the procurement cycle, is paramount to gauging the real-world impact of socio-economic undertakings.
4. **Technical Norms:** Establishing mechanisms to ensure the stringent application of technical norms can significantly enhance integrity of the procurement procedures.
5. **Enhanced Digital Transition:** A greater adoption of e-procurement and open data standards will substantially boost transparency and competition. Additionally, there's a need to draft a rollout strategy and expansion plan for mandatory e-procurement use, especially in the health sector, and to build capacity among sector staff for digital tools utilization.
6. **Inclusive Knowledge-sharing:** A more holistic approach to knowledge dissemination, for both the public and private sectors, can ensure that procurement best practices are more uniformly applied across the board.
7. **Sustainable Public Procurement Strategy:** Introducing guidelines on how to integrate environmental concerns into contracts for example, through environmental award criteria, will help push Angola's public procurement towards a more sustainable trajectory.

In conclusion, while Angola's public procurement in the health sector exhibits structural and operational challenges, the implementation of strategic interventions and reforms, can ensure a more efficient, transparent, and inclusive procurement environment.

### Overview of compliance

The following table provides an overview of the findings of the assessment on the level of sub-indicators. Each sub-indicator is identified depending on the findings (full compliance / gaps identified / substantive gaps identified). This table also shows the identified red flags.

PILLAR I		Full compliance	Gaps identified	Substantive gaps identified	Red flags
1. The public procurement legal framework applicable to the sector achieves the agreed principles and complies with applicable obligations.	1(a) – Coverage of the sector		X		
	1(b) – Rules on participation deriving from sustainability (social, economic and environmental) goals.			X	
	1(c) – Electronic Procurement (e-Procurement) in the sector	X			



PILLAR I		Full compliance	Gaps identified	Substantive gaps identified	Red flags
	1(d) – Public procurement principles in specialised legislation governing public entities in the sector	X			
<b>2. Implementing regulations and tools support the legal framework at the sector level.</b>	2(a) – Implementing regulations to define processes and procedures in the sector		X		
	2(b) – Model procurement documents for goods, works, and services for the sector			X	2(b)(b)
	2(c) – Standard contract conditions used in the sector		X		
	2(d) – User’s guide or manual for procuring entities in the sector	X			
<b>3. The legal framework applicable to the sector reflects the country’s horizontal policy objectives and international, including regional and sub-regional obligations</b>	3(a) – Existence of sectorial policies and strategies that are clear and well-articulated to facilitate the determination of sector procurement needs			X	
	3(b) – Sustainable Public Procurement (SPP) in the sector			X	
	3(c) - Environmental and Socio-economic development aspirations			X	
	3(d) - Obligations deriving from international, regional/sub-regional agreements applicable in the sector.	X			

PILLAR II		Full compliance	Gaps identified	Substantive gaps identified	Red flags
<b>4. The public procurement system is mainstreamed and well-integrated with the public financial management system.</b>	4(a) – Procurement planning and the budget cycle			X	
	4(b) – Financial procedures and the procurement cycle			X	
<b>5. The country has an institution in charge of the normative/regulatory function.</b>	5(a) – Status and legal basis of the normative/regulatory function			X	



PILLAR II		Full compliance	Gaps identified	Substantive gaps identified	Red flags
<b>6. Procuring entities and their mandates are clearly defined.</b>	6(a) – Definition, responsibilities and formal powers of procuring entities			X	6(a)(d)
	6(b) – Centralised procurement body		X		
<b>7. Public procurement is embedded in an effective information system.</b>	7(a) – Publication of public procurement information supported by information technology			X	7(a)(a) 7(a)(b) 7(a)(c) 7(a)(d) 7(a)(e)
	7(b) – Use of e-Procurement			X	
	7(c) – Strategies to manage procurement data			X	7(c)(a) 7(c)(c)
<b>8. The public procurement system has a strong capacity to develop and improve</b>	8(a) – Training, advice and assistance		X		
	8(b) – Recognition of procurement as a profession			X	8(b)(a)

PILLAR III		Full compliance	Gaps identified	Substantive gaps identified	Red flags
<b>9. Public procurement practices achieve stated objectives.</b>	9(a) – Planning			X	9(a)(a) 9(a)(c)
	9(b) – Selection and contracting			X	9(b)(f) 9(b)(g) 9(b)(j)
	9(c) – Contract management in practice			X	9(c)(c) 9(c)(e) 9(c)(g)
	9(d) –Efficiency of application of tools that support achievement of socio-economic development aspirations relative to the sector			X	
	9(e) – Protection of the environment in the sector			x	
<b>10. The public procurement market is fully functional.</b>	10(a) – Dialogue and partnerships between public and private sector			X	
	10(b) – Private sector’s organisation and access to the public procurement market			X	
	10(c) – Functionality and the level of competition in works contracts awarded in the sector			x	
	10(d)			x	



<b>PILLAR III</b>		<b>Full compliance</b>	<b>Gaps identified</b>	<b>Substantive gaps identified</b>	<b>Red flags</b>
	Functionality and the level of competition in goods contracts awarded in the sector				
	10(e) Functionality and level of competition in the consulting services contracts awarded in the sector			x	



# 1. Introduction

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Public procurement plays a crucial role in the health sector in Angola, serving as an essential mechanism to promote equitable access to quality healthcare services. Through public procurement, the Angolan government ensures the availability of medicines, medical equipment, and skilled and trained healthcare professionals, improves infrastructure, i.e., hospitals and medical care centers, to strengthen the National Health System (SNS).

In Angola, there are significant socioeconomic challenges particularly affecting the health sector, such as poverty, limited access to basic services like clean water and sanitation, and inequalities in healthcare access. According to relevant socioeconomic indicators, the Gross Domestic Product (GDP) per capita is low, with significant disparities in wealth distribution. These factors place additional pressure on the health system, heightening the need for adequate public investments.

As an example of the few resources available, there is only one doctor, 23 health professionals and 63 nurses per 100,000 people. Maternal and infant mortality rates in Angola are about double the average for lower-middle income countries. The prevalence of endemic diseases, such as malaria, tuberculosis, and HIV/AIDS, has a significant impact on public procurement in the health sector in Angola. These diseases require considerable investments in prevention, diagnosis, and treatment programs. Furthermore, public procurement plays a key role in acquiring antiretroviral drugs, diagnostic tests and equipment needed to combat these diseases.



## 2. Analysis of Country Context – Health Sector Specific

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The healthcare system in Angola comprises different levels of care, from medical care centers to central hospitals. However, healthcare infrastructure is insufficient, especially in rural areas, making access to healthcare services challenging for the population further from urban centers, due to low density of health sector professionals and infrastructure. Funding for public investment in Angola's health sector comes from the General State Budget, with a chapter specifically allocated to health.

To address the above-mentioned shortcomings, health plans and strategies in Angola, such as the National Health Development Plan (*Plano Nacional de Desenvolvimento da Saúde – PNDS*) 2012-2025, establish guidelines and goals for the health sector. These plans aim to strengthen primary health care, improve the quality of services, expand universal health coverage, and promote equity in access to health care. Disease prevention and control programs are also implemented to combat endemic diseases and reduce their prevalence. It presently is executed through nine programs:

- Disease Prevention and Combat Program;
- Primary Care and Hospital Assistance Program;
- Human Resource Management and Development Program;
- Health Research Development Program;
- Healthcare Network Management and Expansion Program;
- Management, Procurement and Logistics Program, Pharmaceutical Sector Development, and Medical Devices;
- Health Information and Management System Development Program;
- Health Sector Institutional Framework Development Program; and
- Financing and financial sustainability program of the national health system.

In Angola, besides the PNDS, there are other health plans and strategies implemented to guide and improve the health sector. Some of the key plans and strategies include:

- National Strategic Health Plan (PENSA): PENSA is an action plan that aims to improve the health of the Angolan population. It defines specific strategies to address the country's key health challenges, such as endemic diseases, malnutrition, maternal and child health, and limited access to health services. PENSA also emphasizes the need to strengthen governance and management of the health sector.
- National Plan for the Control of Endemic Diseases (PNCD): The PNCD is a plan focused on the control and prevention of endemic diseases, such as malaria, tuberculosis, and HIV/AIDS. It establishes strategies and actions to reduce the prevalence of these diseases, improve diagnosis and treatment, and promote awareness and education about prevention.
- National Mental Health Plan: This plan aims to improve the provision of mental health services in Angola. It focuses on expanding access to mental health care, strengthening the capacity of mental health professionals, and promoting awareness and reducing stigma surrounding mental health.



These plans and strategies have several main axes, which include:

- Strengthening primary health care: Promoting primary care is one of the main pillars of health plans in Angola. This involves strengthening basic health care, improving services provided at health posts and expanding coverage to rural areas and remote communities.
- Improving the quality of health services: Health plans and strategies in Angola aim to improve the quality of health services, ensuring the availability of adequate resources, the training of health professionals and the implementation of quality standards.
- Promoting equity and reducing inequalities: Health plans in Angola seek to ensure equitable access to healthcare, reducing existing inequalities. This involves prioritizing the most vulnerable and marginalized regions and population groups.
- Disease prevention and control: Health plans in Angola have as their main objective the control and prevention of endemic diseases, such as malaria, tuberculosis, and HIV/AIDS. This is done by implementing prevention programs, promoting awareness, early diagnosis, and appropriate treatment.
- Strengthening governance and management of the health sector: The plans and strategies also aim to improve the governance and management of the health sector, promoting transparency, efficiency and accountability in the management of health resources and services.
- These main axes reflect Angola's commitment to improving the SNS, facing existing challenges and promoting the health and well-being of the population.
- When it comes to investments in infrastructure and medical equipment, public procurement plays a fundamental role. Construction and rehabilitation projects for health units, acquisition of modern medical equipment and health information systems are examples of investments made through public procurement.
- Public investment in health refers to financial resources directed by the government or public entities to the health sector. The main objective of this investment is to improve access, quality and efficiency of health services, in addition to promoting the health of the population.

Public investment in health covers different areas, including:

- Healthcare infrastructure: This involves the construction, expansion and modernization of healthcare facilities such as hospitals, health centers, health posts and laboratories. Investment in infrastructure seeks to ensure that there are adequate and equipped facilities to provide quality health services.
- Medical equipment and technology: Investment in modern medical equipment and healthcare technology is essential for diagnosing, treating and monitoring diseases. This includes purchasing medical equipment such as X-ray machines, CT scanners, laboratory equipment and health information systems.
- Human resources in health: Public investment in health is also intended for the hiring, training and qualification of health professionals, such as doctors, nurses, laboratory technicians and other health workers. This aims to ensure the availability of a qualified and sufficient workforce to meet the health needs of the population.



- Medicines and medical supplies: Public investment in health includes the purchase of medicines, vaccines and other medical supplies essential for the treatment and prevention of disease. This includes ensuring availability and access to quality medicines at affordable prices.
- Prevention and health promotion programs: Investment in disease prevention and health promotion programs is critical to reducing the burden of disease and promoting healthy lifestyles. This may include vaccination campaigns, awareness programs, promotion of physical activity, health education, among others.
- Health research and innovation: Investment in scientific research and innovation in the health field is important for advancing knowledge, developing new treatments, diagnoses and prevention strategies. This may include funding research, clinical studies, research centers and partnerships with academic and scientific institutions.

In this way, public investment in health plays a fundamental role in ensuring a more robust and accessible NHS for the population. By directing financial resources to the health sector, the government seeks to improve the health and well-being of the population, reduce health inequalities and strengthen the System as a whole.

Angola has also been seeking partnerships with international health organizations to strengthen the NHS. These partnerships involve technical assistance, knowledge transfer, training of health professionals and financial support for specific health projects. These collaborations contribute to the improvement of health services and strengthen the System's capacity.

An example of a successful health project resulting from public procurement in Angola is the construction and rehabilitation of hospitals and health centers in several regions of the country. These projects aim to improve health infrastructure, increase service capacity and improve the quality of services provided to the population.

In summary, public procurement plays a fundamental role in the health sector in Angola, allowing the strengthening of the SNS, equitable access to quality services and the fight against endemic diseases. It is essential that investments in infrastructure, medical equipment and prevention programs are carried out in a transparent and efficient way to face the sector's challenges and improve the health of the Angolan population.

### **Sector Policy**

In the specific case of the PNDS 2012-2025, this Plan aims to promote compliance with the right to health enshrined in the Constitution, universal access to health care, ensuring equity in care, improving the management and financing mechanisms of the SNS, offering services quality, timely and humanized, with a view to combating poverty and strengthening the well-being of the population.

Consequently, the PNDS was developed based on the following priorities for the sustainable development of the sector:

- Increased life expectancy at birth;
- Accelerated reduction in maternal, infant and child mortality, as well as morbidity and mortality in the national nosologically framework;





- Improving the Human Development Index and promoting the achievement of the Millennium Goals;
- Consolidation of the SNS legislative and organizational reform process as well as institutional capacity, particularly at central, regional, provincial and municipal levels;
- Expansion of the health network at all levels;
- Preparation of strategic training plans for health technicians and professionals in the short, medium and long term and distribution of human resources in accordance with the needs and objectives of the Plan;
- Update of the incentive plan for healthcare professionals;
- Adoption of new health technologies;
- Allocation of adequate and sustainable financing to Health; and
- Efficient and modern management of SNS resources;

### **Country health profile**

Despite the significant improvement in the country's main global health indicators, Angola still has a high rate of maternal, infant and child mortality, a high incidence of infectious and parasitic diseases, with emphasis on major endemic diseases, respiratory diseases and diarrheal diseases, a still high level of malnutrition in children under 5 years of age, a persistence of outbreaks of Cholera, Rabies and Measles, and an exponential increase in chronic non-communicable diseases (NCDs), road accidents and violence. Communicable diseases are still responsible for more than 50% of deaths recorded in the population.

The current problems that the SNS faces are mainly related to: (i) the still insufficient health coverage and poor maintenance of the HUs; ( ii ) the weak reference and counter-reference system between the three levels of the SNS; ( iii ) human and technical health resources of reduced quantitative and qualitative expression and poor distribution of personnel in rural and peri-urban areas; ( iv ) weaknesses in the Health Management System, including the information, logistics and communication system; (v) insufficient financial resources and inadequacy of the financing model and (vi) reduced access to drinking water, sanitation and energy.

### **PNDS 2012-2025 objectives**

The PNDS appears as a programming, execution, and monitoring instrument, for the materialization of the major strategic guidelines recommended by the Executive for the period from 2012 to 2025, aiming at the following objectives:

1. Improve the provision of quality health care, in terms of promotion, prevention, treatment and rehabilitation, reinforcing the link between primary care and hospital care;
2. Operationalize the provision of health care at community level and at each of the three levels of the health pyramid, responding to the population's expectations;
3. Improve the organization, management and functioning of the SNS, through the allocation of necessary resources and the adoption of standards and procedures that increase the efficiency and quality of SNS responses;
4. Participate in the transformation of social determinants of health and promote national and international partnerships, in favor of reducing maternal and child mortality and programs to combat major endemic diseases;



5. Monitor and evaluate the implementation of the PNSD, including the sector's performance, through the SIS and special studies; and
6. Serve as a basis for reviewing and adapting the National Health Policy in 2018 and 2026.

### **Pharmaceutical sector**

The country currently has the National Pharmaceutical Policy approved by Presidential Decree nr. 18/2010 of 18 of August 2010.

The supply of medicines and other medical resources is ensured by the Centre for Purchasing and Supply of Medicines and Medical Means (CECOMA), created under Presidential Decree nr 34/2011, of 14 of February 2011.

However, the pharmaceutical sector needs a global, integrated approach to resolve its main problems, namely: (i) the promotion of local production of medicines; ( ii ) the construction of the National Quality Control Laboratory; ( iii ) the adoption of the National List of Essential Medicines (LNME); ( iv ) the development of the National Medicines Formulary and Therapeutic Guides, as important tools in supporting the rational use of medicines and (v) the technical and legal framework for traditional medicines.

### **Medical Devices**

There is a multitude of brands and models, which makes maintenance interventions on medical devices very difficult. It appears that there is equipment that was purchased and not installed in health units for various reasons, namely: inadequacy of the operating location, lack of standards and lack of standardization. The recruitment and training of maintenance professionals, as well as their placement, constitute, in themselves, an enormous challenge, given the constant recruitment of the private sector. A distribution plan for these professionals throughout the country is essential to rationalize their intervention and guarantee the permanent functioning of medical devices.

### **Financing of the National Health System**

Over the last decade, public financial resources have not been consistent. The percentage of the OGE allocated to the health function rose from 4.65% in 2006, to 8.38% in 2009, whilst in 2010 and 2011 this percentage fell to 5.02%. The budget between 2012 and 2013 has shown a growth trend, with the last budget year (2013) showing 5.56% (Table 3). However, in 2008 at the Ouagadougou Conference, Angola signed the commitment to create a favorable environment for increasing resources allocated to the health sector, in order to progressively increase them to at least 15% of the National Budget. Taking into account the desired financial sustainability, this reduction observed in the Budget for the sector constitutes a serious threat, at a time of growing demand, increased health coverage and the growing costs of health services, in view of compliance with the Ouagadougou Declaration.



**Table 3: Budgeted values in the health sector, 2006-2013 (in USD and percentages)<sup>2</sup>**

	2006	2007	2008	2009	2010	2011	2012	2013
Total OGE	20,695,532,992	25,038,870,601	25,447,689,497	31,761,268,000	30,922,721,666	41,724,176,631	45,011,062,905	66,355,671,905
Health Function	961,716,802	921,497,841	1,699,190,923	2,662,955,320 1	1,552,658,408	2,094,312,297	2,313,070,589	3,691,567,576
%	4.65%	3.68%	6.68%	8.38%	5.02%	5.02%	5.14%	5.56%

### Supply and logistics management and development subprogram<sup>3</sup>

As an illustration of the various interventions planned by the Angolan Government in the SNS, in this section there is a summary of one of the subprograms for which contracting plays a fundamental role in the success of the public authorities' intervention in the health sector. One of the pillars of any healthcare system is medicines. Not being ordinary consumer products, their acquisition, storage, and distribution require special conditions to guarantee the preservation of their therapeutic properties. Supply to health care units is free. However, constant stock shortages lead to a worsening of the population's health status, resulting from the torpid evolution of diseases, and the consequent exacerbation of hospitalization rates, sequelae, and deaths, particularly among the most vulnerable groups.

the Centre Purchase and Supply of Medicines and Medical Resources (CECOMA) was created under article 29 of Presidential Decree Number 34/11 of 14 February. responsibilities in the acquisition, distribution, and maintenance of medical and non-medical resources.

Having been recently created, the Centre for Purchasing and Supply of Medicines and Medical Resources has the function of making centralized purchases and supplying, with pharmaceutical products, all Provincial Depots (DP), Regional Depots and National Hospitals. It is up to the DPs to replenish the health units in the respective Province.

There is no National Quality Control Laboratory. Within the scope of initiatives aimed at guaranteeing the quality of purchased resources, purchasing procedures aim to obtain products from reputable sources (pre-qualified by the WHO), which must also provide the specific technical documentation required.

In the field of Equipment, CECOMA recommends holding public tenders for its acquisition, with suppliers assuming and honoring maintenance contracts, as well as training the personnel responsible for handling it.

The operation of CECOMA is based on the following legal instruments: (i) Presidential Decree Nr. 34/2011 of 14 of February; (ii) Law nr. 20/2010 of 7 of September, Public Procurement Law in its articles 172 to 179; (iii) Draft Organic Statute of the Centre Purchase and Supply of Medicines and Medical Devices; (4) National Pharmaceutical Policy, 2010.

### CECOMA operational strategies

The strategies established by the PNDS for the period from 2012 to 2025 are:

<sup>2</sup> Source: PNDS 2012-2025, Volume I, Pages 34

<sup>3</sup> Source: PNDS 2012-2025, Volume II, Supply and logistics management and development subprogram, Project 48: Supply and logistics management and development, Sheets 322 to 328



7. Acquisition of medicines based on generics or INN through national and international public tenders;
8. Efficient management of pharmaceutical products, through a computerized system operating in a network throughout the country;
9. Promotion of the construction of technically adequate infrastructure for the storage of medicines and medical resources throughout the national territory;
10. Acquisition of means of transport and logistics for the distribution of acquired means;
11. Preparation of a list of needs at national level, identifying priorities;
12. Proof, through National or International Laboratories, of the quality of the medicines purchased;
13. Preparation of the Operational Procedures Manual for the supply of medicines and medical resources.

### **CECOMA goals**

1. From 2014 onwards, annually train technicians in good storage and distribution practices;
2. From 2014 onwards, carry out supervisory visits to warehouses and health units;
3. By 2014, complete the construction of the Huambo and Uíge provincial deposits;
4. By 2014, prepare the Operational Procedures Manual for the supply of medicines and medical resources ;
5. By 2014, complete the construction of deposits: Central, in Luanda, and Regional, in Benguela, Malanje and Huila ;
6. From 2015 onwards, implement a computerized management system, working in a network with all provincial, regional and municipal deposits;
7. By 2017, build or rehabilitate Municipal Deposits in each Municipality;
8. By 2017, all Municipalities must have a logistics technician;
9. By 2025, complete the reinforcement of the medicine storage network at national level.

### **Activities and interventions**

1. Prepare national lists of needs for pharmaceutical products, identifying priorities;
2. Plan and execute the regular and timely purchase and distribution of national needs for medicines and medical resources;
3. Enter into contracts with a view to laboratory certifying the quality of pharmaceutical products;
4. Define objective criteria and apply them systematically, with a view to evaluating the performance of suppliers of goods and services and preparing the appropriate register, in accordance with the Public Procurement Law (article 9);
5. Acquire management software capable of integrating stock management, administrative management and the financial component;
6. Implement a computerized management system, working in a network with all Provinces;
7. Purchase own means of transport and logistics for the distribution of medicines and essential medical resources;
8. Carry out regular supervision activities at Provincial and Regional Deposits;
9. Define procedural standards for the main tasks assigned to CECOMA;



10. Carry out studies on the storage and distribution capabilities of Pharmaceutical Products in each Province, Region and at National level;
11. Prepare the Operational Procedures Manual for the supply of medicines and medical resources.

Besides CECOMA, which plays a major procurement role in implementing the Ministry of Health policies, there are other organizations supporting the implementation of these policies, such as, INSP; DNSP and GEPE. The Ministry also partners with Provincial Health Directorates, the national and regional Hospitals, as well as the Regional Deposits and, on the international side, the main partners are WHO, USAID and Purchasing Centers from other countries.



## 3. Assessment

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### 3.1. Pillar I - Legal, Regulatory and Policy Framework

Pillar I of the MAPS core methodology assesses the existing legal, regulatory, and policy framework for public procurement. It identifies the formal rules and procedures governing public procurement within the broader legal framework affecting public procurement which includes the legal aspects of the public procurement administrative framework; those which affect the relations between the public entity and the private party; the business environment, including competition; the obligations to the public in general; international and regional obligations, and national policy objectives, including socio-economic aspirations.

This pillar assesses (i) the structure of the legal framework; clarity and precedence of the different instruments; (ii) consistency in the legal framework when it comes to procurement; (iii) consistency and coherence in addressing horizontal policy objectives and possible constraints in the policy space (such as the constitution or binding international/regional agreements) that may limit the possibility of public procurement living up to its important strategic role and contributing to sustainability; and (iv) comparability of the rules with good international standards and whether they foster competition.

The indicators under Pillar I embrace recent developments and innovations that have been increasingly employed to make public procurement more efficient. Pillar I also considers international obligations and national policy objectives to ensure that public procurement lives up to its important strategic role and contributes to sustainability. The practical implementation and operation of this framework is the subject of Pillars II and III.

Within the framework of the SLA, all three indicators (1, 2 and 3) under Pillar I of the MAPS core methodology apply and must be assessed to the sector.

Where there is a specific public procurement legal framework applicable to the sector, which is different from that generally applicable to public procuring entities, indicators 1, 2 and 3 of the MAPS core methodology should be assessed with respect to the legal and regulatory provisions applicable to the sector.

#### **SLA Indicator 1. The public procurement legal framework applicable to the sector achieves the agreed principles and complies with applicable obligations**

The objective of this SLA indicator is to assess the different legal and regulatory instruments established at varying levels, from the highest level (national law, act, regulation, decree, etc.) to detailed regulation, procedures and bidding documents applicable to the sector.

Indicator 1 of the MAPS core methodology comprises twelve sub-indicators (a-l). Among those twelve sub-indicators the SLA Indicator 1 carries over four sub-indicators, namely 1(a), 1(d), 1(j), and 1(l) that have been adapted to be assessed with respect to the specific sector. These sub-indicators are considered separately in the sections following hereon.



- **Synthesis of the indicator**

There is no specialized legislation on public procurement applicable to entities operating in the health sector. Procuring entities in the health sector are governed by the General Public Procurement Law of the country.

As in the core assessment, it is noted that the set of legal and regulatory rules applicable to the sector is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures) and precedence is clearly established. It covers goods, works, and services, including consultancy services for all sectoral public contracts using public funds. It applies to all public bodies and sub-national governments and entities in the sector that use public funds. PPPs related to the sector, including concessions, are regulated by the General Law. Publicity and ease of public access to current laws, regulations, and policies, as in the baseline assessment, needs to be improved, and the same recommendations apply here.

- **Findings**

As with the core assessment, the assessment notes that the set of legal and regulatory standards applicable to the sector is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures) and precedence is clearly established. It covers goods, works, and services, including consultancy services for all sectoral public contracts using public funds. It applies to all public bodies and sub-national governments and entities in the sector that use public funds. PPPs related to the sector, including concessions, are regulated by the General Law. Publicity and ease of public access to current laws, regulations, and policies, as in the baseline assessment, needs to be improved, and the same recommendations apply here.

There is no specialized legislation on public procurement applicable to entities operating in the health sector. Public procuring entities in the health sector are governed by general law.

- **Gaps**

### **Substantive Gaps**

**1(b) Rules on participation deriving from sustainability (social, economic, and environmental) goals.** Currently there is no policy nor strategy in place to implement SPP, no implementation plan or systems and tools in place to operationalise, facilitate and monitor the application of Sustainable public procurement (SPP).

**1 (b) (b) It ensures that there are no barriers to participation in the public procurement market.** When foreign companies are involved, the PPL includes provisions designed to (i) protect and benefit Angolan companies and goods produced in the Southern African region, COMESA and SADC (Article 53 of the PPL) and (ii) to condition and restrict foreign companies' access to the national public market (Article 54 of the PPL). There are therefore barriers to international public procurement - international trade - to the extent that the access of foreign suppliers to national public market opportunities may face a relative disadvantage compared to national suppliers and/or local products (domestic preference).

**1(b)(e) It establishes rules for the participation of state-owned enterprises that promote fair competition.** The lack of specific provisions regulating the terms and conditions for SOEs



to participate in the public procurement market as bidders is considered a substantive gap that needs to be addressed, especially due to the great influence they have in the wider public procurement market.

### Minor Gaps

**1(a)(e) Current laws, regulations and policies are not easily accessible** to the public.

- **Recommendations**

**To address Substantive Gaps**

**1(b)(a) A Sustainable public procurement (SPP) policy/strategy** and its operational plan must be drafted to address sustainability concerns.

**1(b)(b) Barriers to participation in public procurement** should be monitored, especially in terms of its economic impact, to eventually repeal or amend the legal provision in force.

**1(b)(e) Specific provisions need to be enacted to limit or establish the rules for the participation of SOEs**

**To address Minor Gaps**

**1(a)(e) Current laws, regulations and policies must be easily accessible** to the public and published on the Public Procurement Portal managed by the SNCP.

### Summary of substantive gaps and recommendations of Indicator 1

Substantive gap	Risk classification and red flags	Recommendations
1(a)(e)	Low-risk substantive gap	Current laws, regulations and policies must be easily accessible to the public and published on the Public Procurement Portal managed by the SNCP.
1(b)(a)	Substantive high-risk gap	The adoption and implementation of a National SPP strategy should be included as a Strategic Goal in the next multi-annual strategic plan for public procurement.





Substantive gap	Risk classification and red flags	Recommendations
		SNCP should draft a National SPP Strategy with a roadmap and action plan containing specific, measurable, achievable, relevant, and time-bound (SMART) goals.
1(b)(b)	Substantive-medium risk gap	A specific fact based study should be conducted by the Government to assess the economic impact of this barrier before a legislative measure is taken.
1(b)(e)	Substantive-low risk gap	Specific provisions need to be enacted to limit or establish the rules for the participation of SOEs.

**SLA Indicator 2. Implementing regulations and tools support the legal framework at the sector level**

The objective of this indicator is to assess consistency in the application of the rules governing public procurement in the sector across implementing agencies while highlighting differences in its application if the sector or parts of the sector are operating as an exception or exclusion under specialised legislation.

The indicator assesses, at the sector level, the existence, availability, and quality of implementing regulations, operational procedures, handbooks, model procurement documentation, and standard conditions of contract. Ideally, the higher-level legislation provides the framework of principles and policies that govern public procurement. Lower-level regulations and more detailed instruments supplement the law, make it operational, and indicate how to apply the law to specific circumstances.

The core MAPS indicator 2 has four sub-indicators (a-d). All four sub-indicators have been carried over and adapted to be assessed with respect to the specific sector. These are considered separately in the sections following hereon.

- **Synthesis of the indicator**

The assessment of Angola's procurement system, particularly in the health sector, revealed that there are currently no specific regulations or document templates designated for public procurement within the sector. However, this was not identified as a gap, as the generic templates provided by the National System for Public Contracting (SNCP) are deemed sufficient for the specialized needs of the health sector.



It was considered that the generic templates provided by the SNCP are sufficient for the specificities of the health sector. However, the format of legal text documents published is user friendly, e.g. to allow for editing and making citations. A recommendation for enhancement suggests that the Ministry of Health and the SNCP could consider developing sector-specific models for procurement. Such templates could focus on unique requirements, such as supplier qualification criteria, tender evaluation models, and specialized service levels, as well as mechanisms for monitoring compliance and penalties. This step, although not strictly necessary, could serve to further optimize and streamline procurement processes in the health sector. Furthermore, all the regulations shall be available in the Public Procurement Portal.

- **Findings**

There are no specific regulations for the sector in terms of public procurement, and there is no need for this. Similarly, there are no specific document models for the sector.

- **Gaps**

Although there are no specific document templates for the sector, it was considered that the generic templates provided by the SNCP are sufficient for the specificities of the health sector.

#### **Substantive Gaps**

**2(b)(b) At a minimum, there is a standard and mandatory set of clauses or templates, for the sector, that reflect the legal framework. These clauses can be used in documents prepared for competitive tendering/bidding.** The Public Procurement Law and Presidential Decree nr. 201/2016 are silent as to the mandatory nature of the model documents. A Red Flag is assigned because addressing this gap requires a legislative amendment.

#### **Minor Gaps**

**2(a)(b) The regulations are clear, comprehensive and consolidated as a set of regulations readily available in a single accessible place.** Presidential Decree nr. 202/2017, of 6 September, is available on the Ministry of Finance website but not in the Public Procurement Portal. Furthermore, the format of legal text documents published should be user-friendly, e.g., to allow for editing and making citations.

**2 (c)(b)The content of the standard contract conditions used in the sector is generally consistent with internationally accepted practice.** The model contracts are compliant with the Public Procurement Law. However, the existing models can be improved, especially concerning specialized and complex contracts specific to the health sector.

- **Recommendations**

#### **To address Substantive Gaps**

**2(b)(b) The use of Standard Documents should be clarified.** An explicit legal provision establishing the scope for customisation of model contracts allowed to procuring entities should be added to the PPL, following a specific study on the current use of existing models (rate of use, rate of incorporation of changes, most frequent changes, disputes related to



formal issues deriving from the model documents, etc.).The possibility of imposing an obligation to include explicit references to prohibited practices, and even the insertion of self-declarations of abstention from illegal behaviour on the part of competitors, should also be considered in this study (and could be implemented at both a legal and regulatory level).

**To address Minor Gaps**

**2(a)(b) To have a relevant set of regulations readily available in a single accessible place,** SNCP should publish in the PP Portal the Presidential Decree nr. 202/2017 and all public procurement related Court rulings (e.g. by the Administrative Chambers of the Provincial Court and the Supreme Court, the Court of Auditors, and the Constitutional Court).

**2(c)(b) There is need to develop or approve specific legislation.** The Ministry of Health and the SNCP should consider developing a set of specific models for the sector that take particular account of aspects such as supplier qualification criteria, tender evaluation models, service levels, standard specifications and mechanisms for monitoring compliance and penalties. This will facilitate standardization, operation and maintenance.

**Summary of substantive gaps and recommendations of Indicator 2**

Substantive gap	Risk classification and red flags	Recommendations
2(b)(b)		
The scope of contents to be covered by the Standard Documents and its mandatory use are not provided by the legal provisions in force.	Red Flag	An explicit legal provision establishing the scope for customisation of model contracts allowed to procuring entities should be added to the PPL.

**SLA Indicator 3 – The legal framework applicable to the sector reflects the country’s horizontal policy objectives and international, including regional and sub-regional obligations**

The objectives of this indicator are to assess the existence of clear and well-articulated sectorial development strategies and an in depth analysis as to whether (i) horizontal policy objectives, normally involving goals aimed at increased sustainability; support for certain groups of society; improving the lives and well-being of citizens through economic redistribution; and protection of the environment, are consistently and coherently reflected in the legal and regulatory framework applicable to the sector; and (ii) possible constraints, if any, in the policy space, such as the binding international/regional/sub-regional agreements which may limit the possibility of public procurement living up to its important strategic role and contributing to sustainability.



A country's horizontal policy objectives may include increased consideration of sustainable public procurement (SPP), which is covered in sub-indicator 3(a) of the core MAPS.

There are also international obligations such as those covered under sub-indicator 3(b) of the core MAPS, and those derived from regional and sub-regional economic institutional associations<sup>1</sup> such as agreements with economic groupings. The legal framework applicable to the sector should enable the Government to achieve its stated objectives and should reflect existing policy or be used as a proactive tool to influence change in line with the country's aspirations or higher policy objectives that the country pursues.

For the SLA, there are four sub-indicators: sub-indicator 3(a) which looks at the existence of clear and well-articulated sectorial policies; sub-indicator 3(b) on SPP that has been adapted from the core methodology to focus on the sector; sub-indicator 3(c) that allows an in-depth analysis of sector environmental, socio-economic development aspirations; and sub-indicator 3(d) which looks at obligations deriving from international, regional and sub-regional associations that are relevant to the sector.

- **Synthesis of the indicator**

While the country has a detailed strategic framework for public health, there are challenges in translating this into multi-annual procurement plans. This is mainly attributed to the General State Budget's short-term orientation, which obstructs a longer-term perspective on financial resources. Additionally, there is a significant technical skills deficit contributing to the planning disconnect. Although the national strategy outlines the pathway for health programs, there are insufficiencies in the actual implementation plans, particularly concerning budgeting and financial enactment.

There are salient gaps in the system. The sector strategy does not provide specific input and guidance regarding the contract specifications; instead, these are predominantly steered by concrete tender specifications or terms of reference in use or used in similar procurements in the past. Furthermore, the monitoring scheme is inadequate. There's a marked concern about the quality of statistical data, which is presently not in line with modern-day requirements. This data inadequacy hampers effective monitoring.

Recommendations to rectify these gaps include adopting a multi-annual budget policy and practice, bolstered by strengthening technical proficiency of PFM and Procurement officers / practitioners, to ensure alignment between strategic and operational elements. Moreover, there is an urgent need to setup and disseminate the use of modern and efficient monitoring tools, particularly for overseeing the financial activities undertaken in connection with procurement.

- **Findings**

Angola has a comprehensive National Development Plan that informs the Health Development Plan and various public health programmes. However, there is a challenge in translating such strategic frameworks into multi-annual procurement plans due to the General State Budget's short-term focus, preventing a long-term vision for financial



resources. Additionally, there's a noticeable deficit in technical expertise required to bridge this planning gap. While the country's development strategy shapes the direction for health programs, the implementation plans are deficient, lacking essential tools for their operationalization, especially in terms of budgeting and financial execution.

- **Gaps**

**Substantive Gaps**

**3(a)(a) A multi-annual vision of the budget is not available;** the absence of a multi-annual vision of the budget does not allow for mid to long term operational plans.

**3(a)(b) Technical requirements are not identified in the sector strategy:** The concrete actual tender specifications or terms of reference, rather than the sectorial strategy, dictate the technical requirements and characteristics of the contracts to be awarded.

**3(b)(a) The country has a policy/strategy in place to implement SPP in support of broader national policy.** There is no policy /strategy in place to implement SPP.

**Minor Gaps**

**3(c)(b) Monitoring tools are not in place:** There's also a significant concern regarding the quality of statistical data, as identified in the core assessment. Current information quality doesn't meet contemporary demands, limiting the ability to monitor and track its application effectively.

- **Recommendations**

**To address Substantive Gaps**

**3(a)(a and )(a)(b) A multi-annual budget perspective should be adopted:** Angola is advised to adopt a multi-annual perspective for its budget, complemented by enhancing technical capacity to maximize the advantages of such a vision. This would also facilitate better alignment between strategic and operational facets.

**3(b)(a) The adoption and implementation of a National SPP strategy** should be included as a Strategic Goal in the next multi-annual strategic plan for public procurement.

**To address Minor Gaps**

**3(c)(b) Monitoring tools to be developed and implemented:** Furthermore, introducing tools to oversee financial execution is essential to gauge the effectiveness of socio-economic initiatives in practice.

**Summary of substantive gaps and recommendations of Indicator 3**

Substantive gap	Risk classification and red flags	Recommendations
3(a)(a)		
There is no multi-annual vision of the Budget, which makes it impossible to	High-risk substantive gap	Angola should consider implementing a multi-annual vision of the budget, as well as promoting technical capacity



prepare medium or long term operational plans.		building to exploit the benefits of this vision and promoting the articulation of the strategic and operational aspects.
3(a)(b)		
<b>Technical requirements are not identified in the sector strategy</b>	High-risk substantive gap	Same as 3(a)(a).
3(b)(a)		
There is no policy/strategy in place to implement SPP, no implementation plan or systems and tools to operationalize, facilitate and monitor the application of SPP	High-risk substantive gap	The adoption and implementation of a National SPP strategy should be included as a Strategic Goal in the next multi-annual strategic plan for public procurement. SNCP should draft a National SPP Strategy with a roadmap and action plan.

### 3.2. Pillar II - Institutional Framework and Management Capacity

Pillar II within the context of the Sector Level Assessment (SLA), examines the institutional framework and management capacity of the sector. It looks at how the procurement system as defined by the legal and regulatory framework is operating in practice through the institutions and management systems that are part of the overall public sector governance in the country.

The purpose of Pillar II is to evaluate how the key institutions are set up to discharge their obligations. It assesses whether: (i) the system is adequately linked with the country’s public finance management system; (ii) institutions in charge of necessary functions are in place and operating without gaps and overlaps; (iii) the system is adequately equipped to collect, manage, and evaluate the polices and operations; and (iv) the managerial and technical capacities are adequate to undertake efficient and transparent public procurement processes.

All the five Indicators 4 to 8 under Pillar II of the MAPS core methodology have been transposed in the SLA in various respects and the specifics are considered under each indicator in this section.

This Pillar, taking into consideration the results of Pillar 1, Indicator 3, assesses whether the institutional set up supports the sectorial development objectives in line with the horizontal development objectives.

**SLA-Indicator 4. The public procurement system is mainstreamed and well-integrated with the public financial management system at the sector level**

The purpose of this indicator is to focus on the degree of integration of the procurement system within the public financial management system for the sector.



The two sub-indicators 4(a) and 4(b) under the MAPS core tool have been adapted to highlight the specific links relevant to the sector and they are assessed separately under the SLA, given the importance of the direct interaction between procurement and financial management, from budget preparation to planning treasury operations for payments as mentioned above.

- **Synthesis of the indicator**

The assessment concerning Indicator 4 reveals findings consistent with the core evaluation. A significant point of emphasis remains on the continued arrears, a challenge persistently affecting the sector. This lapse in sticking to payment deadlines was notably underscored by economic operators during a consultation workshop arranged for sectoral evaluation.

There exists a significant gap, with repeated violations pertaining to agreed payment timelines. The established payment terms are recurrently ignored, leading to the accumulation of outstanding dues.

To overcome these shortcomings, it is vital to establish and execute mechanisms designed to prevent such arrear build-ups in the future.

- **Findings**

The conclusions reached for Indicator 4 do not differ in essence from those of the core assessment, with only one note regarding the arrears that continue to haunt the sector. The failure to honor payment deadlines was also highlighted by the economic operators who took part in the consultation workshop organized as part of the sector assessment.

- **Gaps**

#### **Substantive Gaps**

**4 (a)(a) Annual or multi-annual procurement plans are prepared, to facilitate the budget planning and formulation process and to contribute to multi-year planning.** Based on the sample cases, a significant number of cases was not preceded by a procurement plan nor market research.

**4(b)(b) Payment terms are not followed.** There is repeated non-compliance with the agreed payment deadlines.

#### **Minor Gaps**

**4 (a)(c) A feedback mechanism reporting on budget execution is in place, in particular regarding the completion of major contracts.** There are integration gaps between the e-GP and IFMIS that should be addressed.

- **Recommendations**

#### **To address Substantive Gaps**

**4(a)(a) Ensure publication of procurement plans.** SNCP to ensure the enforcement of publication of procurement plans through the e-procurement system and the public procurement portal. Also considered critical the inclusion of provisions on the preparation and/or updating of the Annual Procurement Planning for each project in the Schedule for the



Preparation and Approval of the Annual Programming of the Public Investment Programme (Article 23 of the Presidential Decree nr. 31/2010, of 13 of April).

**4(b)(b) Arrears should be addressed** and mechanisms to avoid its accumulation should be implemented.

**To address Minor Gaps**

**4 (a)(c) A feedback mechanism reporting on budget execution is in place, in particular regarding the completion of major contracts.** There are integration gaps between the e-GP and IFMIS that should be addressed.

**Summary of substantive gaps and recommendations of Indicator 4**

Substantive gap	Risk classification and red flags	Recommendations
4(a)(a)		
Annual or multi-annual procurement plans are prepared, to facilitate the budget planning and formulation process and to contribute to multi-year planning. Based on the sample cases, a significative number of cases was not preceded by a procurement plan nor a market research.	Substantive medium-risk gap	SNCP to ensure the enforcement of publication of procurement plans through the e-procurement system and the public procurement portal. Also considered critical the inclusion of provisions on the preparation and/or updating of the Annual Procurement Planning for each project in the Schedule for the Preparation and Approval of the Annual Programming of the Public Investment Programme (Article 23 of the Presidential Decree nr. 31/2010, of 13 of April)
4(b)(b)		
<b>Payment terms are not followed.</b>	Low-risk substantive gap	All the sector's arrears must be identified, and the agreed payment plan must be complied with.

**SLA-Indicator 5. The sector has an institution in charge of technical normative functions**

This assessment covers the development function and or validation of technical standards applicable to the sector. The purpose of this indicator is the assessment of the existence, independence, and effectiveness of the normative functions, in the sector, which may be entrusted to different procuring entities, and the degree of coordination between these





responsible organizations. As a general consideration, the normative functions in the sector, should be clearly assigned without gaps and overlaps.

Of the four sub-indicators 5(a)- 5(d) under the MAPS core methodology, 5(a) has been adapted for the sector in the SLA, while sub-indicators 5(b-d) have been eliminated as they are no longer pertinent.

- **Synthesis of the indicator**

The Regulatory Agency for Medicines and Health Technologies (ARMED) is recognized as an autonomous public institution, established by Presidential Decree 136/21. Its function covers the regulation, guidance, licensing, supervision, and inspection of activities related to medicines for human use and health technologies, thus guaranteeing their quality, efficacy, and safety. Despite the clear mission and technical guidelines that ARMED issues, there is evident discomfort in that both government bodies and economic operators have identified cases of a lack of supervision. This inadequate supervision allows economic operators, lacking the necessary technical skills and authorizations, to take part in and sometimes win public tenders. The result is often their inability to fulfil contracts, leading to considerable delays and obstacles in the acquisition of vital medicines and equipment.

What has been described is a major gap in the system in that technical standards, although they exist, are not rigorously applied. The actual application of these technical standards is far from effective.

- **Findings**

The Regulatory Agency for Medicines and Health Technologies (ARMED) is an autonomous public entity, mandated by Presidential Decree 136/21, to regulate, guide, license, supervise, and control activities pertaining to medicines for human use and health technologies, ensuring their quality, efficacy, and safety. While ARMED is equipped with a clear mission and technical standards, concerns remain. Both authorities and economic operators have noted instances where oversight is lacking or weak. This lax supervision allows economic operators, lacking proper technical capacity and necessary authorizations, to participate and even succeed in public procurement processes. Consequently, they often fail to fulfill contracts, causing significant delays and challenges in procuring essential medicines and equipment.

- **Gaps**

**Substantive Gaps**

**5(a)(c) Technical norms are not enforced:** Enforcement of technical standards is not effective.

- **Recommendations**

**To address Substantive Gaps**

**5(a)(c) Effective mechanisms must be put in place to monitor the application of technical standards** to avoid constraints in public procurement procedures.

**Summary of substantive gaps and recommendations of Indicator 5**



Substantive gap	Risk classification and red flags	Recommendations
5(a)(c)		
<b>Technical norms are not enforced</b>	High-risk substantive gap	Effective mechanisms must be put in place to monitor the application of technical standards to strengthen value for money in public procurement procedures.

**SLA-Indicator 6. Procuring entities in the sector and their mandates are clearly defined**

The purpose of this indicator is to ensure that implementation is carried out effectively.

This indicator assesses for the sector: (i) whether the legal and regulatory framework clearly defines the institutions that have procurement responsibilities and authorities; (ii) whether there are provisions for delegating authorities to procurement staff and other government officials to exercise responsibilities in the procurement process; and (iii) whether a centralised procuring entity exists.

The two sub-indicators under the MAPS core indicator 6 (6(a) and 6(b)) to be assessed in the SLA have been adapted to be sector specific.

- **Synthesis of the indicator**

The Ministry of Health has setup a dedicated Public Procurement Unit designed to execute public procurement procedures. Furthermore, the CECOMA, the Centre for Purchasing and Supply of Medicines and Medical Supplies established in 2014, achieved the status of a Budgetary Unit in July 2022, thereby augmenting the tally of Budgetary Units in the health sector to 28. The functionalities of both the Public Procurement Unit and CECOMA are streamlined through efficient structuring, adequate staffing, and equipping. Centralized contracting, albeit having its own set of challenges, is currently active. CECOMA has been created by Presidential Decree 269/14. The evolution of CECOMA into a Budgetary Unit happened only in the end of 2022 and strengthens its fiscal autonomy, which is essential executing its mandate as a central tender board. Both CECOMA and MINSA's General Secretariat have created their respective Public Procurement Units, ratified by Presidential Decree 88/16, which are staffed by skilled personnel in the area of health sector procurement.

However, gaps do persist. The most concerning the lack of use of framework agreements.

The clear recommendation is to rapidly promote the use of frameworks agreements and start benefiting from the central purchasing in terms of economy and efficiency while putting a special emphasis on the need to develop a proper category-based management.

- **Findings**

The Ministry of Health houses a designated Public Procurement Unit capable of conducting public procurement procedures. Additionally, CECOMA, Angola's Procurement Centre for



Medicines and Medical Supplies, established in 2014, became a Budgetary Unit in July 2022, joining 27 other Budgetary Units within the health sector. Both the Public Procurement Unit and CECOMA are adequately structured, staffed, and equipped to perform their roles. Centralized contracting, though with its constraints, is already in practice. CECOMA's operating guidelines are outlined in the Presidential Decree 269/14, and its recent conversion into a Budgetary Unit ensures the financial independence needed for its tasks. As for autonomy and authority, the findings align with the core assessment. Both CECOMA and the General Secretariat of MINSA have established Public Procurement Units as per Presidential Decree 88/16, staffed by trained professionals.

- **Gaps**

**Substantive Gaps**

**6 (a) (d) Delegation of authority does not adequately reflect the risk** related to the value of the contract to be formed. A Red Flag is assigned because addressing this gap requires a legislative amendment.

**Minor Gaps**

**6(b)(a) The adoption of special procurement instruments**, such as framework agreements, is incipient.

- **Recommendations**

**To address Substantive Gaps**

**6(a)(d) Consider revising the competence thresholds** according to the estimated value of the contract in order to increase the autonomy, as well as the responsibility, of the lower levels of competence. This is usually done through the Budget Execution Law.

**To address Minor Gaps**

**6(b)(a) Special procurement instruments, such as framework agreements, should be adopted** to reap the benefits of creating a centralised procurement function. To this end, a Category Management approach should be considered.



## Summary of substantive gaps and recommendations of Indicator 6

Substantive gap	Risk classification and red flags	Recommendations
6(a)(d)		
Delegation of authority does not adequately reflect the risk related to the value of the contract to be formed.	<b>Red Flag</b>	Consider revising the competence thresholds according to the estimated value of the contract in order to increase the autonomy, as well as the responsibility, of the lower levels of competence. This is usually done through the Budget Execution Law.

### SLA-Indicator 7. Procurement is embedded in an effective information system for the sector

The objective of this indicator is to assess the actual use of e-procurement systems, namely the extent to which the sector has systems to publish procurement information, to efficiently support the different stages of the public procurement process through application of digital technologies, and to manage data that allows for analysis of trends and performance of the entire public procurement system.

Even though such a system may be embedded at the country level, there may be weaknesses at the specific sector level that would affect sector market performance. This SLA indicator captures the availability, accessibility, integration, and reliability of public procurement information systems in the sector. It also examines the extent to which the system works in practice by determining the share of public procurement information published and by measuring the uptake of e-Procurement and the availability of statistical information in the sector. The system can be a stand-alone one for the sector or be part of the national procurement information system.

All three sub-indicators 7(a)-7(c) of the MAPS core methodology have been adapted to be assessed with respect to the sector.

- **Synthesis of the indicator**



Key findings indicate significant gaps in transparency and digitization. Of the 29 Budgetary Units, only one has its 2023 Annual Procurement Plan publicly displayed, and there are no records for health sector contracts. Data is not published in open or machine-readable formats, complicating the analysis. Although MINSA has historically led the adoption of electronic public procurement in the country, the uptake is minimal, and there is a general lack of capability among sector staff to leverage the e-procurement system effectively. Nonetheless, e-procurement has shown promise, attracting more participation compared to traditional paper-based methods.

The primary gaps include the lack of data in open and machine-readable formats, especially in the health sector, and the limited use of e-procurement systems, affecting market competitiveness. Minor gaps relate to the absence of an expansion plan for making e-procurement compulsory and insufficient staff capacity for managing digital tools in procurement.

To address these gaps, the following recommendations are made: 1) Improving transparency by adopting open data standards; 2) Full adoption of e-procurement to enhance market participation; 3) Drafting an expansion plan for mandatory e-procurement use; and 4) Implementing a capacity-building program for sector staff to increase the utilization of digital procurement tools.

- **Findings**

Of the 29 Budgetary Units, only one has its 2023 Annual Procurement Plan displayed on the Public Procurement Portal, and there are no contract records from the Health Budget Units on the same portal. Additionally, no online portal offers data that would aid in computing relevant indicators, and information isn't published in open data formats. While MINSA spearheaded electronic public procurement in Angola, its adoption over traditional paper-based methods remains minimal.

By the data collection deadline, 15 electronic bids had been processed totaling 45.6 million Kwanza; however, the total number of processed procedures remains unknown due to data gaps. Even though MINSA was pivotal in the e-procurement pilot, there's a discernible lack of capability to use the e-GP system independently. The electronic system has witnessed increased participation, with electronic bids receiving an average of 12 proposals, in contrast to the less than 3 proposals for paper-based methods. While e-procurement is slowly being adopted, its use can be further expanded, and currently, no plan exists to phase out paper-based procurement.

- **Gaps**

### **Substantive Gaps**

**7(a)(a) Public procurement information is not easily accessible and is not published under an open data standard.** The Introduction of e-procurement has had a positive impact, but its coverage is still very limited.



This gap is assigned a Red Flag because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**7(a)(b) Available information does not cover the entire public expenditure addressed through public contracts/public procurement.**

This gap is assigned a Red Flag because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**7(a)(c) Available information does not cover the entire procurement expenditure and does not provide access to contract award and implementation data.**

This is assigned a Red Flag because the lack of information on opportunities can significantly limit competition. On the other hand, the lack of reliable statistics and information on awards and addenda prevents stakeholders from monitoring results. The absence of information on appeals prevents continuous improvement of the system. The lack of a single source for accessing rules and regulations makes the system more confusing or less clear. Taken together, these gaps prevent public procurement from achieving its objectives.

**7(a)(d) and 7(a)(e) Available information does not cover the entire procurement expenditure and does not provide access to contract award and implementation data.** These gaps are assigned Red Flags because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**7(a)(f) Information is not published in an open and machine-readable format,** the health sector also lacks publications in an open and structured format, making it very time and resource consuming, i.e., almost impossible, to analyse the information.

**7(b)(d) and 7(b)(e) Although available, the use of e-Procurement is minimal,** with significant impact in the competitiveness of the market.

**7(c)(a) Data collection is mainly a manual process** that, even with supporting provisions in PPL and other decrees/regulations, is not effective. This gap is assigned a Red Flag because the absence of a reliable system for collecting data is a factor that hinders the necessary monitoring of procurement, making it impossible to implement fact-based reforms.

**7(c)(b) While the e-Procurement system offers limited analytic capabilities, it does not cover the entire cycle, being limited to the pre-award and award phase.** The post-award phase is still missing.

**7(c)(c) The reliability of the information is not verified by audits.** Please refer to 7 (c) (a). Audits were not performed.

**7(c)(d) Analysis of information is not routinely carried out.** SNCP regularly issues a semi-annual statistical bulletin (BECPA), an annual report (RACPA) and a monthly statistical bulletin. However, as stated above, the level of accuracy of the provided statistics is very limited and does not cover the entire government procurement related expenditure.



Regarding the procurements done through the e-Procurement systems, despite the availability of the data, a very limited note is included in the above-mentioned reports i.e., nr. of tenders conducted through the system. The level of accuracy of the provided statistics is very limited and does not cover the entire government procurement expenditure.

### Minor Gaps

**7(b)(a) The use of e-procurement is residual** and there is no expansion plan to make the use of this system compulsory or to massify it.

**7(b)(b) and 7(b)(c) Sector staff lacks capacity** to foster the use of e-Procurement.

- **Recommendations**

#### To address Substantive Gaps

**7(a)(a), 7(a)(b), 7(a)(c), 7(a)(d), 7(a)(e), 7(c)(a), 7(c)(b), 7(c)(c) and 7(c)(d) To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended.** The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.

**7(a)(f) Improve on transparency is recommended,** as well as the adoption of open data standards.

**7(b)(d) and 7(b)(e) The full adoption of e-Procurement is recommended** to increase market participation.

#### To address Minor Gaps

**7(b)(a) An expansion/dissemination plan for e-procurement should be drawn up** to exploit its full potential.

**7(b)(b) and 7(b)(c) A capacity building programme must be designed and implemented** to increase the usage of digital tools that support procurement.

### Summary of substantive gaps and recommendations of Indicator 7

Substantive gap	Risk classification and red flags	Recommendations
7(a)(a)		
<b>Public procurement information is not easily accessible and is not published under an open data standard</b>	<b>Red flag</b>	To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended. The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.
7(a)(b)		



<p><b>Available information does not cover the entire public expenditure addressed through public contracts/public procurement</b></p>	<p style="text-align: center;"><b>Red flag</b></p>	<p>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended. The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.</p>
<p><b>7(a)(c), 7(a)(d) and 7(a)(e)</b></p>		
<p><b>Available information does not cover the entire procurement expenditure and does not provide access to contract award and implementation data</b></p>	<p style="text-align: center;"><b>Red flag</b></p>	<p>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended. The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.</p>
<p><b>7(a)(f)</b></p>		
<p><b>Information is not published in an open and machine-readable format</b></p>	<p style="text-align: center;">Low-risk substantive gap</p>	<p>The use of open and machine-readable formats, as the Open Contracting Data Standard, is recommended.</p>
<p><b>7(b)(d) and 7(b)(e)</b></p>		
<p><b>The lack of widespread adoption of electronic procurement substantially reduces the competitiveness of procedures.</b></p>	<p style="text-align: center;">Medium-risk substantive gap</p>	<p>Disseminate the use of e-Procurement as a mean to increase market competition.</p>
<p><b>7(c)(a)</b></p>		
<p><b>Data collection is mainly a manual process</b></p>	<p style="text-align: center;"><b>Red flag</b></p>	<p><b>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended.</b> The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make</p>





		data available and easily accessible for all stakeholders.
<b>7(c)(b)</b>		
While the e-Procurement system offers limited analytic capabilities, it does not cover the entire cycle, being limited to the pre-award and award phase.	High-risk substantive gap	<b>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended.</b> The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.
<b>7(c)(c)</b>		
The reliability of the information is not verified by audits	Red flag	<b>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended.</b> The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.
<b>7(c)(d)</b>		
Analysis of information is not routinely carried out.	High-risk substantive gap	<b>To realise the full benefits of e-GP, the enhancement of the existing e-procurement system is highly recommended.</b> The use of Open Contracting Data Standard (OCDS) is also to be considered in order to make data available and easily accessible for all stakeholders.



## **SLA-Indicator 8. The sector public procurement system has a strong capacity to develop and improve**

This indicator focuses on the strategies and ability of the public procurement system that is applicable to the sector, to develop and improve. In addition to four sub-indicators assessed in the MAPS core methodology 8(a)-8(d), this SLA indicator further determines whether:

- strategies and programs are in place in the sector, to develop the capacities of procurement staff and other key actors involved in public procurement;
- systems have been established and are used to evaluate the outcomes of procurement operations and develop strategic plans to continuously improve the public procurement system, in the sector; and
- sectorial policies and strategies are clear and well-articulated to facilitate the determination of procurement needs in the sector.

Thus, two MAPS core sub-indicators have been adapted, as shown below, focusing on the sector.

- **Synthesis of the indicator**

Knowledge dissemination concerning best practices is primarily focused on public procurement units, leaving the private sector out of these critical conversations. Although sector strategic plans exist, guided by the Ministry of Health's Studies, Planning, and Statistics Office under Presidential Decree no. 277/20, there is a lack of accompanying operational plans and monitoring mechanisms for outcomes.

Identified gaps include the limited scope of knowledge-sharing sessions, which currently target only public procurement units, thereby missing the opportunity to engage the private sector. Additionally, the absence of operational plans and performance metrics for existing strategic plans results in ineffective implementation and a lack of accountability.

To address these gaps, it is recommended that knowledge-sharing sessions be extended to include the private sector, fostering a more holistic approach to best practices in procurement. Furthermore, it is crucial that strategic plans are supplemented by detailed operational plans, along with a framework for ongoing monitoring and evaluation, to ensure effective implementation and measurable outcomes.

- **Findings**

Knowledge dissemination, especially regarding best practices, is primarily confined to knowledge-sharing sessions mainly targeting public procurement units. Sector strategic plans have been established. As per Presidential Decree no. 277/20 from 26 October, the Ministry of Health's statute outlines the responsibilities of the Research, Planning, and Statistics Office. This office is tasked with coordinating the formulation of annual and multi-annual plans and corresponding budgets in collaboration with other ministry divisions. Additionally, it oversees the execution of the ministry's activity plan, projects, and programs, and is in charge of creating activity, monitoring, and evaluation reports for the sector.

- **Gaps**

### **Substantive Gaps**



**8(b)(a) At a sector level, there is no performance measurement system** focused on quantitative and qualitative aspects. A red flag is assigned to this gap as this factor hinders the necessary monitoring of procurement, making it impossible to implement fact-based reforms.

**8(b)(c) Implementation of Sector Strategic Plans is not accompanied by operational plans** and the results/outcomes are not monitored.

**Minor Gaps**

**8(a)(c) Capacity building strategy for key-players and Helpdesk.** In the private sector survey, when asked if the Government provides the necessary resources, namely training courses, technical guidelines, helpdesk, and support programmes for companies, especially MSMEs, to keep up with the reforms around public procurement, 73% of respondents answered “No”.

**8(a)(d) Strategy for developing the capacity of key actors.** Staff is regularly evaluated under different frameworks.

**8(a)(e) The habit of exchanging best practices is limited** to knowledge dissemination sessions specifically targeting public procurement units.

- **Recommendations**

**To address Substantive Gaps**

**8(b)(a) A sector performance monitoring system should be developed to feed into the general one.**

**8(b)(c) Implementation of Sector Strategic Plans. Strategic plans must be accompanied by operational plans and measures to monitor results**

**To address Minor Gaps**

**8(a)(c) and 8(a)(d) to ensure advisory service for the private sector,** the government should implement a private sector-oriented capacity building programme.

**8(a)(e) The knowledge sharing sessions should be extended** to the private sector.

**8(b)(c) Strategic plans must be accompanied by operational plans** and measures to monitor results.

**Summary of substantive gaps and recommendations of Indicator 8**

Substantive gap	Risk classification and red flags	Recommendations
8(b)(a)		
At a sector level, there is no performance measurement system focused on quantitative and qualitative aspects	Red flag	A sector performance monitoring system should be developed to feed into the general one.



### 3.3. Pillar III - Public Procurement Operations and Market Practices

The objective of this Pillar is to examine the functioning and performance of the public procurement system in the sector as it relates to the way procuring entities in the sector plan, award and execute contracts.

A vibrant business environment fosters competition among providers to guarantee the lowest costs and best quality of goods and services. Therefore, this Pillar is designed to assess whether the basic business environment and market conditions in the sector are conducive to businesses.

A preliminary assessment of the business environment, market conditions and specific characteristics of a procurement system may help reveal the status of competition and private sector supply in procurement markets. The elements may include competition policy, business taxation, business regulation, trade logistics, alternative dispute resolution, and investment policy and promotion.

Even though the SLA will not be assessing the above-mentioned elements of the business environment, it is critical that existing business environment assessment reports be consulted, if they exist, to complement and facilitate a comprehensive analysis of the quantitative findings in procurement operations and market practices to identify and address structural factors that may inhibit competition and impact public procurement systems.

This Pillar looks at the operational efficiency, transparency, and effectiveness of the procurement system at the level of the implementing agency in the sector, responsible for managing individual procurements (procuring entity). In addition, it looks at the market as one means of judging the quality and effectiveness of the system in putting procurement procedures into practice.

Within the framework of the Sector Level Assessment (SLA), Pillar III examines the public procurement operations and market practices in the sector. The two Indicators 9 and 10, under Pillar III of the MAPS core methodology apply to the SLA and are assessed in the manner specifically outlined in this section.

#### **SLA-Indicator 9 Public procurement practices achieve stated objectives in the sector**

The objective of this indicator is to collect empirical evidence on how procurement principles, rules, and procedures formulated in the legal and policy framework are being implemented in practice, in the sector. The indicator focuses on procurement-related results that in turn influence development outcomes, such as value for money, improved service delivery, trust in government and achievement of horizontal policy objectives.

The assessment of this indicator requires the selection and review of a sample of actual procurement transactions (files). The sampling methods and size should be carefully selected to ensure the representativeness of the assessment results.

All three sub-indicators 9(a)-9(c) in the MAPS core methodology have been adapted with respect to the sector to be assessed under this indicator. In addition, two new sub-indicators 9(d), 9(e) targeting execution of horizontal policies have been added as well.



- **Synthesis of the indicator**

Findings revealed that the time required for the procurement of goods and services fluctuates based on the adopted procurement methods. E-procurement seems to be more competitive, attracting a higher bid count compared to the traditional paper-based method. Delays in contract execution within the health sector were a consistent concern. Though there are established quality control measures for health-related purchases, the system lacks specific preference margins and a unified public procurement database. This is coupled with a general absence of transparency and competition. Contract amendments are infrequent, and justifications for certain decisions, such as the selection of the procurement method, are often unclear and lack explicit reasoning. Contracts don't encompass environmental related award or qualification n criteria.

Gaps identified include frequent delays in the health sector's contract execution, lack of utilization of socio-economic development tools, and an overarching need for greater competition and transparency.

Addressing these gaps necessitates several measures: pre-contractual procedures should be refined to reflect more realistic timeframes, with stringent monitoring and penalties for non-adherence. Socio-economic development objectives need integration into procurement procedures to drive more comprehensive outcomes. The generalization of e-procurement could enhance transparency and competition. Finally, as part of a holistic sustainable public procurement strategy, guidelines should be issued to embed environmental related clauses in contracts.

- **Findings**

The analyzed sample revealed that the average time to purchase goods is under 30 days, largely influenced by the prevalent use of direct awarding. For works contracts, the average time span extends to over 180 days with competitive procedures but shrinks to less than 25 days with restricted procedures. E-procurement tends to attract a higher bid count, averaging 15 bids, compared to paper-based procurement, which averages at 3 bids. Most tenders were awarded successfully, with a single tender cancellation observed in the sample. Notably, both economic operators and public procuring entities acknowledged recurring delays in contract execution within the health sector, deeming it a significant drawback.

In-depth assessment indicates a set of inspection and quality control measures tailored for the health sector's purchases. Emphasis is placed on maintaining quality standards for medicines and equipment throughout their logistics lifecycle. However, the study found no use of preference margins and no unified database for public procurement in Angola. This is further exacerbated by limited transparency throughout the procurement process. The absence of published opportunities and awards is accentuated by the rarity of contract amendments, even when there's evidence of contract execution deviations. Decisions often lack clear justifications, especially concerning procedure choice or qualification criteria. Notably, environmental protection criteria are absent in contracts.



- Gaps

### Substantive Gaps

**9(a)(a) Needs analysis and market research guide a proactive identification of optimal procurement strategies** - Needs analysis and market research are not conducted or properly recorded. A Red Flag is assigned to this gap because it is considered that the absence of mechanisms for defining procurement strategies hinders the achievement of public procurement objectives.

**9(a)(c) Sustainability criteria are not used.**

**9 (b)(a) Multi-stage procedures are used in complex procurements to ensure that only qualified and eligible participants are included in the competitive process** - The use of multi-stage procedures is very limited.

**9 (b)(b) Clear and integrated procurement documents, standardised where possible and proportionate to the need, are used to encourage broad participation from potential competitors** – SBDs are misused as, in many cases, the evaluation criteria are not clearly defined.

**9 (b)(c) Procurement methods are chosen, documented, and justified in accordance with the purpose and in compliance with the legal framework** – The files of the procurement processes are not organized and often presented incomplete.

**9 (b)(f) Appropriate techniques are applied, to determine best value for money based on the criteria stated in the procurement documents and to award the contract – Techniques to determine best value for money are not applied consistently.** A Red Flag is assigned to this gap because the failure to define appropriate award criteria prevents value for money from being obtained.

**9(b)(g) Contract awards are announced as prescribed** - Procuring entities do not comply with the provisions regarding publishing of contract notices. A Red Flag is assigned because the non-publication of contract awards and the absence of mechanisms to do so in e-GP prevent proper monitoring of public procurement, which is essential for its improvement.

**9(b)(h) Contract clauses include sustainability considerations, where appropriate** - Sustainability criteria could not be detected in practice.

**9 (b)(i) Contract clauses provide incentives for exceeding defined performance levels and disincentives for poor performance** - There are no clauses to incentive for exceeding defined performance.

**9 (b)(j) The selection and award process is carried out effectively, efficiently and in a transparent way** – The award of public contracts is not transparent in the sense that the information is not published, nor widely accessible. The lack of transparency justifies the assignment of the Red Flag.

**9(c)(a) Delays in contract execution within the sector** are frequent.

**9 (c) (c) payments comply with good international practices, and payments are processed as stipulated in the contract** – Information recorded in the IFMIS system regarding the date of each step suggests that it may not be accurate. Cases were presented to the assessment team showing that there are delayed payments. The inconsistency of the information in



IFMIS with that communicated by the SNCP and the perception conveyed by economic operators in the survey justify the assignment of the Red Flag.

**9 (c)(d) Contract amendments are reviewed, issued, and published in a timely manner –** According to SNCP contract amendments are not usually published.

**9 (c)(e) Procurement statistics are available, and a system is in place to measure and improve procurement practices –** Available procurement statistics lack accuracy and quality.

A Red Flag is assigned because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**9 (c)(f) Opportunities for direct involvement of relevant external stakeholders in public procurement are utilised –** Civil society is not traditionally involved in public procurement.

**9 (c)(g) The records are complete and accurate, and easily accessible in a single file -** Records are not complete and accessible. This gap is assigned a Red Flag because the absence of a single file of procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**9(d)(a) Existing tools for attaining socio-economic development objectives,** such and preference margins, are not being used.

**9(d)(b) Competition and transparency** are not prioritized.

This gap is assigned a Red Flag because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

**9(e)(a) and 9(e)(b) No environmental protection criteria** are used in contracts.

#### **Minor gaps**

**9(a)(b) Requirements and outcomes are not clearly defined.**

**9(b)(e) Commercial and Industrial secrecy is not protected.**

- **Recommendations**

#### **To address Substantive Gaps**

**9(a)(a) for proactive identification of optimal procurement strategies,** SNCP should develop guidelines on how to conduct market research and deploy the Procurement Planning module of the e-GP System to all procuring entities.

**9(b)(a) To enhance the use of multi-stage procedures,** SNCP should draft guidelines and provide training to PEs, as well as to disseminate the use of the e-GP system.

**9(b)(b) Standard Procurement documents should be enhanced.** SNCP should promote awareness-raising and capacity-building actions to ensure effective use of the standard documents while fully deploying the e-GP solution.

**9(b)(c) To improve governance of the procurement function, an effective operationalization of the Procuring Units within PEs should be promoted.**



**9(b)(f) appropriate technique to determine best value for money should be promoted by issuing guidelines on how to prepare and apply evaluation models.**

**9(b)(g) To promote transparency, contract award notices should be published in the e-GP system and in the PP Portal.**

**9(b)(h) sustainable considerations in contracts should be considered.**

**9(b)(i) to promote contract performance, standards documents and contracts can be reviewed to provide incentives for performance.**

**9(c)(j) to effectively, efficiently and in a transparent way conduct the selection and award process, Government should consider to fully deploy the e-GP solution.**

**9(c)(a) Pre-contractual procedures should be designed with more realistic deadlines in mind, as well as providing for measures to monitor and control deadlines and sanctions in the event of non-compliance.**

**9(c)(a), 9(c)(b), 9(c)(d), 9(c)(e) and 9(c)(g) monitoring contracts implementation is critical. To do so, the Government should fully deploy the e-GP solution, including its contract management module.**

**9(c)(c) to ensure payments are processed as stipulated in the contract, IFMIS should ensure control mechanisms.**

**9(c)(f) Civil Society engagement in the different stages of the procurement process should be promoted.**

**9(d)(a) The inclusion of socio-economic development objectives in procurement procedures should be promoted.**

**9(d)(b) Adoption of more transparent working methods and tools is recommended, which can be achieved by using e-Procurement.**

**9(e)(a) and 9(e)(b) As part of the developing sustainable public procurement strategy, practical implementation guides should be published to promote the use of environmental protection measures.**

#### **To address Minor Gaps**

**9(a)(b) Procuring entities to make sure the desired outcomes are properly described and that service levels are defined to achieve the procurement objectives.**

**9(b)(e) A provision mentioning the classification of documents and information of the proposals should be added.**





### Summary of substantive gaps and recommendations of Indicator 9

Substantive gap	Risk classification and red flags	Recommendations
9(a)(a)		
Needs analysis and market research are not conducted or properly recorded.	Red flag	SNCP should develop guidelines on how to conduct market research and deploy the Procurement Planning module of the e-GP System to all procuring entities.
9(a)(c)		
Sustainability criteria are not used	Red flag	Angola should consider implementing a multi-annual vision of the budget, as well as promoting technical capacity building to exploit the benefits of this vision and promoting the articulation of the strategic and operational aspects.
9(b)(a)		
The use of multi-stage procedures is very limited	High-risk substantive gap	<b>To enhance the use of multi-stage procedures,</b> SNCP should draft guidelines and provide training to PEs, as well as to disseminate the use of the e-GP system.
9(b)(b)		
SBDs are misused as, in many cases, the evaluation criteria are not clearly defined.	High-risk substantive gap	SNCP should promote awareness-raising and capacity-building actions to ensure effective use of the standard documents while fully deploying the e-GP solution.
9(b)(c)		
The files of the procurement processes are not organized and often presented incomplete.	High-risk substantive gap	<b>To improve governance of the procurement function,</b> an effective operationalization of the Procuring Units within PEs should be promoted.
9(b)(f)		



Substantive gap	Risk classification and red flags	Recommendations
Techniques to determine best value for money are not applied consistently	<b>Red flag</b>	<b>Appropriate technique to determine best value for money</b> should be promoted by issuing guidelines on how to prepare and apply evaluation models.
9(b)(g)		
Procuring entities to not comply with the provisions regarding publishing of contract notices.	<b>Red flag</b>	To promote transparency, contract award notices should be published in the e-GP system and in the PP Portal.
9(b)(h)		
Sustainability criteria could not be detected in practice.	Low-risk substantive gap	<b>Sustainable considerations in contracts should be considered.</b>
9(b)(i)		
There are no clauses to incentive for exceeding defined performance.	Low-risk substantive gap	<b>To promote contract performance, standards documents and contracts can be reviewed to provide incentives for performance.</b>
9(b)(j)		
The award of public contracts is not transparent in the sense that the information is not published, nor widely accessible	<b>Red flag</b>	<b>To effectively, efficiently and in a transparent way conduct the selection and award process,</b> Government should consider to fully deploy the e-GP solution
9(c)(a)		
<b>Delays in contract execution</b>	Medium-risk substantive gap	The root causes of these delays should be studied in further detail. Pre-contractual procedures should be designed with more realistic deadlines in mind, as well as providing for measures to monitor and control deadlines and sanctions in the event of non-compliance.
9(c)(c)		



Substantive gap	Risk classification and red flags	Recommendations
Information recorded in the IFMIS system regarding the date of each step suggests that it may not be accurate. Cases were presented to the assessment team showing that there are delayed payments.	<b>Red flag</b>	IFMIS should ensure control mechanisms to ensure that the time recording of financial movements is accurate.
9(c)(d)		
Contract amendments are not usually published	High-risk substantive gap	The GoA should make efforts to have a single source of information. The GoA should consider to fully deploy the e-GP solution.
9(c)(e)		
Available procurement statistics lack accuracy and quality.	<b>Red flag</b>	The GoA should make efforts to have a single source of information. The GoA should consider to fully deploy the e-GP solution.
9(c)(f)		
Civil society is not traditionally involved in public procurement	Low-risk substantive gap	Civil Society to be involved in the different stages of the procurement process by giving more publicity to the procurement procedures and placing invitations directed to CSOs (civil society organizations in key phases of the procedures.
9(c)(g)		
<b>Records are not complete and accessible</b>	<b>Red flag</b>	The GoA should make efforts to have a single source of information. The GoA should consider to fully deploy the e-GP solution.
9(d)(a)		
<b>Inefficient use of existing tools.</b>	Low-risk substantive gap	The inclusion of socio-economic development objectives in procurement procedures should be



Substantive gap	Risk classification and red flags	Recommendations
		promoted. The sustainable public procurement strategy under development should include this component.
<b>9(d)(b)</b>		
<b>The principle of transparency and competition is not prioritized.</b>	High-risk substantive gap	There is an urgent need to adopt more transparent working methods and tools. Electronic public procurement must be disseminated and made compulsory throughout the whole public administration. The solution currently in operation should be evaluated in terms of information security and should be used to boost transparency and improve the objectivity of evaluation criteria.
<b>9(e)(a) and 9(e)(b)</b>		
<b>Insufficient level of efforts in the sector for protection of the environment.</b>	High-risk substantive gap	As part of the developing sustainable public procurement strategy, practical implementation guides should be published to promote the use of environmental protection measures.

**SLA Indicator 10: The public procurement market is fully functional and competitive at the sector level**

This objective of this indicator is to assess the level of competition in the procurement of goods, works, and services including consulting services, in the sector.

The indicator assesses the sector market’s response to the sectorial procurement needs in the country. The market’s response is influenced by the general economic climate, policies to support the private sector, the business environment, financial institutions, the trust in the public procurement system, and the kind of goods and services being procured.



The indicator provides information on market concentration (depending on technical specifications, market size, rules and policies that can lead to perfect competition, monopolies or oligopolies), regularity and frequency of contracts that are important to identify if competitors are distributing the market among themselves, characteristics of the products/contracts, types of contracts awarded and the principal modes of procurement used, the price structure and capacity of suppliers, contractors and consulting firms.

The indicator also examines the impact of horizontal policies applicable to contracts in the sector, such as the use of preference margins and other such policies established to achieve the country's socio-economic aspirations at sector level.

The assessment is conducted following a two-pronged approach that comprises a combination of data collection involving desk review of information contained in existing databases, and from interviews and enquiries targeted at sector normative bodies and the procuring entities in the sector responsible for contract awards, service providers such as contractors, suppliers and consulting firms, as well as other stakeholders in the sector such as non-governmental organizations, universities and other academic institutions, and eventually at the development partners and financial institutions operating in the country with information relevant to the conditions in the sectorial market.

Of the three sub-indicators 10 (a) – 10(c) of the MAPS core methodology, two sub-indicators 10(a) and 10(b) have been adapted for the sector and sub-indicator 10 (c) has been deleted as it is no longer pertinent as a sub-indicator as sector and sector strategies are the primary focus of the SLA.

Three new sub-indicators 10 (c), 10 (d) and 10 (e) have been introduced focusing on the functionality and competition in works, goods and consulting services contracts in the sector. To understand the status of private sector participation in public procurement, SLA sub-indicators 10(c), 10(d) and 10(e) assess the market conditions for works, goods and consulting services separately. The assessment is based on data from surveys, existing e-procurement systems and sector databases, where available. The indicators are meant to assess the level of competition and characteristics of the works, goods and consulting services in the sector, and as such focus on the following issues:

- (i) whether the key sector markets are being provided by only one or few suppliers which could be the result of policies or rules that favour a few incumbents;
- (ii) whether new firms are attracted to the sector procurement which reduces the probability of collusion and increases competition;
- (iii) regularity and frequency of contracts to analyse whether competitors are distributing the market amongst themselves;
- (iv) development of unit prices and price trends to see how they compare to reference prices published nationally; internally and to neighbouring countries;
- (v) characteristic of the contracts and capacity of service providers to determine if there is sufficient capacity and possibly if definition of needs emanate from a transparent process so that



not only a few repeating suppliers are able to fulfil the contracts and see if value of money is achieved; and

(vi) the effects of horizontal policies that are applied to works, goods and consulting services contracts, such as the use of preferential policies to achieve the socio-economic aspirations defined in sectorial strategies or in public procurement legal frameworks.

- **Synthesis of the indicator**

An apparent gap exists between public administration and firms (national and international) active in the health sector. Although there have been attempts to raise awareness of and train private companies on public procurement, such programs are not covering the regional needs and have not been tailored to the health sector. Electronic methods of procurement seem to be very much welcomed by health sector suppliers, with a high rate of participation. However, while ARMED, responsible for granting the license to operate (activity permit) to a considerable number of companies, this is not informed to the electronic public procurement system (SNCPE), to incorporate them into the supplier database, which in practice leaves them outside the e-procurement ecosystem. This misalignment permits unlicensed suppliers to participate in procurement procedures, thereby augmenting the contractual risks and disrupting operations. Economic operators perceive certain barriers, such as fee-charging mechanisms, which hinder access to procurement opportunities. Moreover, there's a discernible shortage of consistent and reliable data.

Principal gaps include the insufficient collaboration with the private sector, existing barriers hindering private sector's participation in public procurement, an alarming deficiency in quality and quantity of statistical information, and an absent sustainable public procurement policy. Additionally, minor gaps include the lack of capacity-building initiatives tailored to target the private sector.

To rectify these substantive gaps, fostering a dialogue with the private sector can uplift procurement quality. Barriers that stifle participation from economic operators should be dismantled, fostering competition. For improved access and utilization of data, the scope and use of electronic public procurement should be broadened. Above all, it's imperative to draft and enforce a sustainable public procurement policy to meet developmental aspirations. Tackling the minor gaps necessitates the establishment of a comprehensive capacity-building initiative aimed at heightening private sector engagement.

- **Findings**

The findings reaffirm the core assessment's conclusions. During a workshop with economic operators in the health sector, it emerged that there's a lack of dialogue between the public administration and economic operators. While efforts have been made to train private companies on public procurement, these initiatives are geographically limited and there's a notable absence of recent sector-specific actions. The health sector suppliers exhibit a robust capacity to engage in the public procurement market, with electronic procedures seeing particularly high participation. ARMED has licensed a significant number of entities, including factories, importers, and distributors. Nevertheless, this information hasn't been integrated



into the electronic public procurement system (SNCPE), leading to the participation of unlicensed suppliers in procedures and disrupting procurement operations.

Further observations underscore economic operators' perception of substantial barriers to accessing certain opportunities. Recently, a mechanism was introduced charging national and foreign suppliers' fees to participate in electronic public procurement, with an additional charge for accessing procedural documents. Additionally, there's a concerning dearth of reliable statistical data. The available information doesn't enable precise identification of the primary contractors within the sector.

Lastly, Angola lacks a sustainable public procurement strategy. Despite the noted barriers, there's no evidence suggesting specific hindrances within the sector that would deter the international private sector from participating.

- **Gaps**

#### **Substantive Gaps**

**10(a)(a) Collaboration with the private sector is limited** or nonexistent.

**10(b)(b) Barriers to the private sector participation** in public procurement are in place.

**10(c)(a), 10(d)(a) and 10(e)(a) The low quantity and quality of statistical information** prevents a rigorous analysis of public procurement in the sector.

**10(c)(c), 10(d)(c) and 10 (e)(c) There is no sustainable public procurement policy**, making it difficult to achieve development objectives.

#### **Minor Gaps**

**10(a)(b) There have been no capacity-building programmes** for the private sector.

- **Recommendations**

#### **To address Substantive Gaps**

**10(a)(a) Dialogue with the private sector should be encouraged** as a way of improving the quality of the procurement outcomes.

**10(b)(b) Any kind of barriers to the participation of economic operators should be removed** to increase competition and participation.

**10(c)(a), 10(d)(a) and 10(e)(a) The dissemination and expansion of electronic public procurement should be promoted** for greater utilization and accessibility of data.

**10(c)(c), 10(d)(c) e 10(e)(c) A sustainable public Procurement policy should be drafted** and implemented to achieve development goals.

#### **To address Minor Gaps**

**10 (a)(b) A capacity-building programme for the sector's economic operators should be set up** with a view to increasing their participation.

### **Summary of substantive gaps and recommendations of Indicator 10**



Substantive gap	Risk classification and red flags	Recommendations
10(a)(a)		
<b>Cooperation with private sector is limited or inexistent.</b>	Low-risk substantive gap	Conditions should be created for dialogue with economic operators. The creation of Public Consultations prior to the launch of pre-contractual procedures should be encouraged, as a way of improving the quality of the information that will subsequently form part of the bidding documents.
10(b)(b)		
<b>Barriers to private sector participation and competition.</b>	High-risk substantive gap	Any potential barrier to the participation of economic operators should be removed to incentivise their participation. Especially in the health sector, which is so dependent on the external market, the recent introduction of a discriminatory tax should be corrected.
10(c)(a), 10(d)(a), 10(e)(a)		
<b>Lack of statistical data processing.</b>	Low-risk substantive gap	The dissemination and expansion of electronic public procurement should be promoted, with the use of the Open Contracting Data Standard (OCDS) for greater utilization and accessibility of data.
10(c)(c), 10(d)(c), 10(e)(c)		
<b>The low quantity and quality of statistical information.</b>	Low-risk substantive gap	The preparation of the sustainable public procurement strategy under development must be finalized.





## 4. Consolidated Recommendations

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The consolidated recommendations are presented at the end of each indicator and included in the executive summary as a summary by pillar.

The Health Sector assessment of Angola's procurement system highlights several key areas where improvements are needed to enhance the effectiveness, transparency, and integrity of the system. The recommendations outlined below provide a comprehensive approach to addressing the identified gaps and fostering positive change within the procurement framework.

### **Legal, Regulatory and Policy Framework**

In addressing substantive gaps, it is imperative that Angola ensures that current procurement laws, regulations, and policies are easily accessible to the public and are prominently published on the Public Procurement Portal managed by the SNCP. Furthermore, the adoption of a multi-annual budget policy and practice is advocated, enriched by the enhancement of public finance management specific technical capacities of public procurers. This dual approach will facilitate a more harmonized alignment between strategic and operational dimensions but also to prepare Angola to fully capitalize on the benefits of a multi-year vision.

For minor gaps, Angola is advised to create and implement monitoring tools. Such tools will be paramount in supervising financial executions, ensuring that socio-economic initiatives are not just theoretical but also effective in their practical applications.

### **Institutional Framework and Management Capacity**

Under substantive gaps, it's essential for Angola to address current arrears and implement mechanisms that preclude their future accumulation. Concurrently, the institution of robust mechanisms to monitor the application of technical standards will alleviate potential constraints in public procurement processes. Elevating transparency stands as another pivotal recommendation, alongside the complete adoption of open data standards and full implementation of e-Procurement to foster increased market participation.

For minor discrepancies, the country is guided towards embracing special procurement instruments, such as framework agreements. These instruments, especially when integrated with a Category Management approach, can optimize the benefits of centralized procurement. Additionally, Angola should strategize on an expansion plan for e-procurement and buttress this digital shift with a capacity-building program tailored for its users. Lastly, broadening knowledge-sharing sessions to include the private sector and ensuring strategic plans are coupled with operational blueprints will be instrumental in monitoring results and achieving targets.

### **Public Procurement Operations and Market Practices**

In terms of substantive gaps, Angola should pivot towards designing pre-contractual procedures that factor in realistic deadlines and provide monitoring and control mechanisms. A thrust towards inclusivity is also paramount, with socio-economic development objectives being woven into procurement procedures. The country is further advised to lean on e-Procurement to usher



in transparency and to disseminate practical guides under the sustainable public procurement strategy, championing environmental protection measures. Lastly, fostering dialogue with the private sector, removing barriers hindering economic operator participation, and advocating for an expansive approach to electronic public procurement will enrich data accessibility. The drafting and execution of a sustainable public procurement policy will be seminal in realizing developmental objectives.

For the minor gaps, Angola is encouraged to launch a capacity-building initiative targeting the economic operators in the sector. This program will be vital in enhancing their participation and uplifting the overall efficacy of the procurement system.



## 5. Strategic Planning

This report is the result of the exercise carried out in conjunction with the core assessment. Therefore, the actions envisaged here should be seen in conjunction with those that resulted from the core assessment.

Additionally, we recommend the Government of Angola to target the analyse the feasibility of implementing the following interventions.

Proposed action	Timeline	Responsible institutions
<b><i>Legislative, Regulatory, and Policy Framework</i></b>		
Enact sector-specific complementary legislation to the General Public Procurement Law	MT	SNCP/Ministry of Health Public Procurement Unit/CECOMA
<b><i>Institutional Framework and Management Capacity</i></b>		
Implement sector specific Standard bidding documents	MT	SNCP/Ministry of Health Public Procurement Unit/CECOMA
Advance on the use of the SNCPE (Angolan e-Procurement system) to enable more accountable and transparent sector-level procurement	ST	SNCP/Ministry of Health Public Procurement Unit/CECOMA
<b><i>Public Procurement Operations and Market Practices</i></b>		
Launch a capacity-building initiative targeting the suppliers in the health sector.	ST	SNCP/Ministry of Health Public Procurement Unit/CECOMA



## 6. Validation

Chapter 1 of the Main Report provides a chronology on all consultations and validation till November 10, 2022, when a second stakeholder validation workshop was organized. Before the stakeholder validation workshop, several consultations were held with SNCP and the Assessment Steering Committee, including in virtual mission meetings. In this mission and implementation -cum -validation mission, the Assessment Team presented the findings to key stakeholders and their feedback obtained and incorporated into the draft matrix and sent to SNCP/GoA in February 2023, followed by Draft Assessment Report including Executive Summary, Consolidated Recommendation and Action Plan on September 18, 2023. The validation workshop has broadly validated the assessment findings and recommended reform actions to address remaining challenges for the improvement of the quality and performance of the country's public procurement system. The revised report has also benefited from feedback and guidance from an African Development Bank internal quality assurance review. All the details on consultations are covered in Annex in Volume III of the Assessment Report. The following table provides the summary:

#	Description	Planned/Actual date
1	Semi Virtual Implementation-cum-validation Mission	27 July – 1 August 2022
2	Implementation-cum-Validation Mission (in person)	7 – 11 November 2022
3	Stakeholder Validation Workshop (in person)	9 November 2022
4	Draft Assessment Matrix (Volume II), in Portuguese sent to African Development Bank for first review	20 September 2022
5	Draft Assessment Matrix (Volume II), in Portuguese sent to SNCP and African Development Bank for second review	20 February 2023
6	SLA Mission to study the health sector	22 – 26 May 2023
7	Comments on the Matrix (in Portuguese) sent by SNCP/GoA	20 April 2023
8	Stakeholder dissemination)/SLA launch workshop (in person)	24 May 2023
9	Draft Assessment Report (Volume I) Assessment Matrix (Volume II), Draft SLA (Volume III), Draft SLA Matrix (Volume IV) and Annexes, in English, sent to SNCP/GoA for review	18 September 2022
10	Draft Assessment Report (Volume I) Assessment Matrix (Volume II), Draft SLA (Volume III), Draft SLA Matrix (Volume IV) and Annexes, in English, sent for peer-review to the African Development Bank	18 September 2022
11	Comments on Draft Report by peer reviewers from the African Development Bank	October 2023
12	Comments on the Draft Report from SNCP/GoA	October 2023
15	Revised Draft MAPS Report submitted to the Secretariat	November 2023
17	Certification by MAPS Secretariat	April 2024
18	Dissemination/ Publication of Final MAPS Report	Second Quarter 2024



# Annexes/Appendices

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Annexes are stated in the main report.





**MAPS**

Methodology for Assessing  
Procurement Systems

# Indicator Matrix – Sector Level Assessment module

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NOVEMBER DE 2023



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# Pillar I. Legal, Regulatory, and Policy Framework

Indicator 1. The public procurement legal framework achieves the agreed principles and complies with applicable obligations

<p style="text-align: center;"><b>Sub-indicator 1(a) Coverage of the sector</b></p> <p style="text-align: center;">The legal and regulatory body of norms applicable to the sector complies with the following conditions:</p>
<p><b>Assessment criterion 1(a)(a):</b> Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures) and precedence is clearly established.</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b></p> <p>There is no specialized legislation on public procurement applicable to entities operating in the health sector. Procuring entities in the health sector are governed by the General Public Procurement Law of the country.</p> <p>Angola's legal system is well structured and the hierarchy of laws, as defined by the Constitution, is as follows:</p> <ul style="list-style-type: none"><li>- <b>Constitution of the Republic of Angola (CRA).</b> According to Article 6(1) of the CRA the Constitution is the supreme law of the Republic of Angola. Article 6(3) states the principle of constitutionality by prescribing that "Laws, treaties and other acts of the State, local organs of power and public entities in general are only valid if they conform to the Constitution". The current Constitution represents the culmination of the constitutional transition process that began in 1991, with the approval by the People's Assembly, of Law nr. 12/1991 that enshrined multi-party democracy, guarantees of the fundamental rights and freedoms of citizens and the market economy system, through later changes deepened by the Constitutional Revision Law nr. 23/1992. The current Constitution was seen and approved by the Constituent Assembly on 21 of January of 2010 and, following the Constitutional Court Judgement nr. 111/2010, of 30 of January, came into effect on 3 February 2010.</li><li>- <b>Laws:</b> (i) Organic laws are the normative acts that regulate the internal organization and other relevant aspects of institutional character, such as, with interest for public procurement, the statute of the holders of sovereign and local government bodies [Article 164 (d)], the bases of the system of organization and functioning of local government [Article 164 (f)], and the organization of the courts and the statute of the judicial and prosecutorial magistrates [Art 164, (h)]; (ii) Basic laws are the normative acts that regulate the general bases of the organization of national defense [Article 164(i)] and the general bases of the organization, operation and discipline of the Angolan Armed Forces, public security forces and intelligence services [Article 164(j)] the bases for the regime and scope of the civil service, including the guarantees for the public administration, the statute of civil servants and civil liability of the public administration, the bases for the statute of public companies and public institutes [Article 165 (a) and (b)]; (iii) Laws, the other normative acts dealing with matters within the legislative competence of the National Assembly that do not have to take any other form, the most important example of which is Law nr. 41/2020, of 23 of December - Public Contracts Law (PPL).</li><li>- <b>Presidential Legislative Decrees</b> are normative acts issued to establish the organic structure and composition of the executive power as well as legislative acts authorized by the National Assembly; [Article 120, (e) and (i)].</li></ul>



# Pillar I. Legal, Regulatory, and Policy Framework

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- **Provisional Presidential Legislative Decrees** are normative acts when urgent and relevant reasons impose this form of protection of the public interest. Once issued, they are immediately submitted to the National Assembly, which may convert them into law, with or without amendments, or reject them. Provisional Presidential Legislative Decrees have the force of law [Article 126 (1) and (2)].

As far as **International Law** is concerned, Article 13 of the CRA prescribes that general or common international law received under the terms of the Constitution shall form an integral part of the Angolan legal system. International treaties and agreements duly approved or ratified shall come into force in the Angolan legal system after they have been officially published and have entered into force in the international legal system and for as long as they are internationally binding on the Angolan state.

Powers (to bind the Angolan state) in the area of conventional international law (in the form of the Vienna Convention on the Law of Treaties) are distributed between the President of the Republic and the National Assembly. Thus, it falls to the President of the Republic to sign and ratify, as appropriate, after approval, treaties, conventions, agreements and other international instruments (Article 121 (c) of the CRA), as well as to ensure compliance with laws and international agreements and treaties (Article 108 (5) of the CRA). The National Assembly shall be responsible for approving, for ratification and accession of the treaties, conventions, agreements and other international instruments relating to matters within its legislative competence, as well as treaties relative to the participation of Angola in international organisations, the rectification of borders, friendship, cooperation, defence and military affairs, and the withdrawal from treaties, conventions, agreements and other international instruments (Article 161(k) and (j) of the CRA).

Primacy is given to the Constitution under the terms of Article 6, under the heading "Supremacy of the Constitution and legality", "the Constitution is the supreme law of the Republic of Angola", and Paragraph 3 adds that "laws, treaties and other acts of the state, local government bodies and public entities, in general, are only valid if they conform to the Constitution". Raul Araújo and Elisa Rangel consider that "the norms of International Law, as long as they are approved by the constitutionally competent bodies, become part of the Angolan legal system, in a hierarchical position right after the constitutional norms and above the ordinary norms".

In the case of fundamental rights, the constitutional legislator seems to have been more far reaching in providing (in Article 26 of the CRA) that the fundamental rights established in the Constitution do not exclude any others contained in the applicable laws and rules of international law and that the constitutional and legal precepts relating to fundamental rights must be interpreted and integrated in accordance with the Universal Declaration of Human Rights, the African Charter on Human and Peoples' Rights and international treaties on the subject, ratified by the Republic of Angola. In this case, international law takes precedence, even if only as a tool for interpreting other (national) norms.

The legal instruments that specifically regulate **public procurement** and **public contracts** are available in the Public Procurement Portal (<https://compraspublicas.minfin.gov.ao/ComprasPublicas/#!/documentacao/legislacao/contratacao-publica>).

## Gap analysis

# Pillar I. Legal, Regulatory, and Policy Framework

## Recommendation

### Assessment criterion 1(a)(b):

It covers goods, works and services, including consulting services for all sector procurement using public funds

**Conclusion: No gap**

**Red flag: No**

### Qualitative analysis

The systematic distribution of the law's content, confirmed by the provisions specifically included in it, immediately reveals the Angolan legislator's concern with covering the broadest possible scope of public procurement.

Public Contracts Law 2020 (PPL)		
Stage	Systematic distribution of content in the law	
Public procurement general principles, key definitions	Title I	General provisions
Contract life cycle (From formation to implementation)	Title II	Types and Choice of Procedures (Methods) <sup>1</sup>
	Title III	Contract formation
	Title IV	Central Purchasing
	Title V	Performance of Public Works Contracts
	Title VI	Performance of Goods and Services Contracts
	Title VII	Public works and services concessions
Sanctions for non-compliance by bidders, candidates, or awardees	Title VIII	Penalties
Others	Title IX	Final and transitional provisions

The PPL applies to the formation and execution of public works contracts, lease or purchase of movable assets and acquisition of services entered into by a Procuring Entity. Incidentally, Article 5 of the PPL, in its definition of a services procurement contract, immediately includes consulting services: "d) Acquisition of Services - a contract whereby a Procuring Entity obtains a certain result from manual or intellectual work or consulting services, against payment of a price;". Some regulations contain special provisions when the object of the contract is the provision of consulting services, namely: Article 29 (c) of the PPL (choice of simplified procurement procedure for the formation of service procurement contracts); Article 45 (2) of the PPL (Types of parts - terms of reference) but there is no special procedure for this type of contract.

### Gap analysis

## Recommendation

### Assessment criterion 1(a)(c):

<sup>1</sup> The meaning of the word "Procedure" and the expression "Procurement Procedure" in Angolan public procurement law is equivalent to the concept of "Procurement Method".

## Pillar I. Legal, Regulatory, and Policy Framework

It is applicable to all public bodies and sub-national governments and entities, in the sector, that use public funds
<b>Conclusion: No gap</b>
<b>Red flag:</b> No
<p><b>Qualitative analysis</b></p> <p>There is no specialized legislation on public procurement applicable to entities operating in the health sector. All sector entities in the health sector are governed by the General Public Procurement Law of the country.</p>
<b>Gap analysis</b>
<b>Recommendation</b>
<p><b>Assessment criterion 1(a)(d):</b></p> <p>Sector related PPPs, including concessions, are regulated</p>
<b>Conclusion: No gap</b>
<b>Red flag:</b> No
<p><b>Qualitative analysis</b></p> <p>Not applicable.</p>
<p><b>Gap analysis</b></p> <p>Article 5 of the PPL offers the relevant definitions on: "f) <b>Public Domain Exploitation Concession</b> - contract by which the public partner transfers to a private party the management of goods of the public domain whose enjoyment and risks run on its account and, undertakes to provide benefits to interested parties; g) <b>Public Works Concession</b> - contract by which the contractor, the concessionaire, commits itself before a Procuring Entity, the grantor, to the execution or the conception and execution of a public works, in exchange for the exploration of that works, for a determined period of time and, if so stipulated, the right to the payment of a price; h) <b>Public Service Concession</b> - contract by which the co-contractor, the concessionaire, undertakes before a Procuring Entity, the grantor, to manage, on its own behalf and under its responsibility, a public service activity, for a certain period of time, being remunerated directly by the grantor or through the total or part of the activity granted; q) <b>Public-Private Partnership</b> - legal relationship constituted by a contract or a union of contracts, through which legal persons or private entities, designated as private partners, commit themselves, on a long term basis, before a public partner, for a consideration, to ensure the development of an activity tending to the satisfaction of a collective need in which the responsibility for the financing, investment, exploitation and associated risks incubate, in whole or in part, to the private partner;".</p> <p>On the <b>applicability of the PPL</b> to these contracts, "Article 2(b) - <b>Scope of application</b> - stands out, stating that: 1. This Law shall apply (...) to the formation and execution of administrative concession contracts, namely concessions of public works, public services, exploitation of public domain and to the formation of contracts whose materialization is carried out through Public-Private Partnership;".</p>

# Pillar I. Legal, Regulatory, and Policy Framework

Of great relevance, as regards the choice of the type of procedure Article 24 (5) of the PPL provides, that "In public procurement procedures tending to the execution of a concession contract the Public Tender or the Restricted Tender (*"Concurso Limitado por Prévia Qualificação"*) must be adopted, regardless of the base value of the estimated investment".

Title VII of the PPL Concessions of public works and public services (Articles 405 to 427) was introduced by the 2020 revision (Law nr. 41/2020, of 23 of December).

The **Law on Public Private Partnerships** (Law nr. 11/2019, of 14 May) states [Art. 14 (1)] that the choice of procedure for the formation of a Public Private Partnership contract must comply with the regime provided for in the Public Contracts Law and this law also governs the competence and functioning of the jury of the procedure [Art. 15 (3)].

## Recommendation

### Assessment criterion 1(a)(e):

Current laws, regulations, and policies are published and easily accessible to the public at no cost

**Conclusion: Minor gap**

**Red flag:** No

## Qualitative analysis

**Legislation** (primary and secondary): specific legislation on public procurement is accessible free of charge through the portal of the National Public Procurement Service (SNCP) <https://compraspublicas.minfin.gov.ao/ComprasPublicas/#!/documentacao/legislacao/contratacao-publica>. However, access to legislation in general - published in the Official Journal (*"Diário da República"*) - is difficult: (i) access to the paper version of the Journal is paid. The price of single issues varies according to their size (number of pages) and annual subscriptions cost: (i) The three series AOA: 1,675,106.04; The 1st series AOA: 989,156.67; The 2nd series AOA: 517,892.39 and the 3rd series AOA: 411,003.68. (ii) Online access to the Official Journal is not available through the Official Press single portal which is inaccessible <http://www.impresanacional.gov.ao/index.php?id=124> (iii) the overwhelming majority of legal texts published online - on the Jurisnet portal and specialized portals such as the SNCP - are stored as images, which causes enormous difficulties in their visualization and handling, particularly by legal professionals.

**Policies:** The Angolan Public Procurement Strategic Plan 2018-2022 (PECPA 2018-2022) is available on the Public Procurement Portal (PP Portal):

<https://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/aw4x/mjey/~edisp/minfin1212819.pdf>

## Gap analysis

In general, access to legislation is hampered by the fees charged for the printed edition of the Official Journal and the unavailability of its online version. Specifically with regard to public procurement legislation, it is noted that this is replicated on the MINFIN (17 files) and SNCP (20 files) websites, and the list of legal texts does not coincide. In addition, the versions presented are scanned documents in image format, which makes it difficult to consult them. Working with public procurement legislation is cumbersome.

# Pillar I. Legal, Regulatory, and Policy Framework

## Recommendation

- Make the online version of the Official Journal available on a National Printing House portal, with particular emphasis on the 1st and 3rd Series;
- Making legal texts available on the National Printing House Portal and in PP Portal in easily editable files (which will facilitate the work of legal operators, public Procuring Entities and interested parties and competitors).

## Sub-indicator 1(b)

### Rules on participation deriving from sustainability (social, economic, and environmental) goals

The legal framework applicable to the sector meets the following conditions:

#### Assessment criterion 1(b)(a):

Establishes that participation of interested parties is fair and based on qualification and in accordance with rules on eligibility and exclusions. In this context, the term “supplier” encompasses all service providers including contractors, consulting firms, etc

**Conclusion: Substantive gap**

**Red flag: No**

#### Qualitative analysis

**Despite the fact that sustainability is described as one of the general principles of the PPL and the economic operators should “observe the principles and rules of corporate governance, namely regular reporting, organised accounting, internal control systems and social, labour and environmental accountability.” and that Article 82 (2) (a) (iii) allow for the use of environmental or social sustainability related evaluation factors within the Most Economically Advantageous Tender (MEAT) award criterion, there is no policy nor strategy in place to implement SPP.**

**Preparatory work aiming at the development of a National SPP strategy is underway but with limited or no results.**

#### Gap analysis

**Currently, there is no policy /strategy in place to implement SPP, no implementation plan or systems and tools to operationalize, facilitate and monitor the application of SPP.**

#### Recommendations

**The adoption and implementation of a National SPP strategy should be included as a Strategic Goal in the next multi-annual strategic plan for public procurement.**

**SNCP should draft a National SPP Strategy with a roadmap and action plan containing specific, measurable, achievable, relevant, and time-bound (SMART) goals.**

#### Assessment criterion 1(b)(b):

Ensures that there are no barriers to participation in the public procurement market

**Conclusion: Substantive gap**

**Red flag: No**

#### Qualitative analysis

With regard to suppliers who are subject to Angolan law - natural and legal persons - the participation rules contained in the PPL are open and inclusive (see previous sub-indicator 1(d)(a), especially if the openness of participation is analyzed by assessing the extent of the impediments, a matter in which the Angolan system seems aligned with international practice.

Question: does Article 53 (Promotion of Angolan business) of the PPL apply when only foreign companies participate, or at least one? And when only Angolan companies bid? Does positive discrimination favoring MSMEs (micro, small and medium-sized enterprises) not operate when all are national?

The interpretative difficulty may stem from the fact that with regard to MSMEs, Article 53 of the PPL is designed for the situation where at least one foreign company participates in the procedure. The question then becomes, which provisions of the PPL offer preferential treatment to Angolan-law MSMEs when competing with other Angolan-law companies that are not MSMEs? Only Article 59(11) seeks to facilitate access for MSMEs (when not competing with

# Pillar I. Legal, Regulatory, and Policy Framework

foreign competitors) by exceptionally permitting the award of bids without the MSME submitting proof of its tax situation with the Angolan State, drawing attention to two important aspects:

- The first is that only the tax situation, and not the social security contribution situation, is covered by this rule;
- The second, perhaps more worrying, is that the legislator does not provide any criteria for assessing this regime's exceptionality and leaves excessive room for maneuvers (discretionary power) to the Procuring Entity.

Provisions regarding support for MSMEs are provided in the Law for the Promotion of National Entrepreneurship (Law nr. 14/2003 of 18 of July) and in the Law for Micro, Small and Medium Enterprises (Law nr. 30/2011 of 13 of September). In public procurement procedures, Procuring Entities must:

- Set aside 25% of their budget to contract with Micro, Small and Medium Enterprises (MSMEs).
- Establish that Large Companies are obliged to subcontract MSMEs for at least 10% of the total amount in services contracts and 25% in works contracts.

What this law does not say is how these set asides are to be achieved either by improving the wording of Article 53 of the PPL or by adding, in the PPL, norms designed to promote the achievement of this objective of economic promotion (after the competent studies on the current situation have been carried out to understand if the set asides really have the potential to increase the participation of MSMEs in public markets or, if this can be considered a critical provision to be maintained if the principle of promoting competition (which is no less important), is considered.

- When foreign economic operators are involved, the PPL includes regulations designed to (i) protect and benefit Angolan companies and goods produced in the Southern African region, COMESA and SADC (Article 53 PPL) and (ii) to condition and restrict foreign companies' access to the national public market (Article 54 PPL). There are therefore barriers to international public procurement - international trade - to the extent that the access of foreign economic operators to national public market opportunities may face a relative disadvantage compared to national economic operators and/or local products (domestic preference): Its main features are as follows:

The bidding documents may contain rules aimed at promoting preferential contracting of national individuals or legal entities that are Micro, Small and Medium-Sized Enterprises (MSMEs) under the Angolan law:

At the negotiation phase, the bidding documents may establish rules of preference in the access to this phase for national competitors;

In the awarding: (i) When the award criterion is the lowest price, a margin of preference can be established for the prices proposed by national competitors, up to 10% of the price proposed by foreign competitors; (ii) When the award criterion is that of the most economically advantageous tender, an increase of the global score attributed to the proposals of national competitors can be established up to 10% of that score.

With regard to the protection of national production and when the most economically advantageous tender criterion is adopted, the bidding documents may provide for the awarding of more scoring points to goods produced, extracted or harvested in Angola. In contracts where subcontracting occurs, they may impose that a minimum percentage of the value of the subcontracted services be reserved for national individuals or companies. Preferences assigned through the award criterion (lowest price: 10% of price; most economically advantageous tender: 10% in scoring points) and domestic production (local content), preferences may also be established in favour of bids from competitors who are nationals of or based in States belonging to the Common Market of Southern and Eastern Africa - COMESA or Southern African Development Community - SADC, or for goods produced, extracted or cultivated in those States.

Another explicit legal barrier is enshrined in Article 54 of the PPL. According to this rule, foreign natural or legal persons may only apply or submit proposals:

- in procurement procedures where the estimated value equals or exceeds that set out in Annex III of the PPL  
AOA 500.000.00 for public works contracts  
AOA 182.000.000 for goods and services contracts
- in Direct Award procedures, when this method is adopted for material reasons
- when, because of the technical nature of the services to be provided under the contract, it is reasonably foreseeable that no national natural or legal person can adequately perform the contract, and finally,
- in design contests, unless the Procuring Entity expressly restricts such participation in the Terms of Reference.

Foreign natural or legal persons are understood to be those not covered by the scope of application of the Law on the Promotion of National Entrepreneurship.

The Table below shows the distribution of suppliers registered in the Suppliers Portal, by size and nationality (in March 2022):

	Micro	Small	Medium	Large	Without information on size	Total
Foreign	25	42	29	49	71	216

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National	847	1019	488	188	463	3005
Total	872	1061	517	237	534	3221

In the same vein as the aforementioned rules that seek to establish barriers to the access of foreign operators and/or products to the Angolan public market, Article 180 of the PPL also includes, among the guiding principles for the activity of the central purchasing bodies, preference for the acquisition of goods and services that promote the protection of national industry (...)

## Gap analysis

When foreign economic operators are involved, the PPL includes regulations designed to (i) protect and benefit Angolan companies and goods produced in the Southern African region, COMESA and SADC (Art 53 PPL) and (ii) to condition and restrict foreign companies' access to the national public market (Art 54 PPL). There are therefore barriers to international public procurement – part of the international trade - to the extent that the access of foreign suppliers to national public market opportunities may face a relative disadvantage compared to national suppliers and/or local products (domestic preference).

## Recommendation

A specific fact based study should be conducted by the Government to assess the economic impact of this barrier and, depending on the result, suggest the repeal of this legal provision (in case the barrier has no added value to the national economy and the country's public procurement system) or its modification in order to reduce the room discretion allowed to Procuring Entities by detailing the key terms and conditions governing the use of this protection measure e.g. definition of "locally produced goods and services", nationality of physical persons, maximum preference rate and how it is calculated in the framework of the award criterion/evaluation model, etc.

In addition, Capacity Building programmes should include a Training Module on International Public Procurement

## Assessment criterion 1(b)(c):

Where environmental, social and economic policies apply in the sector, ensure that these policies are clearly defined in the legal and regulatory framework and are motivated by the environmental, social and economic aspirations of the country

**Conclusion: Choose an item.**

**Red flag: Choose an item.**

## Qualitative analysis

Not assessed, as not applicable.

## Gap analysis

## Recommendation

## Assessment criterion 1(b)(d):

Details the eligibility requirements and provides for exclusions for breach of environmental, social laws, criminal or corrupt activities, administrative debarment under the law subject to due process or prohibition of commercial relations

**Conclusion: Choose an item.**

**Red flag: Choose an item.**

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<p><b>Qualitative analysis</b> Not assessed, as not applicable.</p>
<p><b>Gap analysis</b></p>
<p><b>Recommendation</b></p>
<p><b>Assessment criterion 1(b)(e):</b> Establishes rules for the participation of state-owned enterprises that promote fair competition</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> There are no specific provisions in the PPL, nor in any other legislative act, regulating the terms and conditions for SOEs to participate in the public procurement market as bidders. Legal provisions that discipline or limit state-owned enterprise (SOE) participation as bidders in public procurement processes offer several benefits, including promoting fair competition by preventing undue advantages, avoiding conflicts of interest and self-dealing, fostering private sector development, enhancing transparency and accountability, ensuring efficient resource allocation, holding bidders accountable for performance, and attracting foreign investment, ultimately contributing to a more efficient, transparent, and equitable procurement process while safeguarding public resources and encouraging economic growth.</p>
<p><b>Gap analysis</b> <b>There are no specific provisions in the PPL, nor in any other legislative act, regulating the terms and conditions for SOEs to participate in the public procurement market as bidders.</b></p>
<p><b>Recommendation</b> <b>Specific provisions need to be enacted to limit or establish the rules for the participation of SOEs.</b></p>
<p><b>Assessment criterion 1(b)(f):</b> Details the procedures that can be used to determine a bidder's eligibility and ability to perform a specific contract</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> The formulation of the rules of participation/eligibility of Section V of the PPL (Articles 53 to 58) is not, with the exception of barriers to foreign trade and protection of the MSME, restrictive and seems adequate to guarantee that suppliers participating in public procurement procedures(i) are not debarred nor excluded from participating and (ii) hold the appropriate professional qualifications in cases where the execution of contracts requires, under the law, a particular professional qualification. In the Limited Tender, specifically regulated in Articles 115 to 133 of the PPL, the following are worthy of note: (i) the requirement that the minimum technical capacity to be established in the tender program be adequate to the subject matter of the contract to be</p>



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entered into, describing situations, qualities, characteristics or other factual elements relating to the candidates, particularly with respect to curricular experience, human, technical, functional or other resources, organizational capacity or environmental management.

The express prohibition [(Article 120 (2))] of the Procuring Entity establishing any minimum technical capacity requirements that prove to be discriminatory or capable of preventing, restricting or distorting competition must be emphasized. This is a matter that must be specifically monitored with a statistical analysis covering at least two years of practice.

In the Dynamic Electronic Purchasing System, the interested parties are considered eligible to participate in the procedure if they are duly Registered or Certified in the Public Procurement Portal as being a supplier of the State (Article 149 of the PPL).

In the Design Contests<sup>2</sup>, and when the Limited Tender is chosen (it can also be done through Open Tender), the minimum requisites of technical capacity must be adequate to the nature of the conception works intended and must be fixed in a non-discriminatory way. The terms of reference detail the specific professional qualifications that the competitors must hold, if applicable.

### Gap analysis

### Recommendation

#### Sub-indicator 1(c)

#### Electronic Procurement (e-Procurement) in the sector

The legal framework applicable to the sector meets the following conditions:

#### Assessment criterion 1(c)(a):

The legal framework allows or mandates e-Procurement solutions, in the sector, covering the public procurement cycle, whether entirely or partially

#### Conclusion: No gap

#### Red flag: No

#### Qualitative analysis

The PPL not only allows the use of e-procurement solutions, but also added a new procedure that can only be conducted electronically i.e., the Electronic Dynamic Purchasing System. Article 12(2) of the PPL establishes that the National System for e-Procurement aims to ensure the dematerialization of Public Procurement by carrying out the process of formation and execution of public contracts, through Electronic Platforms, which may be developed and managed by the State. The rules for the operation and management of SNCPE [Article 12 (3)] are defined by Presidential Decree nr. 202/2017, of 6 of September.

### Gap analysis

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<sup>2</sup> Design Contest is a special procedure (placed in the PLC Chapter that deals with “Special procurement rules) that allows the Procuring Entity to select one or more design works, conceived in the fields of art, land use, urban planning, architecture, civil engineering or data processing. The Design Contest follows the procedure of Public Tender or Limited Tender.

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<b>Recommendation</b>
<b>Assessment criterion 1(c)(b):</b> The legal framework ensures the use of tools and standards, in the sector, that provide unrestricted and full access to the system, taking into consideration privacy, security of data and authentication
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> The legal framework establishes SNCPE's rules of interoperability with other State systems, as well as the rules of operation, integrity, and confidentiality of data, containing references to electronic security (ISO/IEC 20000, ISO/IEC 27001, ISO/IEC 27002). Access to SNCPE's platform is subject to registration (free of charge) and the Public Procurement Portal enables to consult certain information, namely Notices, without the need to register/login.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 1(c)(c):</b> The legal framework requires that interested parties be informed which parts of the processes will be managed electronically, in the sector
<b>Conclusion: No gap</b>
<b>Red flag: Choose an item.</b>
<b>Qualitative analysis</b> The legal Framework allows for the Procuring Entities to either use paper-based or electronic tendering. The choice must be informed in the tender notice and tender documents and must be kept accessible during the tendering process.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 1(d)</b>
<b>Public procurement principles in specialised legislation governing public entities in the sector</b> The legal and regulatory body of norms covering the sector complies with the following conditions:
<b>Assessment criterion 1(d)(a):</b> Public procurement principles and/or the legal framework apply across specialised legislation governing the procurement by entities operating in the sector as appropriate
<b>Conclusion: No gap</b>

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**Red flag: No**

**Qualitative analysis**

There is no specialized legislation on public procurement in the health sector. Public contracting entities in the health sector are, therefore, subject to the application of general public procurement rules, in particular the Public Procurement Law (Law 41/20 of 23 December).

**Gap analysis**

**Recommendation**

**Assessment criterion 1(d)(b):**

Public procurement principles and/or laws apply to the selection and contracting of public private partnerships (PPP) in the sector including concessions, as appropriate

**Conclusion: No gap**

**Red flag: No**

**Qualitative analysis**

Article 5 of the PPL offers the relevant definitions on: "f) Public Domain Exploitation Concession - contract by which the public partner transfers to a private party the management of goods of the public domain whose enjoyment and risks run on its account and, undertakes to provide benefits to interested parties; g) Public Works Concession - contract by which the contractor, the concessionaire, commits itself before a Procuring Entity, the grantor, to the execution or the conception and execution of a public works, in exchange for the exploration of that works, for a determined period of time and, if so stipulated, the right to the payment of a price; h) Public Service Concession - contract by which the co-contractor, the concessionaire, undertakes before a Procuring Entity, the grantor, to manage, on its own behalf and under its responsibility, a public service activity, for a certain period of time, being remunerated directly by the grantor or through the total or part of the activity granted; q) Public-Private Partnership - legal relationship constituted by a contract or a union of contracts, through which legal persons or private entities, designated as private partners, commit themselves, on a long term basis, before a public partner, for a consideration, to ensure the development of an activity tending to the satisfaction of a collective need in which the responsibility for the financing, investment, exploitation and associated risks incubate, in whole or in part, to the private partner;".

On the applicability of the PPL to these contracts, "Article 2(b) - Scope of application - stands out, stating that: 1. This Law shall apply (...) to the formation and execution of administrative concession contracts, namely concessions of public works, public services, exploitation of public domain and to the formation of contracts whose materialization is carried out through Public-Private Partnership;".

Of great relevance, as regards the choice of the type of procedure Article 24 (5) of the PPL provides, that "In public procurement procedures tending to the execution of a concession contract the Public Tender or the Restricted Tender ("*Concurso Limitado por Prévia Qualificação*") must be adopted, regardless of the base value of the estimated investment".

Title VII of the PPL Concessions of public works and public services (Articles 405 to 427) was introduced by the 2020 revision (Law nr. 41/2020, of 23 of December).

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The Law on Public Private Partnerships (Law nr. 11/2019, of 14 May) states [Art. 14 (1)] that the choice of procedure for the formation of a Public Private Partnership contract must comply with the regime provided for in the Public Contracts Law and this law also governs the competence and functioning of the jury of the procedure [Art. 15 (3)].

## Gap analysis

## Recommendation

### Assessment criterion 1(d)(c):

Responsibilities for developing policies and supporting the implementation of PPPs in the sector including concessions are clearly assigned

**Conclusion: No gap**

**Red flag: No**

## Qualitative analysis

The Law on Public-Private Partnerships (Law nr. 11/2019, of 14 of May of 2019), was further regulated by Presidential Decree nr. 316/2019, of 28 of October. The Regulation of the Law on Public-Private Partnerships (PPP) approved by Presidential Decree nr. 316/2019, of 28 of October, establishes the procedures for launching and contracting PPPs, the rules relating to their monitoring and supervision, as well as the competences of the so-called PPP Governing Body (PPPGB).

PPPGB is made up of the following entities:

- a) Minister of Economy and Planning, Coordinator
- b) Minister of Finance
- c) Secretary of the President of the Republic for Economic Affairs

The PPPGB Coordinator may invite the holder of the sector ministerial department responsible for the area of the project under review.

The Technical Commission (PPPTC) is composed of:

- Ministry of Economy and Planning;
- Ministry of Finance;
- Secretariat for Economic Affairs of the Presidency of the Republic;
- one representative and respective alternate from each of the following bodies:
  - Ministry of Construction and Public Works;
  - Ministry of Energy and Water;
  - Ministry of Transports;
  - Ministry of Health
  - Ministry of Education
  - Ministry of Telecommunications and Information Technology;

The PPPGB Coordinator designates a project team of five or seven members and indicates its chairperson, who may be the Coordinator of the PPPTC.

### Approval of the launch of the partnership

The PPPGB shall be responsible for deciding on the approval of the launch of the partnership and the respective conditions, by means of a joint order of the heads of the ministerial departments that are part of it and of the project in question, to be issued within 30 days of submission of the report referred to in Article 9(3).

### The decision to contract

The decision to contract is up to:

- (a) the holders of the ministerial departments that are part of the PPPGB and of the project in question, when it is a partnership launched by one of the entities referred to in paragraphs a), c) and d) of article 2, no. 1 of Law nr. 11/2019, of 14 of May, on public-private partnerships;
- b) the local authority, in the case of a partnership entered into by the entity referred to in article 2(1)(b) of Law nr. 11/2019, of 14 of May, on public-private partnerships;

### Applicable Procurement method

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The choice of method for the formation of the public-private partnership contract must comply with the regime provided for in the Public Procurement Law (Art 14/1 of Law nr. 11/2019)

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The Regulation of the Law on PPP also includes a model risk allocation matrix, classified by categories, which should serve as the basis for the allocation of risks assumed by each of the partners in the PPP projects to be implemented. The risk allocation matrix model includes seven categories: (i) demand risk; (ii) land use risk; (iii) project and construction risk; (iv) financial risk; (v) operational risk; (vi) institutional and legal risks; and (vii) political risk.

**Gap analysis**

**Recommendation**

## Indicator 2. Implementing regulations and tools support the legal framework at the sector level

<b>Sub-indicator 2(a)</b>
<b>Implementing Regulations to define processes and procedures in the sector</b>
<b>Assessment criterion 2(a)(a):</b> There are regulations applicable to the sector that supplement and detail the provision of the procurement law, and do not contradict the law
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> There are no sector-specific regulations on public procurement. The urgency of meeting certain needs in the health sector, especially through the purchase of goods and services, is not compatible with the slowness of some procurement procedures. MINSA's perception is that, even when an additional effort is made to better plan purchases, the required delivery times for goods and services cannot be achieved without choosing simplified contracting procedures. The bureaucracy associated with the process of authorizing the bid opening and budget management (approval of expenditure and commitment of funds), in which the thresholds for authorizing expenditure are very low, with the inherent consequence of generalizing the systematic involvement of the upper ranks of the public administration hierarchy, including the holder of executive power himself, the President of the Republic (top of the pyramid), is seen as the main cause of the slowness of procurement processes (up to the award decision).
<b>Gap analysis</b>

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<b>Recommendation</b>
<b>Assessment criterion 2(a)(b):</b> The regulations are clear, comprehensive and consolidated as a set of regulations readily available in a single accessible place
<b>Conclusion: Minor gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> There are no regulations applicable to the sector. With the exception of the Presidential Decree nr. 202/2017, all the procurement regulations are available in the PP Portal, which should become the most comprehensive source of information (of all types, from legal and regulatory to policy and procedural / transactional related) on public procurement in the country. Despite this, the gap detected in relation to the publication of court decisions makes the interpretation of the rules very difficult and based almost exclusively on legal scholarship (which since 2016 has seen an increase in attention in relation to public procurement).
<b>Gap analysis</b> Presidential Decree nr. 202/2017, 6 of September is available in the Ministry of Finance website, but not in the Public Procurement Portal.
<b>Recommendation</b> Publish the Presidential Decree nr. 202/2017, of 6 of September in the PP Portal. Publish all public procurement related Court rulings (Administrative Chambers of the Provincial Court and the Supreme Court, the Court of Auditors and the Constitutional Court).
<b>Assessment criterion 2(a)(c):</b> Responsibility for maintenance of the regulations is clearly established, and the regulations are updated regularly
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> Normative powers are clearly distributed under the Constitution, which translates, from a legislative point of view, into the promulgation of laws (e.g., the PPL) by the National Assembly or Presidential Decrees (e.g. the organic statute of SNCP). At the infra-legislative level, regulatory powers are attributed by the Article 11 of the PPL combined with Presidential Decree nr. 162/2015, of 19 of August, to SNCP which is "...responsible for "operation, <u>regulation</u> , supervision, observation, audit and oversight of the public procurement system". Regulations are kept updated and accessible.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 2(b)</b>

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Model procurement documents for goods, works and services for the sector
<b>Assessment criterion 2(b)(a):</b> There are model procurement documents provided for use for a wide range of goods, works and services including consulting services procured by public entities in the sector
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> There are no sector-specific model procurement documents as there are no sector-specific regulations nor sector-specific policy documents of administrative guidance on procurement. SNCP makes model procurement documents available for the existing procurement methods. Template notices, debriefing minutes, notifications, procedural reports, etc. can be consulted and downloaded in editable formats from the <a href="#">SNCP standard procurement documents section</a> . As far as the Procurement documents PPL are concerned, the Presidential Decree 201/16, 27 of September, approved, under the then Public Contracts Law of 2016 the models for public works, services, and goods procurement contracts. According to Article 2 of this Presidential Decree, it is SNCP's responsibility, in its capacity as the entity responsible for the regulation and supervision of public procurement, <u>to update</u> and publish on the public procurement portal the tender documents for the procedures of formation of works, goods and services contracts. It was based on this enabling provision that SNCP revised and updated these documents after the entry into force of the new PPL (2020), which provides in Article 47(2) that "the tender documents relating to the most frequent categories of contracts are approved through a specific act of the President of the Republic <u>or his delegate</u> . Although it would have been preferable to maintain the same hierarchical and formal level of the primary legal source - a specific normative act of the President of the Republic - it is understood that the act of delegation on the basis of which the SNCP proceeded with the update is the aforementioned Presidential Decree nr. 201/2016 (Article 2).
<b>Gap analysis</b>
<b>Recommendation</b> <i>Suggestion for improvement</i> The Ministry of Health and the SNCP should consider developing a set of specific models for the sector that take particular account of aspects such as supplier qualification criteria, tender evaluation models, service levels, standard specifications and mechanisms for monitoring compliance and penalties. This will facilitate standardization, operation and maintenance.
<b>Assessment criterion 2(b)(b):</b> At a minimum, there is a standard and mandatory set of clauses or templates, for the sector, that reflect the legal framework. These clauses can be used in documents prepared for competitive tendering/bidding
<b>Conclusion: Substantive gap</b>
<b>Red flag: Yes</b>
<b>Qualitative analysis</b> There are no sector-specific model procurement documents as there are no sector-specific regulations. Both PPLs (of 2016 and 2020) and Presidential Decree nr. 201/2016 are silent as to the mandatory nature of the model documents. Therefore, they do not define the room for

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customisation of procuring entities nor the consequences of introducing changes or even not using the models at all. Since from a material point of view, other formulations of procurement documents, including the contracts, may also be compatible with the rules and regulations in force, the law should be clear and unequivocally establish the regime for the use of models. The legal basis for requiring their use (at all) or even scrutinising changes introduced by procuring entities has a weak legal basis today. As to model contracts in particular, both PPLs (of 2016 and 2020) are completely silent, so, as far as these are concerned, the room for manoeuvre of procuring entities is greater.

## Gap analysis

Both PPLs (of 2016 and 2020) and Presidential Decree nr. 201/2016 are silent as to the mandatory nature of the model documents. A Red Flag is assigned because addressing this gap requires a legislative amendment.

## Recommendation

An explicit legal provision establishing the scope for customisation of model contracts allowed to procuring entities should be added to the PPL, following a specific study on the current use of existing models (rate of use, rate of incorporation of changes, most frequent changes, litigation related to formal issues deriving from the model documents, etc.). The possibility of obliging the inclusion of explicit mentions of prohibited practices, and even the insertion of self-declarations of abstention from illicit behaviour on the part of competitors, should be considered in that study (and could be implemented at both a legal and regulatory level). This last aspect is related to indicator 14 (b).

## Suggestion for improvement

### Assessment criterion 2(b)(c):

The documents are kept up to date, with responsibility for preparation and updating clearly assigned

**Conclusion: No gap**

**Red flag: Choose an item.**

### Qualitative analysis

PPL Regarding the tender documents referred to in Article 47 of the PPL, the responsibility for their update is with SNCP [see above 2(b)(a)].

### Gap analysis

### Recommendation

## Sub-indicator 2(c)

### Standard contract conditions used in the sector

### Assessment criterion 2(c)(a):

There are standard contract conditions for the most common types of contracts and their use is mandatory in the sector

**Conclusion: No gap**

**Red flag: No**



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## **Qualitative analysis**

Refer to 2 (b) (a). In addition, the following is important to understand the notion of “contract” and its role in the Angolan public procurement law:

According to Article 108 (1) of the PPL, the contract must contain, under penalty of nullity, the following: (a) the identification of the parties and their respective representatives, as well as the title in which they intervene; (b) the indication of the act of awarding and of the act of approval of the draft contract; (c) the description of the subject matter of the contract; (d) the contractual price; (e) the period of performance of the main services which are the subject matter of the contract; (f) the reference to the deposit provided or to be provided by the contractor when required under Article 99. And the following documents are always part of the contract, by the automatic effect of Article 108(2) and regardless of the will of the Parties: a) The clarifications and rectifications relating to the specifications; b) The specifications; c) The awarded proposal; d) The clarifications on the awarded proposal provided by the adjudicator.

It should be noted, therefore, that the notion of "contract" in Angolan public procurement law covers much more than the document called "contract", which is made and signed only at the final stage of the bidding process (after award). As it follows from that Article 108(2) the contract is the collection of the documents mentioned, the last of which is called the "contract" and is even the least important according to the rule of precedence in case of divergence of contents between the various documents. In case of divergence between the documents referred to in paragraph 2, the precedence is determined by the order in which they are listed in that paragraph and in case of divergence between the documents referred to in Paragraph 2 and the clauses of the contract, the former shall prevail. [Article 108 (5), (6)].

## **Gap analysis**

## **Recommendation**

### **Assessment criterion 2 (c)(b):**

The content of the standard contract conditions used in the sector is generally consistent with internationally accepted practice

## **Conclusion: Minor gap**

## **Red flag: No**

## **Qualitative analysis**

From the analysis made of the model contracts - after being updated by SNCP in light of the new PPL 2020 (as described above in 2 [b) (a) and (b)] - their content is compliant with the PPL. However, this does not mean that the existing models cannot be improved, especially concerning specialized and complex contracts specific to the health sector. Please refer to 2(b)(a).

## **Gap analysis**

Existing models can be improved, especially with regard to complex contracts.

## **Recommendation**

Aligned with the recommendation in 2(b)(b), the development of a set of standardized procurement documents specific to the sector should be ensured.

Contract data should be collected and treated to enable the calculation of the following KPIs: (i) percentage of contracts drafted by simply filling in the blanks in the models; (ii) percentage of contracts in which "non-standard clauses" were introduced; (iii) percentage of contracts that did

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not follow the existing templates at all; (iv) percentage of disputes occurring in each of the situations described, a) before the start and b) during the execution of the contract. Realistically, to make this approach and analysis meaningful, collecting and processing this data during a minimally representative statistical series would be necessary.
<b>Suggestion for improvement</b>
<b>Assessment criterion 2(c)(c):</b> Standard contract conditions are an integral part of the procurement documents and made available to participants in procurement proceedings
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> Model contracts are available on the PP Portal.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 2(d)</b> <b>User's guide or manual for procuring entities in the sector</b>
<b>Assessment criterion 2(d)(a):</b> There is a comprehensive procurement manual detailing all procedures for the correct implementation of procurement regulations and laws in the sector
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> There are no specific public procurement regulations for the sector. A comprehensive procurement manual covering the entire procurement cycle is regularly updated and available at <a href="https://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/aw4z/mdc3/~edisp/minfin3077056.pdf">https://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/aw4z/mdc3/~edisp/minfin3077056.pdf</a> . The latest version was issued in March 2022 (4 <sup>th</sup> edition).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Suggestion for improvement</b> Aligned with the recommendation in 2(c)(b), once the sector-specific contract models have been developed, a sector-specific procurement guide or manual should be published on the Public Procurement Portal.
<b>Assessment criterion 2(d)(b):</b> Responsibility for maintenance of the manual is clearly established, for the sector, and the manual is updated regularly
<b>Conclusion: Choose an item.</b>

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**Red flag: Choose an item.**

**Qualitative analysis**

Not assessed, as not applicable.

There are no specific public procurement regulations for the sector. There is a manual covering general regulations.

A governance model must be ensured to guarantee the maintenance of the new manual.

**Gap analysis**

**Recommendation**

**Assessment criterion 2(d)(c):**

A sector specific user's guide or manual, if any, is consistent with the user's guide or manuals provided within the procurement framework of the country

**Conclusion: Choose an item.**

**Red flag: Choose an item.**

**Qualitative analysis**

Not assessed, as not applicable.

**Gap analysis**

**Recommendation**

## Pillar I. Legal, Regulatory, and Policy Framework

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Indicator 3. The legal framework applicable to the sector reflects the country's horizontal policy objectives and international, including regional and sub-regional obligations

## Pillar I. Legal, Regulatory, and Policy Framework

<b>Sub-indicator 3(a)</b>
<b>Existence of sectorial policies and strategies that are clear and well-articulated to facilitate the determination of sector procurement needs</b>
<b>Assessment criterion 3(a)(a):</b> The sector has a clear and well-articulated sectorial development strategy accompanied by the related operational documents, for the medium and long term
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> As mentioned in the core assessment, Angola has a general National Development Plan, which is complemented by sectorial plans, namely the Health Development Plan and different public health programmes. Associated with these are operational plans which, however, are difficult to convert into multi-annual procurement plans. This is due to the lack of a multi-annual vision of the General State Budget, which makes it impossible to foresee long-term financial resources. On the other hand, a lack of technical capacity was identified in order to materialise this articulation.
<b>Gap analysis</b> There is no multi-annual vision of the Budget, which makes it impossible to prepare medium- or long-term operational plans.
<b>Recommendation</b> Angola should consider implementing a multi-annual version of the budget, as well as promoting technical capacity building to exploit the benefits of this vision and promoting the articulation of the strategic and operational aspects.
<b>Assessment criterion 3(a)(b):</b> The principal types of public procurement as well as their technical requirements or characteristics, are identified in the sectorial strategy or in the applicable sector operational documents
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer to 3(a)(a). The technical requirements and characteristics are defined in the tender specifications/terms of reference.
<b>Gap analysis</b> The technical requirements and characteristics are defined in the tender specifications/terms of reference, not in the sectorial strategy.
<b>Recommendation</b> Refer to 3(a)(a).
<b>Sub-indicator 3(b)</b>
<b>Sustainable Public Procurement (SPP) in the sector</b>
<b>Assessment criterion 3(b)(a):</b> The country has a policy/strategy in place to implement SPP in support of broader national policy
<b>Conclusion: Substantive gap</b>

# Pillar I. Legal, Regulatory, and Policy Framework

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<b>Red flag: No</b>
<b>Qualitative analysis</b> Despite the fact that sustainability is described as one of the general principles of the PPL and the economic operators should “ <i>observe the principles and rules of corporate governance, namely regular reporting, organised accounting, internal control systems and social, labour and environmental accountability.</i> ” and that Article 82 (2) (a) (iii) allow for the use of environmental or social sustainability related evaluation factors within the Most Economically Advantageous Tender (MEAT) award criterion, there is no policy nor strategy in place to implement SPP. Preparatory work aiming at the development of a National SPP strategy is underway but with limited or no results.
<b>Gap analysis</b> Currently, there is no policy /strategy in place to implement SPP, no implementation plan or systems and tools to operationalize, facilitate and monitor the application of SPP.
<b>Recommendation</b> The adoption and implementation of a National SPP strategy should be included as a Strategic Goal in the next multi-annual strategic plan for public procurement. SNCP should draft a National SPP Strategy with a roadmap and action plan containing specific, measurable, achievable, relevant, and time-bound (SMART) goals.
<b>Assessment criterion 3(b)(b):</b> The SPP implementation plan is based on an in-depth assessment of appropriate tools and systems that are in place to operationalize, facilitate and monitor the application of SPP
<b>Conclusion: Substantive gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> As indicator 3(b)(a)
<b>Gap analysis</b> As indicator 3(b)(a)
<b>Recommendation</b> As indicator 3(b)(a)
<b>Assessment criterion 3(b)(c):</b> The legal and regulatory framework allows for sustainability (i.e. economic, environmental, and social criteria) to be incorporated at all stages of the procurement cycle
<b>Conclusion: Substantive gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> As indicator 3(b)(a)
<b>Gap analysis</b> As indicator 3(b)(a)

## Pillar I. Legal, Regulatory, and Policy Framework

<p><b>Recommendation</b> As indicator 3(b)(a)</p>
<p><b>Assessment criterion 3(b)(d):</b> The legal provisions require a well-balanced application of sustainability criteria to ensure value for money</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> As indicator 3(b)(a)</p>
<p><b>Gap analysis</b> As indicator 3(b)(a)</p>
<p><b>Recommendation</b> As indicator 3(b)(a)</p>
<p style="text-align: center;"><b>Sub-indicator 3(c)</b> <b>Environmental and Socio-economic development aspirations</b></p>
<p><b>Assessment criterion 3(c)(a):</b> The country has a policy/strategy in place to implement its socio-economic development aspirations, as defined herein, in support of broader national policy objectives</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> As indicator 3(b)(a)</p>
<p><b>Gap analysis</b> As indicator 3(b)(a)</p>
<p><b>Recommendation</b> As indicator 3(b)(a)</p>
<p><b>Assessment criterion 3(c)(b):</b> The implementation plan for the socio-economic initiatives is based on an in-depth assessment and appropriate tools and systems, clearly defined, are in place to operationalize, facilitate and monitor their application</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> As indicator 3(b)(a)</p>
<p><b>Gap analysis</b> As indicator 3(b)(a)</p>

## Pillar I. Legal, Regulatory, and Policy Framework

<b>Recommendation</b> As indicator 3(b)(a)
<b>Assessment criterion 3(c)(c):</b> The legal and regulatory framework permits the consideration of sustainability criteria in public procurement
<b>Conclusion: Substantive gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> As indicator 3(b)(a)
<b>Gap analysis</b> As indicator 3(b)(a)
<b>Recommendation</b> As indicator 3(b)(a)
<b>Assessment criterion 3(c)(d):</b> The legal provisions are consistent with the primary objectives of public procurement and ensure value for money
<b>Conclusion: Substantive gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> As indicator 3(b)(a)
<b>Gap analysis</b> As indicator 3(b)(a)
<b>Recommendation</b> As indicator 3(b)(a)
<b>Sub-indicator 3(d)</b>
<b>Obligations deriving from international, regional/sub-regional agreements applicable in the sector</b>
Public procurement-related obligations deriving from binding international, regional and sub regional agreements relating to the sector are:
<b>Assessment criterion 3(d)(a):</b> Clearly established
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> The obligations related to public procurement arising from binding international agreements are clearly established and are reflected in national procurement laws and regulations. - Article 53(3) of the PPL: preference rules also established in favor of bidders who are nationals of, or are based in, member states of the Southern African Common Market, COMESA or SADC or are based in such territories, or in favor of goods produced, extracted or cultivated in such states.



## Pillar I. Legal, Regulatory, and Policy Framework

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- Article 56 (1) (a) of the PPL on Impediments: "Entities may not be candidates or competitors, or be part of any candidate or competitors' consortium, if they are the object of a boycott by international and regional organizations to which Angola is a party, in particular the United Nations (UN), the International Monetary Fund (IMF), the United Nations Security Council (UNSC) and the United Nations Security Council Organization (UN), the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), the African Union (AU), the Southern African Development Community (SADC), and the United Nations (UN) Development Community (SADC), the Central African Economic Community (CEAC) and the African Development Bank (AfDB).

### Gap analysis

### Recommendation

### Assessment criterion 3(d)(b):

Consistently adopted in laws and regulations and reflected in procurement policies

**Conclusion: No gap**

**Red flag: No**

### Qualitative analysis

Refer to 3 (d) (a)

### Gap analysis

### Recommendation

## Pillar II. Institutional Framework and Management Capacity

Indicator 4. The public procurement system is mainstreamed and well-integrated with the public financial management system at the sector level

<p><b>Sub-indicator 4(a)</b>  <b>Procurement planning and the budget cycle in the sector</b>  The legal and regulatory framework, financial procedures, and systems for the sector, provide for the following:</p>
<p><b>Assessment criterion 4(a)(a):</b>  Annual or multi-annual procurement plans are prepared for the sector, to facilitate the budget planning and formulation process and to contribute to multi-year planning</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b>  The PPL has a specific provision on the creation and publication of Annual Procurement Plans, which is complemented by a provision in the Budget Execution Law that requires these plans to be published within 15 days of the publication of the Law approving the State Budget.  Only 1 of the 29 Budgetary Units has its 2023 Annual Procurement Plan published on the Public Procurement Portal  Based on the PEFA 2022 draft report, Angola has <b>scored D</b> on the PI - 11. PUBLIC INVESTMENT MANAGEMENT, which is the indicator that measures “<i>the extent to which the government conducts economic appraisals, selects, projects the costs, and monitors the implementation of public investment projects, with emphasis on the largest and most significant projects</i>”. The score is largely justified by the lack of evidence regarding cost, impact, and benefits analysis.</p>
<p><b>Gap analysis</b>  Based on the sample cases, a significative number of cases had no procurement plan nor evidence of market research.</p>
<p><b>Recommendation</b>  SNCP to ensure through the e-procurement system and public procurement portal the enforcement of publication of procurement plans.  Include in the Schedule for the Preparation and Approval of the Annual Programming of the Public Investment Programme (Article 23 of the Presidential Decree nr. 31/2010, of 13 of April) provisions on the preparation and/or updating of the Annual Procurement Planning for each project.</p>
<p><b>Assessment criterion 4(a)(b):</b>  Budget funds for the sector are committed or appropriated in a timely manner and cover the full amount of the contract (or at least the amount necessary to cover the portion of the contract performed within the budget period)</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag:</b> No</p>

## Pillar II. Institutional Framework and Management Capacity

<p><b>Qualitative analysis</b> The rules of budgetary execution and the Framework Law of the State Budget determine that any Budgetary Unit can assume no expenditure without the respective expense being duly and previously committed.</p>
<p><b>Gap analysis</b></p>
<p><b>Recommendation</b></p>
<p><b>Assessment criterion 4(a)(c):</b> A feedback mechanism reporting on budget execution is in place, especially regarding the completion of major contracts in the sector</p>
<p><b>Conclusion: Minor gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> The National Project Portfolio, managed by the Public Investment Directorate (DNIP) of the Ministry of Finance (MINFIN), is divided into Sectorial Portfolio and Provincial Portfolio, managed by each Sector/Provincial Government. According to the Presidential Decree nr. 31/2010, of 13 of April, the National Project Portfolio can be reviewed every two years, considering any changes in the Provincial, Sector or National policy priorities and is subject to a monitoring process which consists in a quarterly report on the financial and physical execution of the contracts by the Sectors and Provincial Governments and on a monthly report on the financial execution of the contracts performed by the Public Investment Directorate of MINFIN. The financial progress of each Project is recorded in the information system that supports PFM. However, the physical execution tracking of each project is based on the reports provided by the beneficiaries. SNCP is currently piloting a web-based information system “SGC – Sistema de Gestão de Contratos”, integrated with the e-GP and IFMIS, that will allow for a full cycle contract management, from procurement planning to payment.</p>
<p><b>Gap analysis</b> There are integration gaps between the e-GP and IFMIS that should be addressed. These gaps hamper the monitoring and evaluation capabilities, besides other consequences.</p>
<p><b>Recommendation</b> e-GP (SNCP) and IFMIS (SIGFE) to be enhanced for a better integration. Full deployment of SNCP/SGC.</p>
<p style="text-align: center;"><b>Sub-indicator 4(b)</b> <b>Financial procedures and the procurement cycle in the sector</b> The legal and regulatory framework, financial procedures, and systems applicable to the sector ensure that:</p>
<p><b>Assessment criterion 4(b)(a):</b> No solicitation of tenders/proposals takes place in the sector without certification of the availability of funds</p>
<p><b>Conclusion: No gap</b></p>

## Pillar II. Institutional Framework and Management Capacity

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<b>Red flag:</b> No
<p><b>Qualitative analysis</b></p> <p>Article 30 (1) (b) of the State Budget Framework Law (approved by Law nr. 15/2010, of 14 of July determines that any Budget Unit can undertake no expenditure without the previous budget allocation to ensure funds availability. Furthermore, the same Law prescribes that " Expenditure, the commencement of works, the conclusion of administrative contracts or the requisition of goods shall not be carried out without prior appropriation [(Article 31 (2))] and that "Failure to comply with the provisions of the previous paragraph shall not generate any payment obligation for the State and shall subject the authority that carried out the act to the applicable disciplinary, civil or criminal sanctions as appropriate [Article 31 (3)].</p> <p>Article 32 (1) of the PPL, states that procurement procedures begin with the decision to procure (in legal terms, the "decision to contract"), which can only be taken when the appropriation is entered into the budget (beginning of Article 32(2)), "except where the notice, invitation or programme of the procedure states that the award of a contract shall be subject to the approval of the relevant budget entry" (Article 32(2)).</p>
<b>Gap analysis</b>
<b>Recommendation</b>
<p><b>Assessment criterion 4(b)(b):</b></p> <p>The national regulations/procedures for processing of invoices and authorisation of payments are followed in the sector, are publicly available and clear to potential bidders</p>
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<p><b>Qualitative analysis</b></p> <p>The PPL stipulates 30 days as a rule in terms of payment deadline [Article 360 (1)], allowing for an increase up to 60 days, if clearly stated in the contract [ Article 360 (2) and (3)].</p> <p>The contract templates available on the PP Portal include a provision stating that "the payment period after receiving the invoices must not exceed that stipulated in the legislation (90 days)", which corresponds to the period after which unpaid invoices are considered "in arrears" (Article 14 (3) and (4)) by the Presidential Decree nr. 73/2022, of 1<sup>st</sup> of April, Rules for the implementation of the General State Budget.</p> <p>The payment of invoices to suppliers is however affected by the rules in force for the approval of withdrawal orders ("<i>ordens de saque</i>"), whose final validation is in most cases, and by virtue of the thresholds set, made by the Minister of Finance. This excessive concentration of powers may, on occasion, lead to delays in payments.</p>
<p><b>Quantitative analysis from the core report added for clarity.</b></p> <p>"For the 2020 financial year, the General State Budget approved Operating Expenses, Development Support Expenses (DAD) and Investment Projects in the sum of AOA 69 903 053 059.00 for OD-MINSA.</p>

## Pillar II. Institutional Framework and Management Capacity

The Revised State Budget 2020 for the MINSA OU was AOA 143 122 668 832.00. However, during the course of the year, reinforcement operations were carried out, which led to a rise to AOA 178 409 064 874.45, representing an overall increase of 24.65 per cent. This increase was largely due to the state's need to guarantee the conditions for preventing and combating the Covid-19 pandemic. The data extracted from SIGFE shows that the level of execution of the expenditure was satisfactory, reaching 92.04%. However, this performance was not matched by the state's ability to make financial resources available for the actual payment of expenditure, as only 40.17% of expenditure was actually paid. This showed that MINSA was unable to pay its suppliers of goods and service providers for around 59.83 per cent of the expenditure executed."

"Between 2013 and 2018, the debt claimed by service providers and goods suppliers accounted for AOA 11 481 851 556.16. MINSA's debt was AOA 4 838 436 362.46.

MINFIN, through the State Creditor Support Office, made payments to 7 (Seven) companies, in the sum of AOA 6 550 779 584.28. Of which 3 (Three) companies provide hemodialysis services and 4 (Four) in different sectors:

### Debts Paid in the Financial Year 2020

Nr.	Description	VAT Number	Amount Paid by MinFin	Date of payment
TRUNCATED BY THE ASSESSMENT TEAM				
TOTAL			6 550 779 584,28	

Source: MINFIN DATE: 18/02/2021

As for the arrears, part of the companies' debt [TRUNCATED BY THE EVALUATION TEAM] was written off to the value of AOA 1 000 000 000.00.

Due to numerous complaints made by some service providers, MINSA has paid off the existing debt, totalling AOA 13,837,849.00, using the resources from the financial quotas, as shown in the table below.

Nr.	Description	VAT Number	Withdrawal order	Amount
1	TRUNCATED BY THE ASSESSMENT TEAM			8715238
2				222111
3				1633500
4				3267000
Total				13837849

Source: SG-MINSA"

### Quantitative indicator to substantiate assessment of sub-indicator 4(b) Assessment criterion (b):

- Invoices for procurement of goods, works and services paid on time (in % if total number of invoices).

Source: PFM systems

## Pillar II. Institutional Framework and Management Capacity

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### Gap analysis

The national regulations/ procedures for processing of invoices and authorisation of payments are not clear to potential bidders.

The information contained in the IFMIS reveals full compliance with the legislation with regard to the punctual payment of invoices. However, an analysis of the 2021 data reveals multiple situations, of processes that are in principle subject to public procurement rules, in which the issuing of the commitment is separated from the confirmation of the payment by a few days, which suggests that the existing record in the IFMIS may not be accurate. Associated with this fact, information shared by the SNCP shows that although the majority of invoices are paid on time, cases have been detected where the payment period exceeded the 90 days prescribed by law.

In addition, at the Workshop held with Economic Operators as part of the Sector Assessment, attended by 28 suppliers, it was emphasized that payment deadlines are not respected. It was even pointed out that there is great uncertainty as to the actual date of payment of overdue invoices, even when there is already an agreement signed under the plan to combat arrears.

### Recommendation

- Greater clarity should be sought in determining the maximum time limit for payment of invoices to suppliers.
- Delegation of the necessary authority for approval of withdrawal orders to the National Treasury Director should be sought, as the current segregation of duties and approval process in place already ensures the necessary oversight.
- IFMIS should include control mechanisms to ensure that the time recording of financial movements is accurate.
- All the sector's arrears must be identified and the agreed payment plan must be complied with.

## Indicator 5. The sector has an institution in charge of technical normative functions

### Sub-indicator 5(a)

#### Status and legal basis for the normative functions entrusted to the sector agencies

#### Assessment criterion 5(a)(a):

The legal and regulatory framework specifies the normative function of development and validation of technical standards in the sector

**Conclusion: No gap**

**Red flag: No**

#### Qualitative analysis

The Regulatory Agency for Medicines and Health Technologies, abbreviated to "ARMED", is a public institution with legal personality and capacity, endowed with administrative, patrimonial and financial autonomy, responsible for carrying out actions to regulate, guide, license, supervise and control activities in the field of medicines for human use and health technologies, with the aim of guaranteeing their quality, efficacy and safety (Article 1 of Presidential Decree 136/21 of 1 June).

ARMED's mission: To regulate, guide, license, supervise and control activities in the field of medicines for human use and health technologies, with the aim of guaranteeing their quality and safety.

## Pillar II. Institutional Framework and Management Capacity

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<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 5(a)(b):</b> The technical norms respond to the needs of the country
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> ARMED fulfils its mission by developing or adapting the necessary technical standards.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 5(a)(c):</b> The use of the technical norms does not affect competitiveness and transparency
<b>Conclusion: Substantive gap</b>
<b>Red flag: No</b>
<b>Qualitative analysis</b> Despite the existence of technical standards, according to the authorities and the economic operators themselves, there are cases in which there is insufficient supervision, leading to economic operators without the necessary technical capacity taking part in public procurement procedures, even seeing their tenders awarded, and then finding themselves in situations of contractual breach because they don't have the necessary authorisations to distribute medicines and equipment. This leads to critical situations and long delays in acquiring these goods.
<b>Gap analysis</b> Enforcement of technical standards is not effective.
<b>Recommendation</b> Effective mechanisms must be put in place to monitor the application of technical standards to avoid constraints in public procurement procedures.

### Indicator 6. Definition, responsibilities, and formal powers of procuring entities in the sector

<b>Sub-indicator 6(a)</b>
<b>Definition, responsibilities, and formal powers of procuring entities in the sector</b> The legal framework applicable to the sector provides for the following:
<b>Assessment criterion 6(a)(a):</b> Procuring entities are clearly defined

## Pillar II. Institutional Framework and Management Capacity

**Conclusion: No gap**

**Red flag: No**

### Qualitative analysis

Entity	Legal framework
President of the Republic	Under Art. 120(d) of the Constitution of the Republic of Angola (CRA), "The President of the Republic, as holder of the Executive Power, has the following powers: d) to direct the services and the activity of the State's direct, civil and military administrations, to supervise the indirect administration, and to exercise jurisdiction over autonomous administration;" It must be borne in mind that, according to the Angolan constitutional framework (Article 108(1) of the CRA), the powers of the President of the Republic are threefold inasmuch as he "is the Head of State, the holder of Executive Power, and the Commander-in-Chief of the Armed Forces".
Entities of Central and Local State Administration	The organization and functioning of the auxiliary bodies of the President of the Republic are governed by Presidential Legislative Decree 8/2019, of 19 of June
National Assembly	The National Assembly is a sovereign organ (Article 105 of the CRA) and "is the Parliament of the Republic of Angola" (Article 141, Paragraph 1 of the CRA) exercising political and legislative powers (Article 161 of the CRA), including the approval of the General Budget of the State (Article 161, e), the law on public contracts (Article 161, b) and Article 165, Paragraph 2 of the CRA), with powers of control and supervision (Article 162 of the CRA), with particular emphasis on "receiving and analyzing the General Account of the State, as well as other public institutions that the law requires it to oversee, which may be accompanied by the report and opinion of the Court of Auditors, (...)" and, finally, powers in relation to other organs (Article 163 of the CRA)
Courts	The Courts are organs of sovereignty (Article 105 of the CRA), with the Court of Auditors (Article 182 of the CRA), whose Organic Law was approved by Law nr. 13/2010, of 9 of July, and amended by Law nr. 19/2019, of 14 of August, standing out for its importance in the framework of prior, concomitant, and successive supervision of public contracts.
Attorney General's Office	The Organic Law of the Attorney General's Office was approved by Law nr. 22/2012, of 14 of August.
Independent Administrative Entities	The Law on Independent Administrative Entities was approved by the Law nr. 27/20 21, of 25 of October. According to Article 2 (1), Independent Administrative Bodies are non-territorial entities that, regardless of their designation and not integrated in other bodies of the Public Administration, pursue their attributions with organic, functional, and technical autonomy, without being subject to the direction, supervision or administrative tutelage of the Executive Branch. (2) The Independent Administrative Bodies shall have administrative and financial autonomy, as well as attributions and competences in matters of regulation of economic, social, and administrative activity (...) and of promotion and defense of competition in the public and private sectors.
Local authorities	The legal regime of local authorities is set out in Article 217 (1) of the CRA and in the Organic Law on the Organisation and Functioning of Local Authorities, approved by Law nr. 27/2019, of 25 of September.
Public institutes	The Legal Regime of Public Institutes was approved in the Presidential Decree nr. 2/2020, of 19 of February
Public funds	According to Article 4, (d) of Presidential Legislative Decree nr. 2/2020, of 19 of February, public funds are a form of public institute when they are " <i>autonomous public assets, endowed with legal personality, administrative, financial and patrimonial autonomy specifically created to pursue certain public purposes of an economic nature, namely in the fields of fostering economic and social development, maintenance and conservation of infrastructure and economic stabilization.</i> " Public funds, unlike public foundations, are integrated in the General Budget of the State.
Public associations	The legal regime of public associations is set out in the Basic Law on Public Associations, approved by Law nr. 13/2012, of 13 of January



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Public Companies and Companies with Public Shareholding, as defined in law	The Basic Law of the Public Enterprise Sector, approved by Law nr. 11/2013, of 7 of September, does not offer a definition or a general concept of public company, but provides in Article 3 that public companies are those that, by law, are expressly qualified as such. Paragraph 2 adds that the capital of these companies is held entirely by the State. As for the companies with a public sector shareholding, the same law prescribes in its Article 4 that "they are commercial companies created under the Commercial Companies Law, in which the State directly, or through other public entities, exerts isolated or jointly a dominant influence by virtue of any of the following circumstances: a) Holding all or most of the capital or voting rights; b) Right to appoint or dismiss the majority of the members of the administrative or supervisory bodies". Public Companies and Mixed Public Shareholding Companies that do not benefit from operational subsidies or any operations with funds from the State Budget are excluded from the application of the PPL.
Entities governed by public law	An Entity governed by public law is any legal person that, regardless of its public or private nature, pursues public interests without any commercial or industrial character and that in its pursuit is controlled or financed by the Angolan State from the General State Budget.
<b>Gap analysis</b>	
<b>Recommendation</b>	
<b>Assessment criterion 6(a)(b):</b> Responsibilities and competences of procuring entities are clearly defined	
<b>Conclusion: No gap</b>	
<b>Red flag: No</b>	
<b>Qualitative analysis</b> All actors intervening in Angolan public procurement market – supply side, demand side and regulatory function - have their responsibilities and competences defined by law. In the case of procuring entities (demand side) the level of definition is the highest possible and comprises two fundamental areas: <ul style="list-style-type: none"> <li>- Definition of the attributions and competences of the entity in general, hierarchical dependence or tutelage relationship or regime of independence and internal organisation (the more general aspects derive from Administrative Law and the more specific ones are, when necessary, the subject of organic laws (e.g. SNCP, which constitutes the body responsible for the regulation and supervision of public procurement, is specifically regulated by the respective organic law, approved by Presidential Decree nr. 162/2015);</li> <li>- Definition of the specific powers and duties applicable to its intervention in public procurement (contained in the PPL and complementary regulations).</li> </ul>	
<b>Gap analysis</b>	
<b>Recommendation</b>	
<b>Assessment criterion 6(a)(c):</b> Procuring entities are required to establish a designated, specialised procurement function with the necessary management structure, capacity, and capability	
<b>Conclusion: No gap</b>	

## Pillar II. Institutional Framework and Management Capacity

**Red flag:** No

### Qualitative analysis

Within the Ministry of Health there is a formally created Public Procurement Unit with the capacity to carry out public procurement procedures. CECOMA - Angola's Procurement Centre for Medicines and Medical Supplies - has also been formally created since 2014 and has been a Budget Unit since July 2022. There are 27 other Budgetary Units in the health sector.

Both the UCP and CECOMA have the necessary structure, capacity, and competences.

### Quantitative analysis added from the core analysis for clarity.

6% of Budgetary Units have a specialized Public Procurement structure.

### Quantitative indicator to substantiate assessment of sub-indicator 6(a) Assessment criterion (c):

- Procuring entities, in the sector, with a designated, specialized procurement function (in % of total number of procuring entities in the sector).

Source: Normative/regulatory function/statute of sector agencies.

### Gap analysis

### Recommendation

### Suggestion for improvement

With a view to further professionalizing the procurement function and making full use of the structure provided by CECOMA, consideration should be given to centralizing all procurement processes in this unit so as to extract all the potential benefits in terms of standardization of processes, economies of scale and efficiency.

### Assessment criterion 6(a)(d):

Decision making authority is delegated to the lowest competent levels consistent with the risks associated and the monetary sums involved

### Conclusion: Substantive gap

**Red flag:** Yes

### Qualitative analysis

Article 24 of the PPL determines the rules for the choice of procurement method depending on the value of the contract. These rules provide for the delegation of powers according to risk.

Competent bodies	Thresholds (in AOA) are set out in the Annual Implementation Rules of the State Budget for each fiscal year					
	Up to 1 000 million	Up to 1 750 million	Up to 2 000 million	Up to 2 500 million	Up to 3 000 million	above 3 000 million
Holder of the Executive Branch (President of the Republic)	✓	✓	✓	✓	✓	✓
Vice-President of the Republic	✓	✓	✓	✓	✓	✗

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Ministers of State	✓	✓	✓	✓	✗	✗
Ministers and Provincial Governors	✓	✓	✓	✗	✗	✗
Municipal Administrators	✓	✓	✗	✗	✗	✗
Other Bodies of Central State Administration and SOEs	✓	✗	✗	✗	✗	✗
Managers of Budgetary Units of Local Government Bodies of the State	✓	✗	✗	✗	✗	✗

### Gap analysis

Delegation of authority does not adequately reflect the risk reflected in the value of the contract to be formed. A Red Flag is assigned because addressing this gap requires a legislative amendment.

### Recommendation

Consider revising the competence thresholds according to the estimated value of the contract in order to increase the autonomy, as well as the responsibility, of the lower levels of competence. This is usually done through the Budget Execution Law.

### Sub-indicator 6(b)

#### Centralized procurement body

### Assessment criterion 6(b)(a):

The country/sector has considered the benefits of establishing a centralised procurement function in charge of consolidated procurement, framework agreements, or specialized procurement for the sector

### Conclusion: Minor gap

**Red flag:** No

### Qualitative analysis

Although with limitations, centralized contracting is already a practice. CECOMA has only been a budgetary unit since 2022, so the actual results of its activity as a central purchasing body are incipient. On the other hand, CECOMA only buys centrally for 17 small health units, leaving out the large central hospitals.

### Gap analysis

The adoption of special procurement instruments, such as framework agreements, is incipient.

### Recommendation

Special procurement instruments, such as framework agreements, should be adopted to reap the benefits of creating a centralized procurement function. To this end, a Category Management approach should be considered.

### Assessment criterion 6(b)(b):

In case a centralized procurement body exists, the legal and regulatory framework provides for the following:

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<ul style="list-style-type: none"> <li>• Legal status, funding, responsibilities, and decision-making powers are clearly defined.</li> <li>• Accountability for decisions is precisely defined.</li> <li>• The body and the head of the body have a high level and authoritative standing in government</li> </ul>
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<p><b>Qualitative analysis</b>            CECOMA's Organic Statute was approved by Presidential Decree 269/14 of 22 September, which establishes the rules on CECOMA's organisation and operation. More recently, CECOMA was converted into a Budgetary Unit, which guarantees it the necessary financial autonomy to fulfil its responsibilities.            As for autonomy and authority, the same applied is the same as in the core assessment.</p>
<b>Gap analysis</b>
<b>Recommendation</b>
<p><b>Assessment criterion 6(b)(c):</b>            The centralised procurement body's internal organization and staffing are sufficient and consistent with its responsibilities</p>
<b>Conclusion: No gap</b>
<b>Red flag: No</b>
<p><b>Qualitative analysis</b>            Both CECOMA and MINSAs General Secretariat have set up Public Procurement Units in accordance with Presidential Decree 88/16 of 6 April. According to information provided by them, both units have a full staff, duly trained for this purpose.</p>
<b>Gap analysis</b>
<b>Recommendation</b>

### Indicator 7. Publication of public procurement information in the sector supported by information technology

<p align="center"><b>Sub-indicator 7(a)</b>  <b>Definition, responsibilities, and formal powers of procuring entities in the sector</b>            The sector uses an information system that meets the following requirements:</p>
<p><b>Assessment criterion 7(a)(a):</b>            Information on procurement, in the sector, is easily accessible in media of wide circulation and availability. Information is relevant, timely and complete and helpful to interested parties to understand the procurement processes and requirements and to monitor outcomes, results and performance</p>

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<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<p><b>Qualitative analysis</b></p> <p>There is no evidence of bidding notices for electronic procurement being published in wide circulation media. Monitoring of outcomes, results and performance is extremely limited.</p>
<p><b>Gap analysis</b></p> <p>Public procurement information is not easily accessible. The Introduction of e-procurement has had a positive impact, but its coverage is still very limited. A Red Flag is assigned because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.</p>
<p><b>Recommendation</b></p> <p>The enhancement of the existing e-procurement system is recommended. An independent review of the systems functionalities is required to identify potential gaps and to draft an action plan to ensure coverage of the full procurement process. Independent audit/review of the system security features is required to provide for the required trust on the tool and to identify potential vulnerabilities. The use of Open Contracting Data Standard (OCDS) is recommended to make data available and easily accessible for all stakeholders.</p>
<p><b>Assessment criterion 7(a)(b):</b></p> <p>The country's (or sector's) information system is fully utilized by sector entities, provides up-to-date information and is easily accessible to all interested parties at no cost</p>
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<p><b>Qualitative analysis</b></p> <p>There is an e-Procurement system (SNCPE) in use since 2018. It covers the pre-awarding phase (e-procurement planning, e-publication, e-tendering, e-reverse auction, e-evaluation/e-awarding), post-awarding phase (contract management) and supporting features (e-registration, supplier management). Since it was implemented, 65 contracts were awarded using the system (37 under the new Electronic Dynamic System, created under the new PPL, and in force since 2021). Access to the system by the Civil Servants requires a SIGFE account and follows a smooth procedure. Suppliers' registration is free of charge and provides access to the full details of the bidding processes and allows suppliers to bid. During the registration process, some of the suppliers' information is automatically obtained as the system is integrated with public data bases (e.g. Tax Authority). There is also a Public Procurement Portal that serves as an access point to all the procurement related information. The published information is not following any data standard (e.g.: Open Contracting Data Standards).</p>

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### Gap analysis

The use of the system has been residual since its launch and does not cover the whole of procurement. According to testimonies gathered from EPCs and economic operators, this may be due to difficulties in use or poor reliability.

This gap is given a Red Flag because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.

### Recommendation

Same as the recommendation in 7 (a) (a).

### Assessment criterion 7(a)(c):

There is an integrated information system (centralised online portal) that provides up-to-date information and is easily accessible to all interested parties at no cost

### Conclusion: Substantive gap

**Red flag:** Yes

### Qualitative analysis

The analysis does not differ from the core assessment.

- Only 1 of the 29 Budgetary Units has its 2023 Annual Procurement Plan published on the Public Procurement Portal
- There is no record of contracts published by the Health Budget Units on the Public Procurement Portal
- There is no information on the Public Procurement Portal, or any other online portal, that would allow the relevant indicators to be calculated.

### Quantitative indicators to substantiate assessment of sub-indicator 7(a) Assessment criterion (c):

- Sector procurement plans published (in % of total number of required procurement plans)
- Key procurement information published along the procurement cycle (in % of total number of contracts):
  - o Invitation to bid/Request for proposal (in % of total number of contracts);
  - o Contract awards (purpose, supplier, value, variations/amendments);
  - o Details related to contract implementation (milestones, completion, and payment);
  - o Annual procurement statistics.
- Appeals decisions related to the sector posted within the timeframes specified in the law (in %).

Source: Centralized online portal.

### Gap analysis

Same as in 7 (a) (a).

### Recommendation

Same as the recommendation in 7 (a) (a).

### Assessment criterion 7(a)(d):

The information system provides for the publication of:

- Procurement plans;
- Information related to specific procurements, as a minimum: Advertisements or notices of procurement opportunities, contract awards including procurement method and amendments, information on contract implementation including payments, appeals decisions;

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<ul style="list-style-type: none"> <li>• Linkages to rules and regulations and other information that is relevant to promote competition and transparency</li> </ul>
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<b>Qualitative analysis</b> Same as in 7 (a) (c).
<b>Gap analysis</b> This gap is assigned a Red Flag because the lack of information on opportunities can significantly limit competition. On the other hand, the lack of reliable statistics and information on awards and addenda prevents stakeholders from monitoring results. The absence of information on appeals prevents continuous improvement of the system. The lack of a single source for accessing rules and regulations makes the system more confusing or less clear. Taken together, these gaps prevent public procurement from achieving its objectives.
<b>Recommendation</b> Same as in 7 (a) (a).
<b>Assessment criterion 7(a)(e):</b> In support of the concept of open contracting, in the sector, more comprehensive information is published on the centralized online portal, in each phase of the procurement process including the full set of procurement documents, evaluation reports, full contract documents including technical specification and implementation details (in accordance with legal and regulatory framework)
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<b>Qualitative analysis</b> As is, the SNCP system does not support the achievement of the criterion, since registration is necessary to access a full set of bidding documents, though eventually subject to the payment of a fee. Evaluation reports are available to bidders of specific procurements. - There is no publication of information in open data formats.
<b>Recommended quantitative indicator to substantiate assessment of sub-indicator 7(a)</b> <b>Assessment criterion (e):</b> <ul style="list-style-type: none"> <li>• Share of procurement information and data published in open data formats (in %).</li> </ul> Source: Centralized online portal.
<b>Gap analysis</b> Same as in 7 (a) (c).
<b>Recommendation</b> Same as in 7 (a) (a).
<b>Assessment criterion 7(a)(f):</b> Information, from the sector, is published in an open and structured machine-readable format, using identifiers and classifications (open data format).

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<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Information is not published under an open data standard.
<b>Gap analysis</b> As with the core assessment, which analyzed public procurement across the country, the health sector also lacks publications in an open and structured format, making it difficult to analyze the information.
<b>Recommendation</b> Same as in 7 (a) (a).
<b>Assessment criterion 7(a)(g):</b> Responsibility for the management and operation of the sector information system is clearly defined
<b>Conclusion: No gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> The Presidential Decree nr. 202/2017, of 6 of September, establishes in its Article 12 that the supervisory body of the e-Procurement solution (software) is the Ministry of Telecommunication and Information Technologies and Media (MINTTICS). In Article 13, the system's (processes) regulatory and supervisory power is attributed to SNCP. Article 14 states that the Public Assets Directorate, under MINFIN, has the operational management of the suppliers' registry, catalogue management and aggregation of needs. Finally, the technical and functional development role is mandated to MINFIN's ICT Institute (SETIC-FP).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 7(b)</b> <b>Use of e-Procurement in the sector</b>
<b>Assessment criterion 7(b)(a):</b> E-procurement is widely used or progressively implemented in the sector at all levels of government
<b>Conclusion: Minor gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> MINSa was one of the pilot organizations for the deployment of electronic public procurement in Angola, and since then it has progressively tried to reduce the use of paper-based procurement. However, the use of electronic procurement is still residual.



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### **Quantitative analysis from the core report added for clarity.**

At the cut-off date for the collection of information, 15 bids had been processed through the electronic public procurement system, summing 45.6 million Kwanzas, and it was not possible to ascertain the total number of procedures processed due to lack of data.

### **Quantitative indicators to substantiate assessment of sub-indicator 7(b) Assessment criterion (a):**

Uptake of e-Procurement in the sector:

- Number of e-Procurement procedures in % of total number of procedures in the sector;
- Value of e-Procurement procedures in % of total value of procedures in the sector.

Source: e-Procurement system.

### **Gap analysis**

The use of e-procurement is residual and there is no expansion plan to make the use of this system compulsory or to massify it.

### **Recommendation**

An expansion/dissemination plan for e-procurement should be drawn up to exploit its full potential.

### **Assessment criterion 7(b)(b):**

Sector officials have the capacity to plan, develop and manage e-Procurement systems, as required (e.g., by a national road map or general framework)

**Conclusion: Minor gap**

**Red flag:** No

### **Qualitative analysis**

Although MINSAs was part of the pilot for implementing electronic procurement in Angola, there is still a lack of capacity to use the e-GP autonomously.

### **Gap analysis**

There is no capacity for the sector's employees to conduct processes in the electronic solution autonomously.

### **Recommendation**

Strengthen the capacity of UCP staff to use the e-GP system.

### **Assessment criterion 7(b)(c):**

Procurement staff in the sector is adequately skilled and equipped to reliably and efficiently use e-Procurement systems

**Conclusion: Minor gap**

**Red flag:** No

### **Qualitative analysis**

Refer to 7(b)(b).

### **Gap analysis**

Refer to 7(b)(b).

### **Recommendation**

Refer to 7(b)(b).

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<p><b>Assessment criterion 7(b)(d):</b> Suppliers in the sector (including micro, small and medium-sized enterprises) participate in a public procurement market increasingly dominated by digital technology</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> Use of the e-procurement system is still residual, despite the high take-up of the solution by economic operators, both during the pilot carried out in 2017 and in subsequent bids.</p>
<p><b>Quantitative analysis from the core report added for clarity.</b> - In the bids processed electronically, the average number of proposals received was 12, compared to an average of less than 3 proposals received in the paper-based procedures that made up the sample.</p> <p><b>Recommended quantitative indicators to substantiate assessment of sub-indicator 7(b) Assessment criterion (d):</b></p> <ul style="list-style-type: none"> <li>• Bids submitted online in the sector (in %);</li> <li>• Bids submitted online by micro, small and medium-sized enterprises in the sector (in %).</li> </ul> <p>Source: e-Procurement system.</p>
<p><b>Gap analysis</b> The lack of widespread adoption of electronic procurement substantially restricts the competitiveness of procedures.</p>
<p><b>Recommendation</b> Refer to 7(b)(a).</p>
<p><b>Assessment criterion 7(b)(e):</b> If e-Procurement has not yet been introduced, the sector has adopted an e-Procurement roadmap based on an e-Procurement readiness assessment</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> Electronic procurement has already been adopted by the sector and there is still an opportunity to extend its use. There is no roadmap for the use of paper-based procurement.</p>
<p><b>Gap analysis</b> Refer to 7(b)(d).</p>
<p><b>Recommendation</b> Refer to 7(b)(d).</p>
<p style="text-align: center;"><b>Sub-indicator 7(c)</b> <b>Strategies to manage procurement data in the sector</b></p>
<p><b>Assessment criterion 7(c)(a):</b> A system is in operation in the sector for collecting data on the procurement of goods, works and services including consulting services supported by e-Procurement or other information technology.</p>

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<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<p><b>Qualitative analysis</b></p> <p>Data collection is mainly a manual process that, even with supporting provisions in PPL and other decrees/regulations, is not effective. SNCP keeps an Excel file where it stores all the tender notices that it becomes aware of, either because some (few) entities comply with the PPL's provisions of informing, or because SNCP's team is monitoring national newspapers daily looking for tender notices. The same Excel file is used to store award notices and other information. Such process is not effective.</p>
<p><b>Gap analysis</b></p> <p>Data collection is mainly a manual process that, even with supporting provisions in PPL and other decrees/regulations, is not effective.</p> <p>A Red Flag is assigned because the absence of a reliable system for collecting data is a factor that hinders the necessary monitoring of procurement, making it impossible to implement fact-based reforms.</p>
<p><b>Recommendation</b></p> <p>Same as 7 (a) (a)</p>
<p><b>Assessment criterion 7(c)(b):</b></p> <p>The system manages data for the entire procurement process, in the sector, and allows for analysis of trends, levels of participation, efficiency and economy of procurement and compliance with requirements</p>
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<p><b>Qualitative analysis</b></p> <p>While the e-Procurement system offers limited analytic capabilities, it does not cover the entire cycle, being limited to the pre-award and award phases. The Post-award phase is still missing. In what concerns to traditional paper-based procurement, due to the reduced compliance with publication requirements, the available information does not allow the performance of any effective and reliable analysis of data.</p>
<p><b>Gap analysis</b></p> <p>While the e-Procurement system offers limited analytic capabilities, it does not cover the entire cycle, being limited to the pre-award and award phases. The Post-award phase is still missing.</p>
<p><b>Recommendation</b></p> <p>Same as 7 (a) (a)</p>
<p><b>Assessment criterion 7(c)(c):</b></p> <p>The reliability of the information is high (verified by audits)</p>
<b>Conclusion: Substantive gap</b>

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<p><b>Red flag:</b> Yes</p>
<p><b>Qualitative analysis</b> Please refer to 7 (c) (a). Audits have not been performed.</p>
<p><b>Gap analysis</b> Audits to the e-GP solution have not been performed.</p>
<p><b>Recommendation</b> The enhancement of the existing e-procurement system is recommended. An independent review of the systems functionalities is required to identify potential gaps and to draft an action plan to ensure coverage of the full procurement process. Independent audit/review of the system security features is required to provide for the required trust on the tool and to identify potential vulnerabilities. The use of Open Contracting Data Standard (OCDS) is recommended to make data available and easily accessible for all stakeholders. The system shall be independently audited.</p>
<p><b>Assessment criterion 7(c)(d):</b> Analysis of information is routinely carried out, in the sector, published and fed back into the system</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> SNCP regularly issues a semi-annual statistical bulletin (BECPA), an annual report (RACPA) and a monthly statistical bulletin. However, as stated above, the level of accuracy of the provided statistics is very limited and does not cover the entire government procurement related expenditure. - No quantitative information available.</p> <p><b>Quantitative indicators to substantiate assessment of sub-indicator 7(c): - Assessment criterion (d):</b></p> <ul style="list-style-type: none"> <li>• Total number and value of contracts;</li> <li>• Public procurement as a share of government expenditure and as share of GDP;</li> <li>• Total value of contracts awarded through competitive methods in most recent fiscal year.</li> </ul> <p>Source: Normative/regulatory function/E-Procurement system.</p>
<p><b>Gap analysis</b> No quantitative information available for the health sector.</p>
<p><b>Recommendation</b> Same as 7 (a) (a)</p>

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Indicator 8. The sector public procurement system has a strong capacity to develop and improve

<p><b>Sub-indicator 8(a)</b>  <b>Training, advice and assistance in the sector</b>          There are systems in place, in the sector, that provide for:</p>
<p><b>Assessment criterion 8(a)(a):</b>          Substantive permanent training programmes of suitable quality and content for the needs of the procurement staff in the sector</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b>          SNCP has been investing in training its internal staff, and also the staff assigned to the area of public procurement at the level of Procuring Entities and private sector.          In 2020 an agreement was signed with the National School of Administration and Public Policy (ENAPP), which resulted in the creation of the Academy of Public Procurement, open to public entities and private sector.          According to the information available on the RACPA, in 2020, and despite the pandemic crisis, 17 training courses were held in areas such as i) project management, ii) operation of the Evaluation Commissions, iii) analysis and evaluation of proposals, iv) procedures in the SNCPE and v) procedures for tender processes. These actions covered more than 700 people, who participated either in person or remotely.          However, no specific information is available for the health sector.</p>
<p><b>Gap analysis</b></p>
<p><b>Recommendation</b>  <b>Suggestion for improvement:</b>          Despite the existence of an intensive capacity building plan, in the contact with the procuring entities the need for training was always mentioned, particularly in areas related to the preparation of procedures and evaluation of proposals. The information on training provided should be disaggregated by sector.</p>
<p><b>Assessment criterion 8(a)(b):</b>          Routine evaluation and periodic adjustment of training programmes based on feedback and need</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b>          SNCP maintains close contact with the procuring entities and has defined a monitoring calendar for the different sectors, as well as visits to the various provinces. As part of this monitoring, the training needs of those involved in the public procurement process are assessed and adjusted.</p>

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<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 8(a)(c):</b> Advisory service or help desk function to resolve questions by procuring entities, suppliers, and the public
<b>Conclusion: Minor gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Same as 8 (a) (b). The teams that provide the mentioned close contact are available to give guidance to the procuring entities. A specific channel is available for suppliers and the public through a dedicated e-mail. In the private sector survey, when asked if the Government provides suppliers with the necessary support, namely training courses, technical guidelines, helpdesk, and support programmes for companies, especially MSMEs, to keep up with the reforms around public procurement, 73% of respondents answered No.
<b>Gap analysis</b> In the private sector survey, when asked if the Government provides the necessary resources, namely training courses, technical guidelines, helpdesk, and support programmes for companies, especially MSMEs, to keep up with the reforms around public procurement, 73% of respondents answered No.
<b>Recommendation</b> Launch a survey for the private sector to identify needs. Draft and implement a private sector-oriented capacity-building programme.
<b>Assessment criterion 8(a)(d):</b> A capacity development strategy that is well integrated with other measures aimed at developing the capacities of key actors involved in public procurement, in the sector
<b>Conclusion: Minor gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer to 8(a)(c).
<b>Gap analysis</b> Refer to 8(a)(c)
<b>Recommendation</b> Refer to 8(a)(c).
<b>Assessment criterion 8(a)(e):</b>

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The environment surrounding individuals and organizations that supports the sound practices and behaviors learned
<b>Conclusion: Minor gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> The practice of sharing good practices is restricted to knowledge sharing meetings with a special focus on the performance of public procurement units.
<b>Gap analysis</b> The practice of sharing good practices does not cover private sector organizations to the extent that is desirable.
<b>Recommendation</b> The knowledge sharing meetings that have been held should be extended to the private sector.
<b>Sub-indicator 8(b)</b> <b>Monitoring performance to improve sector outputs and outcomes</b>
<b>Assessment criterion 8(b)(a):</b> The sector has established and consistently applies a performance measurement system that focuses on both quantitative and qualitative aspects
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> Yes
<b>Qualitative analysis</b> At a sector level, there is no performance measurement system.
<b>Gap analysis</b> At a sector level, there is no performance measurement system. A red flag is assigned to this gap as this factor hinders the necessary monitoring of procurement, making it impossible to implement fact-based reforms.
<b>Recommendation</b> A sector performance monitoring system should be developed to feed into the general one.
<b>Assessment criterion 8(b)(b):</b> The information is used to support strategic policy making on procurement in the sector
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Not assessed as not applicable. It is not possible to assess this criterion because there is no performance evaluation system centered on qualitative and quantitative aspects of the public procurement system.
<b>Gap analysis</b>

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<b>Recommendation</b>
<b>Assessment criterion 8(b)(c):</b> Strategic plans, including results framework, are in place and used to improve sector system performance
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> There are sector strategic plans in place.
<b>Gap analysis</b> The implementation of strategic plans is not accompanied by operational plans or monitoring of results.
<b>Recommendation</b> Strategic plans must be accompanied by operational plans and measures to monitor results.
<b>Assessment criterion 8(b)(d):</b> Responsibilities for performance measurement in the sector are clearly defined
<b>Conclusion: No gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> The Statute of the Ministry of Health, approved by Presidential Decree no. 277/20 of 26 October, includes the Studies, Planning and Statistics Office, which is responsible for "preparing, in collaboration with the other bodies and services of the Ministry, the annual and multi-annual plans and the respective budgets", as well as "monitoring the implementation of the Ministry's activity plan, projects and programmes". It is also responsible for "drawing up activity reports, as well as other monitoring and evaluation reports for the sector.
<b>Gap analysis</b>
<b>Recommendation</b>



## Pillar III. Public Procurement Operations and Market Practices

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### Indicator 9. Public procurement practices achieve stated objectives in the sector

Sub-indicator 9(a) Planning in the sector
<p><b>Assessment criterion 9(a)(a):</b> Needs analysis and market research guide a proactive identification of optimal procurement strategies in the sector</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> Yes</p>
<p><b>Qualitative analysis</b> There is no evidence of significant market research being conducted, even though in 63% of the sample cases contracting authorities claimed to have made an estimation of the contract value based on “market research”. The percentage decreases to almost 14% if the bids conducted through the e-GP system are excluded. Also, worth to note that according to the sample, for the bids conducted electronically, market research was conducted in 100% of the cases.</p>
<p><b>Gap analysis</b> There is no evidence of significant market research being conducted, even though in 63% of the sample cases contracting authorities claimed to have made an estimation of the contract value based on “market research”. The percentage decreases to almost 14% if the bids conducted through the e-GP system are excluded. Also, worth to note that according to the sample, for the bids conducted electronically, market research was conducted in 100% of the cases.</p>
<p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>- Procuring Entities to carry out adequate needs analysis and market research to design the procurement strategy.</li> <li>- Deploy SNCPE’s Procurement Planning module and seek enforcement of the existing provisions to ensure full coverage of procurement planning.</li> <li>- Develop guidelines on how to conduct market research.</li> </ul>
<p><b>Assessment criterion 9(a)(b):</b> The requirements and desired outcomes of contracts, in the sector, are clearly defined</p>
<p><b>Conclusion: Minor gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> Contract requirements and desired outcomes are usually poorly described in tender documents, although often using "historical information", i.e., copying and pasting from tender documents used in the past, with limited or no updates. Service levels are often not described.</p>

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<p><b>Gap analysis</b> The use of outdated bidding documents may compromise the desired outcomes.</p>
<p><b>Recommendation</b> Procuring entities to make sure the desired outcomes are properly described and that service levels are defined to achieve the procurement objectives.</p>
<p><b>Assessment criterion 9(a)(c):</b> Sustainability criteria, if any, are used in a balanced manner, in the sector, and in accordance with national priorities, to ensure value for money</p>
<p><b>Conclusion:</b> Substantive gap</p>
<p><b>Red flag:</b> Yes</p>
<p><b>Qualitative analysis</b> A national strategy for sustainable procurement is not yet available. SNCP, together with other stakeholders, are working in a phased manner to achieve this. The first step, a national survey, is underway. In the sample analyzed, the use of sustainability criteria applied in practice was not detected.</p>
<p><b>Gap analysis</b> Refer to Indicator 3 (b) .</p>
<p><b>Recommendations</b> Refer to Indicator 3 (b) .</p>
<p style="text-align: center;"><b>Sub-indicator 9(b)</b> <b>Selection and contracting in the sector</b> Analysis of a sample of contracts in the sector shows that:</p>
<p><b>Assessment criterion 9(b)(a):</b> Multi-stage procedures are used in complex procurements to ensure that only qualified and eligible participants are included in the competitive process</p>
<p><b>Conclusion:</b> Substantive gap</p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> The use of multi-stage procedures in complex procedures is not a usual practice, representing less than 10% of the sample analysed and, within these, only 30% refer to paper-based procedures. Contracting authorities claim that the multi-stage is complex and long being these the reasons for not using it.</p>
<p><b>Gap analysis</b> The use of multi-stage procedures is very limited.</p>
<p><b>Recommendation</b> - SCNP to draft guidelines and provide training to Procuring Entities to allow for an increased use of multi-stage bidding. - Use SNCPE, for the simplicity and guidance provided by the e-GP system, as an enabler.</p>

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### Assessment criterion 9(b)(b):

Clear and integrated procurement documents, standardised where possible and proportionate to the need, are used to encourage broad participation from potential competitors

**Conclusion: Substantive gap**

**Red flag:** No

### Qualitative analysis

Standard Bidding Documents (SBDs) are available for all procurement methods and types of contracts. Its availability is wide-spread, and PEs tend to use the available SBDs. However, more often than not, those SBDs are misused, as some of the instructions are not followed, namely in what regards to the disclosure of the evaluation model.

In the private sector survey, 62% of the respondents consider that the procurement method chosen by PEs is not proportional to the risk and specific value of the contracts.

There is an average of 8.76 received bids in 126 sampled cases. This average falls to 6.23 if e-GP cases are excluded from the sample.

If the data collected in the private sector survey is considered, it can be noted 73% of the respondents consider that the Government does not "provide the necessary resources, namely training, technical guidelines, and support programmes for companies, especially MSMEs, to keep up with the reforms around public procurement". Additionally, 57% of the responses indicate that the evaluation criteria are neither simple nor objective.

### Gap analysis

To a certain extent, SBDs are misused as, in many cases, the evaluation criteria is not clearly defined.

### Recommendation

Considering the higher participation rates of the tenders processed through the e-GP system (SNCP), GoA should consider to fully deploy the e-GP solution.

In addition, the SNCP should promote awareness-raising and capacity-building actions to ensure the effective use of the standard documents.

### Assessment criterion 9(b)(c):

Procurement methods are chosen, documented, and justified in accordance with the purpose and in compliance with the legal framework

**Conclusion: Substantive gap**

**Red flag:** No

### Qualitative analysis

The PPL provides for 6 (six) different procurement methods, although two of those are quite recent, created by the new PPL (Electronic Dynamic Purchasing System and Emergency Procurement).

Procurement procedures, in many cases, were presented incomplete and lacking information of evidence of several steps.

Despite not being the case in the analysed sample, during several meetings with PEs, the excessive use of restricted methods was mentioned, in many cases under the justification of "emergency". In fact, the creation of the "Emergency procurement" method is seen as an attempt to somehow

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regulate the use of “emergency” as a material criterion for the selection of the procurement method.

According to the 2021 Annual Procurement Report issued by SNCP (RACPA), and despite the poor quality of the data<sup>3</sup>, there is an apparently reasonable distribution of usage of the different procurement methods, if the number of procedures is considered (37% of open procedures). However, when analysing the contractual amount, open methods represent more than 80%.

### Gap analysis

As a general note, the Assessment Team identified a major gap in what concerns document management. The files of the procurement processes are not organized and often presented incompletely. That includes the absence of proper reasoning of the decisions taken, from the procurement method selection to the award decision.

### Recommendation

An effective operationalization of the Procurement Units within each entity, especially among the major spenders, should be promoted, along with the professionalisation of the public procurer's career to improve governance of the procurement function.

### Assessment criterion 9(b)(d):

Procedures for bid submission, receipt and opening are clearly described in the procurement documents and complied with. This means, for instance, allowing bidders or their representatives to attend bid openings, and allowing civil society to monitor bid submission, receipt and opening, as prescribed

### Conclusion: No gap

**Red flag:** No

### Qualitative analysis

The available SBDs, whose use is well disseminated, include provisions regarding procedures for bid submission, receipt and opening.

However, among the answers to the private sector survey, there are references to the excessive bureaucracy of the processes and the lack of transparency of the evaluation committees throughout their work.

### Gap analysis

### Recommendation

### Assessment criterion 9(b)(e):

Throughout the bid evaluation and award process, confidentiality is ensured

### Conclusion: Minor gap

**Red flag:** No

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<sup>3</sup> “However, the SNCP assessed, of the total procedures registered, a value of around 132 billion kwanzas, corresponding to only 3% of the amount liquidated, which is due to the lack and quality of information provided by the EPCs, as well as the non-mandatory communication of PCPs below 182 million kwanzas.”, in RACPA 2021, page 15.

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## **Qualitative analysis**

Although public procurement is an area where the golden rule is openness and transparency, not only for the benefit of those directly interested in participating and participants (candidates and bidders), but also for the community at large, the PPL contains the following exceptions where the duty of secrecy (confidentiality) is prescribed until the conclusion of the award process:

- the obligation of the civil servants and agents of the Procuring Entity involved in the planning, preparation or carrying out of public procurement procedures or the execution of public contracts, as well as the members of the Evaluation Committee treat as confidential all information obtained in the course of the procedure [Article 8, (1) (f), PPL];
- obligation to keep the minutes and any other information or communications, written or oral, provided by the bidders to the Evaluation Committee during the negotiation phase [Article 88 (6);
- during the e-auction, the Procuring Entity may not disclose, directly or indirectly, the identity of the competitors participating in it (Article 94, PPL).

Confidentiality is ensured during the process. However, regarding the protection of commercial and industrial secrecy there is a gap in the PPL. There is no express provision on the guarantee of confidentiality and non-disclosure of business and industrial secrets and other legally protected information related to the tenderer or the goods or services described in the proposal submitted by the tenderer as a legitimate exception to the rule of full disclosure that derives from the principle of transparency.

## **Gap analysis**

Regarding the protection of commercial and industrial secrecy there is a gap in the PPL as described above.

## **Recommendation**

Add a provision mentioning the classification of documents and information of the proposals e.g.: "...for reasons of commercial, industrial, military or other legally protected secrecy, the interested parties may request, until the end of the first third of the period fixed for the submission of the proposals, the classification, in accordance with the law, of documents which constitute the proposal, for the purposes of restricting or limiting access to them to the extent strictly necessary (...)".

## **Assessment criterion 9(b)(f):**

Appropriate techniques are applied, to determine best value for money based on the criteria stated in the procurement documents and to award the contract

**Conclusion: Substantive gap**

**Red flag:** Yes

## **Qualitative analysis**

Despite the observance of cases in the samples where the evaluation criterion is clear, objective and aimed at value for money, in other cases analysed such criteria are not well defined, appearing to induce a discretionary decision by the evaluation committee. This analysis is confirmed by the perception of 57% of respondents to the private sector Survey, who consider that the award criteria are neither clear nor objective.

## **Gap analysis**

The analysis does not differ from the core assessment.

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A Red Flag is assigned to this gap because the failure to define appropriate award criteria prevents value for money from being obtained.

### Recommendation

SNCP to draft guidelines on how to prepare and apply evaluation models.

### Assessment criterion 9(b)(g):

Contract awards are announced as prescribed

**Conclusion: Substantive gap**

**Red flag:** Yes

### Qualitative analysis

Article 97 (1) prescribes that SNCP should be informed of the award of all the contracts above AOA 182 million for further announcement in the PP Portal.

Generally, PEs do not comply with this provision.

### Gap analysis

70% of the processes conducted in the e-GP solution (SNCPE) do not comply with the publicity requirements, as the development of the functionality that allows this is not yet completed. In the remaining 30%, a palliative solution of publishing the award through a "news item" on the PP Portal was found.

As for the paper-based processes, in more than 50% of the sample cases the contracts were not announced as prescribed by law.

A Red Flag is assigned because the non-publication of contract awards and the absence of mechanisms to do so in e-GP prevent proper monitoring of public procurement, which is essential for its improvement.

### Recommendation

Award notices feature to be developed and deployed on SNCPE/PP Portal.

### Assessment criterion 9(b)(h):

Contract clauses include sustainability considerations, where appropriate

**Conclusion: Substantive gap**

**Red flag:** No

### Qualitative analysis

Despite the fact that sustainability is described as one of the general principles of the PPL and the economic operators should "*observe the principles and rules of corporate governance, namely regular reporting, organised accounting, internal control systems and social, labour and environmental accountability.*" and that Article 82 (2) (a) (iii) allow for the use of environmental or social sustainability related evaluation factors within the Most Economically Advantageous Tender (MEAT) award criterion, this is not used in practice.

### Gap analysis

Sustainability criteria are not used in practice.

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<p><b>Recommendation</b> SNCP should draft a National SPP Strategy with a roadmap and action plan containing specific, measurable, achievable, relevant, and time-bound (SMART) goals.</p>
<p><b>Assessment criterion 9(b)(i):</b> Contract clauses provide incentives for exceeding defined performance levels and disincentives for poor performance wherever appropriate</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> The PPL includes a provision - Article 362 (1) – that states “Except when the nature of the contract or the law does not permit it, the Procuring Entity may award the contractor incentives for early performance of the services object of the contract”. Number (2) determines that those incentives must be expressed in the contract. Despite that, no cases were identified where performance is incentivized through contractual clauses. On the contrary, several cases were identified where penalties for non-compliance were included. There are a considerable number of delays in the implementation of contracts, which may indicate that potential mechanisms in place are not sufficient. For the specific case of Works, Article 291 determines the daily penalties to be applied to the Contractor in case of time-overruns. The maximum penalty is set to 20% of the contract value. Different penalties may be designed by the PE.</p>
<p><b>Gap analysis</b> There are no clauses to incentive for exceeding defined performance.</p>
<p><b>Recommendation</b> Standards documents and contracts should be reviewed to provide incentives for performance over specified level, where appropriate.</p>
<p><b>Assessment criterion 9(b)(j):</b> The selection and award process is carried out effectively, efficiently and in a transparent way</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> Yes</p>
<p><b>Qualitative analysis</b> The analysis does not differ from the core assessment. The sample analysed showed that: - The average time to purchase goods is less than 30 days, although this is influenced by a high use of direct awarding. - The average time for contracting works is more than 180 days, if competitive procedures are considered, and less than 25 if restricted procedures are considered.</p>

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- The number of bids received is as high as 43 when e-procurement is used, with the average number of bids received being 15. When paper-based procurement is used, the maximum number of bids received drops to 10, with the average number of bids received being 3.
- The majority of tenders were successfully awarded, with only one case in the sample where the tender was cancelled.

### **Recommended quantitative indicators to substantiate assessment of sub-indicator 9(b)**

#### **Assessment criterion (j):**

- Average time to procure goods, works, and services;
- Number of days between advertisement/solicitation and contract signature (for each procurement method used);
- Average number (and %) of bids that are responsive (for each procurement method used);
- Share of processes that have been conducted in full compliance with publication requirements (in %);
- Number (and %) of successful processes; (successfully awarded; failed; cancelled; awarded within defined timeframes)

Source for all: Sample of procurement cases.

#### **Gap analysis**

The award of public contracts is not transparent in the sense that the information is not published, nor widely accessible.

The lack of transparency justifies the assignment of the Red Flag.

#### **Recommendation**

The GoA should consider to fully deploy the e-GP solution to increase effectiveness, efficiency and transparency of the contracts awarded.

### **Sub-indicator 9(c)**

#### **Contract management practice in the sector**

Examination of contract management practices based on a sample of contracts in the sector shows that:

#### **Assessment criterion 9(c)(a):**

Contracts are implemented in a timely manner

#### **Conclusion: Substantive gap**

**Red flag:** No

#### **Qualitative analysis**

The analysis does not differ from the core assessment.

In addition, it should be noted that both economic operators and public contracting entities in the health sector mentioned during the information-gathering mission that delays in the execution of contracts in the sector are frequent. The consensus reached leads them to consider this a substantial shortcoming.

#### **Gap analysis**

Both economic operators and procuring entities in the health sector mentioned during the information-gathering mission that delays in executing contracts in the sector are frequent. The consensus reached leads them to consider this a substantial shortcoming.

#### **Recommendation**

The root causes of these delays should be studied. Pre-contractual procedures should be designed with more realistic deadlines in mind, as well as providing for measures to monitor and control deadlines and sanctions in the event of non-compliance.



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<p><b>Assessment criterion 9(c)(b):</b> Inspection, quality control, supervision of work and final acceptance of products is carried out</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b> The assessment revealed that a series of inspection and quality control procedures are in place for the sector's purchases. Specifically with regard to the purchase of medicines and equipment, procedures are reported that aim to ensure the necessary quality not only when they are received, but also throughout the logistics cycle until they are used.</p>
<p><b>Gap analysis</b></p>
<p><b>Recommendation</b></p>
<p><b>Assessment criterion 9(c)(c):</b> Invoices are examined, and payments are processed as stipulated in the contract</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag: Yes</b></p>
<p><b>Qualitative analysis</b> The information contained in the IFMIS reveals full compliance with the legislation with regard to the punctual payment of invoices. However, an analysis of the 2021 data reveals multiple situations, of procedures that are in principle subject to public procurement rules, in which the issuing of the commitment is separated from the confirmation of the payment by only a few days, which suggests that the existing record in the IFMIS may not be accurate. Associated with this fact, information shared by the SNCP shows that although the majority of invoices are paid on time, cases have been detected where the payment period exceeded the 90 days prescribed by law. Finally, it should be noted that almost 85% of respondents in the private sector survey stated that delays in the payment of invoices occurs "often" or "Almost always".</p>
<p><b>Gap analysis</b> An analysis of the 2021 data reveals multiple situations, of procedures that are in principle subject to public procurement rules, in which the issuing of the commitment is separated from the confirmation of the payment by only a few days, which suggests that the existing record in the IFMIS may not be accurate. Associated with this fact, information shared by the SNCP shows that although the majority of invoices are paid on time, cases have been detected where the payment period exceeded the 90 days prescribed by law. Finally, it should be noted that almost 85% of respondents in the private sector survey stated that delays in the payment of invoices occurs "often" or "Almost always". The inconsistency of the information in IFMIS with that communicated by the SNCP and the perception conveyed by economic operators in the survey justify the assignment of the Red Flag.</p>
<p><b>Recommendation</b> IFMIS should ensure control mechanisms to ensure that the time recording of financial movements is accurate.</p>

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<p><b>Assessment criterion 9(c)(d):</b> Contract amendments are reviewed, issued and published in a timely manner</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> In only 32% of the sample cases was it possible to obtain information on the existence of contract amendments. In these procedures there is no record of timing and publishing of the amendments. However, it was possible to obtain from SNCP that amendments do exist, but they are not usually published. SNCP's new contract management module, which is currently in the pilot phase, provides for the recording of contract amendments. There are also reports of projects blocked by indication of the Technical Group of Financial Controllers for lack of amendments to contracts.</p>
<p><b>Gap analysis</b> The available information does not allow for a different conclusion. According to SNCP contract amendments are not usually published.</p>
<p><b>Recommendation</b> The GoA should make efforts to have a single source of information. The GoA should consider to fully deploy the e-GP solution.</p>
<p><b>Assessment criterion 9(c)(e):</b> Procurement statistics are available, and a system is in place to measure and improve procurement practices</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> Yes</p>
<p><b>Qualitative analysis</b> Although SNCP prepares regular statistic documents, it is assumed that those documents lack accuracy and quality due to the fact that SNCP is dependent on the information disclosed by PEs.</p>
<p><b>Gap analysis</b> The available information does not allow for a different conclusion. This gap is assigned a Red Flag because the absence of accessible procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.</p>
<p><b>Recommendation</b> The GoA should make efforts to have a single source of information. The GoA should consider to fully deploy the e-GP solution.</p>
<p><b>Assessment criterion 9(c)(f):</b> Opportunities for direct involvement of relevant external stakeholders in public procurement are utilized</p>
<p><b>Conclusion: Substantive gap</b></p>

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<b>Red flag:</b> No
<p><b>Qualitative analysis</b>            In general there is no tradition of involving civil society. However, out of a total of 128 procedures 14 cases were reported where such involvement occurred.</p>
<p><b>Gap analysis</b>            Only 14 cases out of 128 procedures reported civil society involvement.</p>
<p><b>Recommendation</b>            Civil Society to be involved in the different stages of the procurement process by giving more publicity to the procurement procedures and placing invitations directed to CSOs (civil society organizations) in key phases of the procedures.</p>
<p><b>Assessment criterion 9(c)(g):</b>            The records are complete and accurate, and easily accessible in a single file</p>
<p><b>Conclusion: Substantive gap</b></p>
<b>Red flag:</b> Yes
<p><b>Qualitative analysis</b>            Records are not complete and accessible. During the meetings, PEs mentioned that in many instances the information is spread across different departments.</p> <p><b>Quantitative indicators to substantiate assessment of sub-indicator 9(c) Assessment criterion (g):</b></p> <ul style="list-style-type: none"> <li>• None of the processes reviewed for the health sector had complete records.</li> </ul> <p>Source: Sample of procurement cases.</p>
<p><b>Gap analysis</b>            Records are not complete and easily accessible.            This gap is assigned a Red Flag because the absence of a single file of procurement information can significantly limit competition, preventing the objectives pursued by public procurement from being achieved.</p>
<p><b>Recommendation</b>            The GoA should make efforts to have a single source of information.            The GoA should consider to fully deploy the e-GP solution.</p>
<p><b>Sub-indicator 9(d)</b>  <b>Efficiency of application of tools that support achievement of socio-economic development aspirations relative to the sector</b></p>
<p><b>Assessment criterion 9(d)(a):</b>            Efficiency of application of the tools for attaining socio-economic development objectives</p>
<p><b>Conclusion: Substantive gap</b></p>
<b>Red flag:</b> No
<p><b>Qualitative analysis</b>            The analysis found no evidence of the use of preference margins.            There was no use of instruments aimed at achieving socio-economic objectives.</p>

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<p><b>Recommended quantitative indicators to substantiate assessment of sub-indicator 8(b) assessment criterion (a):</b></p> <ul style="list-style-type: none"> <li>• Number of contracts awarded, applying the tools meant to achieve socio-economic objectives such as the margin of preference, as a proportion of the total number of contracts (in %).</li> <li>• Number of contracts awarded, applying the tools meant to achieve socio-economic objectives such as the margin of preference that were the object of complaints by bidders in relation to the application of this margin of preference (in %,) as a proportion of the total number of contracts.</li> </ul>
<p><b>Gap analysis</b> The analysis found no evidence of the use of preference margins.</p>
<p><b>Recommendation</b> The inclusion of socio-economic development objectives in procurement procedures should be promoted. The sustainable public procurement strategy under development should include this component.</p>
<p><b>Assessment criterion 9(d)(b):</b> The fiduciary risks associated with application of socio-economic development tools are identified and mitigated by measures that ensure the principles of transparency, competition and value for money</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> Same as 9(d)(a)</p>
<p><b>Quantitative analysis (core report) added for clarity</b> There is no information available on the indicators identified.</p>
<p><b>Recommended quantitative indicators to substantiate assessment of sub-indicator 8(b) assessment criterion (b):</b></p> <ul style="list-style-type: none"> <li>• Number of mitigation measures which are applied with success, in proportion to the total number of identified risks.</li> </ul> <p>Source: Electronic procurement system / data base of national regulatory and control institutions</p>
<p><b>Gap analysis</b> Same as 9(d)(a)</p>
<p><b>Recommendation</b> Same as 9(d)(a)</p>
<p style="text-align: center;"><b>Sub-indicator 9(e)</b> <b>Protection of the environment in the sector</b></p>
<p><b>Assessment criterion 9(e)(a):</b> Level of efforts in the sector for protection of the environment</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> No environmental related award criteria are used in contracts.</p>

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<p>Recommended quantitative indicators to substantiate assessment of sub-indicator 8(c) assessment criterion (a):</p> <ul style="list-style-type: none"> <li>Number of contracts awarded, containing measures for protection of the environment as a proportion of the total number of contracts (in %)</li> </ul>
<p><b>Gap analysis</b> No environmental protection criteria are used in contracts.</p>
<p><b>Recommendation</b> As part of the development of a sustainable public procurement strategy, practical implementation guides should be published to promote the use of environmental protection measures.</p>
<p><b>Assessment criterion 9(e)(b):</b> The fiduciary risks associated with execution of measures for protection of the environment are identified and mitigated in a way that ensures transparency, competition and value for money (VfM)</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>
<p><b>Qualitative analysis</b> Refer to 9(d)(b) and 9(e)(a). <b>Recommended quantitative indicators to substantiate assessment of sub-indicator 8(c) assessment criterion (b):</b></p> <ul style="list-style-type: none"> <li>Number of risks that are mitigated with success, in proportion to the total number of identified risks.</li> </ul> <p>Source: Electronic procurement system / data base of national regulatory and control institutions</p>
<p><b>Gap analysis</b> Refer to 9(d)(b) and 9(e)(a).</p>
<p><b>Recommendation</b> Refer to 9(d)(b) and 9(e)(a).</p>

Indicator 10. The public procurement market is fully functional and competitive at the sector level

<p><b>Sub-indicator 10(a)</b> <b>Dialogue and partnership between public and private sector</b></p>
<p><b>Assessment criterion 10(a)(a):</b> The sector encourages open dialogue with the private sector. Several established and formal mechanisms are available for open dialogue through associations or other means, including a transparent and consultative process when formulating changes to the sector procurement system. The dialogue follows the applicable ethics and integrity rules of the government</p>
<p><b>Conclusion: Substantive gap</b></p>
<p><b>Red flag:</b> No</p>

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<p><b>Qualitative analysis</b></p> <p>During the workshop with economic operators in the health sector, it was pointed out that there is no dialogue between public administration and economic operators.</p> <p><b>Recommended quantitative indicator to substantiate assessment of sub-indicator 10(a)</b></p> <p><b>Assessment criterion (a):</b></p> <ul style="list-style-type: none"> <li>• Perception of openness and effectiveness in engaging with the private sector (in % of responses).</li> </ul> <p>Source: Survey.</p>
<p><b>Gap analysis</b></p> <p>Participants in the workshop with economic operators were unanimous in indicating that there is no openness to collaboration with the private sector.</p>
<p><b>Recommendation</b></p> <p>Conditions should be created for dialogue with economic operators. The creation of Public Consultations prior to the launch of pre-contractual procedures should be encouraged as a way of improving the quality of the information and the engagement with potential suppliers. The outcome of such public consultations should then inform the content of the procurement documents.</p>
<p><b>Assessment criterion 10(a)(b):</b></p> <p>The sector has programmes to help build capacity among private companies, including for small businesses and training to help new entries into the public procurement marketplace</p>
<p><b>Conclusion: Minor gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b></p> <p>Actions have already been carried out to train private companies active in the health sector on public procurement. However, these actions need to be expanded throughout the territory. In addition, there have been no recent (sector) actions.</p>
<p><b>Gap analysis</b></p> <p>There have been no recent capacity-building activities for (sector) economic operators.</p>
<p><b>Recommendation</b></p> <p>A capacity-building programme for the sector's economic operators should be set up with a view to increasing their participation.</p>
<p style="text-align: center;"><b>Sub-indicator 10(b)</b></p> <p style="text-align: center;"><b>Private sector's organization and access to the public procurement market</b></p>
<p><b>Assessment criterion 10(b)(a):</b></p> <p>The private sector is competitive, well organized, willing and able to participate in the competition for public procurement contracts in the sector</p>
<p><b>Conclusion: No gap</b></p>
<p><b>Red flag: No</b></p>
<p><b>Qualitative analysis</b></p> <p>Suppliers in the health sector have shown the necessary capacity to participate in the public procurement market, with high levels of participation, especially when e-procurement is used. ARMED has licensed 2 factories, 247 importers and 76 distributors. In addition, 6 representatives of pharmaceutical laboratories are licensed.</p>

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However, the information is not integrated into the electronic public procurement system (SNCPE), which allows unlicensed suppliers to participate in public procurement procedures launched on this platform, which has hampered procurement operations.

In addition, the SNCPE's accreditation procedure requires the presentation of a series of qualification documents and issuing of a Supplier Certificate once they have been validated.

### **Quantitative analysis (core report) added for clarity.**

The information provided on the supplier database did not make it possible to determine the sector in which they operate.

### **Recommended quantitative indicator to substantiate assessment of sub-indicator 10(b)**

#### **Assessment criterion (a):**

- Number of registered suppliers as share of total number of suppliers in the country (in %)
- Share of registered suppliers that are participants and awarded contracts (in % of total number of registered suppliers)
- Total number and value of contracts awarded to domestic/foreign firms (and in % of total)

Source: E-Procurement system/Supplier Database.

### **Gap analysis**

The lack of robust information systems makes it impossible to accurately gauge the competitiveness of the supplier market.

On the other hand, there is significantly more competition when procedures are processed electronically.

Information on ARMED-licensed suppliers is not recorded in the SNCPE.

### **Recommendation**

The dissemination of electronic public procurement should be a priority.

Information on ARMED-licensed suppliers should be included in the SNCPE in order to increase the efficiency of public procurement procedures.

### **Assessment criterion 10(b)(b):**

There are no major systemic constraints inhibiting private sector access to the sector procurement market

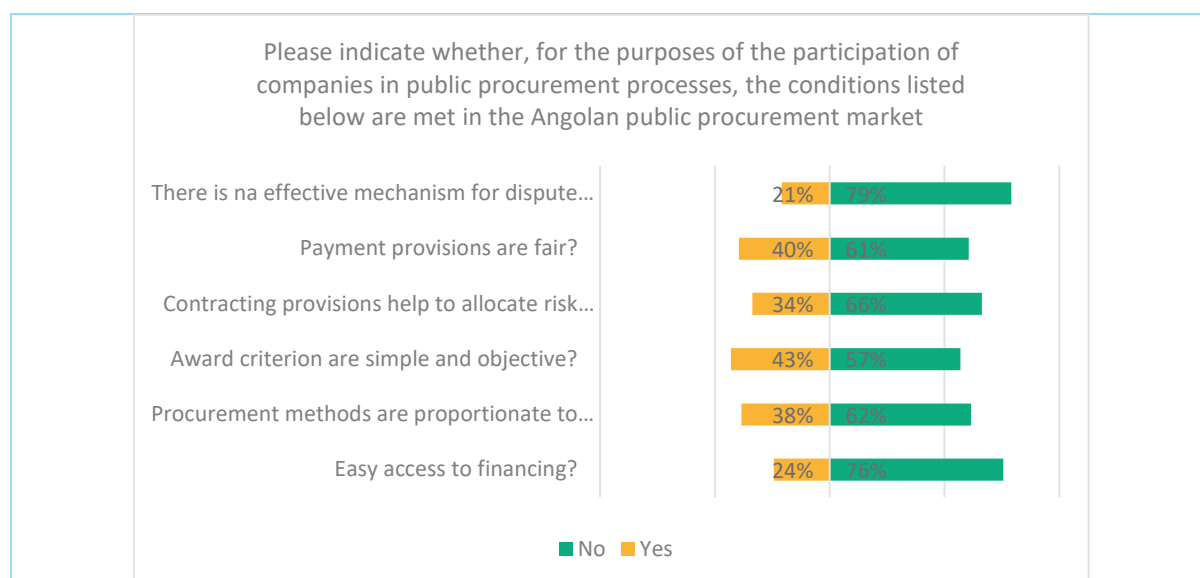
### **Conclusion: Substantive gap**

**Red flag:** No

### **Qualitative analysis**

There is a general negative perception of the market conditions. 79% of the respondents consider that there are no effective mechanisms for dispute resolution and 66% agree that contract provisions don't help to allocate risk fairly, specifically with regard to the execution of the contract.

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There is a clear feeling on the part of economic operators that there are severe barriers to accessing certain public contracts opportunities. In addition to that, we were informed that a mechanism has recently been implemented which allows suppliers, within the scope of electronic public procurement, to be charged a fee of AOA 10,000.00 for national suppliers or USD 50.00 for foreign suppliers in order to participate in the procedures, and they can also be charged a higher amount to access the procedural documents.

**Quantitative analysis (core report) added for clarity.**

**Recommended quantitative indicator to substantiate assessment of sub-indicator 10(b) Assessment criterion (b):**

- Perception of firms on the appropriateness of conditions in the public procurement market (in % of responses).

Source: Survey

### Gap analysis

The generalized lack of transparency in public procurement processes is a barrier to market access. In addition, the recent introduction of a new fee for participating in electronically processed tenders further contributes to this perception on the part of companies.

The fee applied to certify suppliers by the SNCPE is discriminatory as it is higher for foreign suppliers.

### Recommendation

Any potential barrier to the participation of economic operators should be removed to incentivize their participation. Especially in the health sector, which is so dependent on the external market, the recent introduction of a discriminatory tax should be corrected.

### Sub-indicator 10(c)

#### Functionality and the level of competition in works contracts awarded in the sector

#### Assessment criterion 10(c)(a):

Existing data allows determination, and categorization if applicable, of the principal contractors in the sector, in a manner that is sufficiently precise

#### Conclusion: Substantive gap

Red flag: No



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### **Qualitative analysis**

There is little statistical data processing, and it suffers from the poor quality of the existing data. The information available does not make it possible to ascertain who the main contractors in the sector are in a precise way.

### **Gap analysis**

There is little statistical data processing, and it suffers from the poor quality of the existing data. The information available does not make it possible to ascertain who the main contractors in the sector are in a precise way.

### **Recommendation**

The dissemination and expansion of electronic public procurement should be promoted, with the use of the Open Contracting Data Standard (OCDS) for greater utilization and accessibility of data.

### **Assessment criterion 10(c)(b):**

National and international contractors qualify, in sufficient numbers, in terms of turnover, equipment and personnel, to ensure effective competition and the best value for money to meet the needs of procurement of works in the sector

**Conclusion:** Choose an item.

**Red flag:** Choose an item.

### **Qualitative analysis**

Not assessed. Not enough information available for the health sector.

### **Gap analysis**

### **Recommendation**

### **Assessment criterion 10(c)(c):**

Horizontal SPP objectives are converted into bid evaluation criteria that facilitate equity in the treatment of bidders and that ensure predictability and transparency in the bidding process

**Conclusion: Substantive gap**

**Red flag:** No

### **Qualitative analysis**

Angola does not have a sustainable public procurement strategy.

### **Gap analysis**

Angola does not have a sustainable public procurement strategy.

### **Recommendation**

The preparation of the sustainable public procurement strategy under development must be finalized.

### **Assessment criterion 10(c)(d):**

Unit prices in the bids for construction works conform to the official reference prices published by the appropriate competent national agencies and are in line with the objectives defined in horizontal procurement policies

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<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Not assessed as not applicable. It is not possible to assess this sub-indicator as there is no official list of reference prices.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(c)(e):</b> Major systemic obstacles limiting access of the national private sector to construction works contracts are identified and appropriate measures are defined to remove them
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Not assessed. Not enough information available for the health sector.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(c)(f):</b> Major systemic obstacles limiting access of international private sector to construction works contracts are identified and appropriate measures are defined to remove them
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Not assessed. Not enough information available for the health sector.
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 10(d)</b>
<b>Functionality and the level of competition in goods contracts awarded in the sector</b>
<b>Assessment criterion 10(d)(a):</b> Existing data allows determination of the principal national suppliers operating in the sector, in a manner that is sufficiently precise
<b>Conclusion: Substantive gap</b>

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<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer to 10(c)(a).
<b>Gap analysis</b> Refer to 10(c)(a).
<b>Recommendation</b> Refer to 10(c)(a).
<b>Assessment criterion 10(d)(b):</b> National and international contractors qualify, in sufficient numbers, in terms of turnover, equipment and personnel, to ensure effective competition and the best value for money to meet the needs of procurement of works in the sector
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Refer to 10(c)(b).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(d)(c):</b> Horizontal SPP objectives are converted into bid evaluation criteria that facilitate equity in the treatment of bidders and that ensure predictability and transparency in the bidding process
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer to 10(c)(c).
<b>Gap analysis</b> Refer to 10(c)(c).
<b>Recommendation</b> Refer to 10(c)(c).
<b>Assessment criterion 10(d)(d):</b> Bid prices for goods conform to the official reference prices published by the appropriate competent national agencies and are in line with the objectives defined in secondary procurement policies

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<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Refer to 10(c)(d).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(d)(e):</b> Major systemic obstacles limiting access of the national and international private sector to the goods supply market are identified and appropriate measures are defined to stop them
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Refer to 10(c)(e).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Sub-indicator 10(e)</b>
<b>Functionality and level of competition in the consulting services contracts awarded in the sector</b>
<b>Assessment criterion 10(e)(a):</b> Existing data allows determination of the national consultants operating in the sector, in a manner that is sufficiently precise
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer 10(c)(a).
<b>Gap analysis</b> Refer 10(c)(a).
<b>Recommendation</b> Refer 10(c)(a).
<b>Assessment criterion 10(e)(b):</b> National and International consultants with the requisite qualifications (personnel with experience and expertise), are in sufficient numbers, to guarantee effective competition and the best (VfM) to meet the needs for consulting services in the sector

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<b>Conclusion: No gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer 10(c)(b).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(e)(c):</b> Horizontal SPP objectives are converted into evaluation criteria for offers that facilitate equity in the treatment of candidates and that ensure predictability and transparency in the consultants' recruitment process
<b>Conclusion: Substantive gap</b>
<b>Red flag:</b> No
<b>Qualitative analysis</b> Refer 10(c)(c).
<b>Gap analysis</b> Refer 10(c)(c).
<b>Recommendation</b> Refer 10(c)(c).
<b>Assessment criterion 10(e)(d):</b> Consultants' recruitment rates conform to cost estimates and are in line with the objectives defined in horizontal procurement policies
<b>Conclusion:</b> Choose an item.
<b>Red flag:</b> Choose an item.
<b>Qualitative analysis</b> Refer 10(c)(d).
<b>Gap analysis</b>
<b>Recommendation</b>
<b>Assessment criterion 10(e)(e):</b> Major systemic obstacles limiting access of the national and international private sector to the consulting services market are identified and appropriate measures have been defined to stop them
<b>Conclusion:</b> Choose an item.

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**Red flag:** Choose an item.

**Qualitative analysis**  
Refer 10(c)(e).

**Gap analysis**

**Recommendation**