Urban Governance and Turning African Cities Around: Luanda Case Study

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**Acronyms**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ANIP</td>
<td>National Private Investment Agency</td>
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<tr>
<td>APIMA</td>
<td>Angolan Association of Real Estate Professionals</td>
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<tr>
<td>CITIC</td>
<td>China International Trust and Investment Corporation</td>
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<tr>
<td>CIF</td>
<td>China International Fund</td>
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<tr>
<td>DW</td>
<td>Development Workshop</td>
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<td>FFH</td>
<td>National Housing Fund</td>
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<tr>
<td>GOE</td>
<td>Office of Special Works</td>
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<tr>
<td>GRN</td>
<td>Office of National Reconstruction</td>
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<tr>
<td>GTRUCS</td>
<td>Technical Office for the Urban Requalification of Cazenga and Sambizanga</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>IPGUL</td>
<td>Urban Planning and Management Institute for Luanda</td>
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<tr>
<td>MPLA</td>
<td>Popular Movement for the Liberation of Angola</td>
</tr>
<tr>
<td>SBL</td>
<td>Bay of Luanda Corporation</td>
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<tr>
<td>UCAN</td>
<td>Catholic University of Angola</td>
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<tr>
<td>UNITA</td>
<td>National Union for the Total Independence of Angola</td>
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</tbody>
</table>
Abstract
This working paper presents the findings of the study on the process that has taken place over the past decade to turn around the city of Luanda, the capital of Angola. It is part of a broader research project that examines the case of Luanda, alongside Johannesburg and Lagos, to shed light on the governance practices that have started to emerge on the continent in an era that has been marked by rapid economic growth.

Luanda has been the main beneficiary of Angola’s economic boom that started in 2002 fuelled by oil revenue. Two projects were undertaken as part of efforts to turn the city around: the redevelopment of the Bay of Luanda and the construction of the New City of Kilamba. The Bay of Luanda work included the redevelopment of the waterfront to create pedestrian spaces, cycle lanes, sports fields and spaces for cultural events, while the New City of Kilamba consisted of the construction of 710 buildings, kindergartens and schools, along with water and electricity infrastructure.

Both projects have benefited many people as measured by the high use of the waterfront and the occupation of Kilamba homes. Their symbolic value as a part of efforts to project Luanda as a world-class city is also considerable. The central government’s control over the execution of the projects allowed their rapid completion, but this stifled accountability and affected the ability of local administrations to manage them or adequately respond to citizen needs. A more integrated, decentralised and participatory approach to the management of urban and economic growth will have to be a central theme in Luanda’s governance if the city’s turn-around is to become more inclusive and adaptive in the long term.

Key words: Turn-around city, Luanda, Bay of Luanda, New City of Kilamba, world class
1. Introduction
This working paper presents the findings of the study on the process to turn around the city of Luanda, the capital of Angola. Decades of civil war that followed the country’s independence in 1975 saw millions of people internally displaced, large areas mined and most of the country’s physical, economic and social infrastructure and services destroyed or degraded. Although most of the conflict took place in the countryside, the impact was felt in Luanda, the main recipient of the massive influx of displaced people seeking safety. The failure to invest in the infrastructure needed to handle this influx resulted in the severe degradation of the city’s urban core and the growth of sprawling slums.

Since the war ended in 2002, Angola has experienced unprecedented economic growth fuelled by the doubling of its oil production between 2002 and 2008 in a context of rising global oil prices. This growth has been concentrated in Luanda, which during the first decade after the war benefited from significant capital investment as part of the government’s reconstruction programme. This transformed the city’s landscape, and the goal was to change its image from a war-torn and degraded city in need of saving into “the country’s postcard to the world, a vibrant and modern metropolis full of opportunities, and a symbol of post-war peace, prosperity and development in the new Angola” (Schubert, 2015). Although it occupies only 1.5 percent of the Angolan territory, Luanda now generates two-thirds of the GDP and, with almost 7 million inhabitants, is home to over a third of the population.

A number of flagship projects illustrate Luanda’s turn-around process, which, as in other cities such as Johannesburg and Lagos, includes large infrastructural projects, legal and institutional reforms and the hosting of international events to attract investment to the city. In the post-war context of Angola, the projects also serve an important political agenda of proving the government’s state-building capacity to international and domestic audiences, thereby securing legitimacy and stability. The execution and management of the flagship projects have, therefore, been marked with a significant degree of central government control.

2. Analytical framework, research questions and methodology
This study is part of a broader research project examining three cities – Johannesburg, Lagos, Luanda – that are the economic hubs of the three largest economies in sub-Saharan Africa to shed light on the governance practices that have started to emerge on the continent in an era marked by what has been termed “Africa’s rise”. For this investigation, the trope of “turn-around city” is invoked as an entry point to make sense of a new optimism about the direction some of Africa’s largest cities are taking and to capture the spirit and associated governance practices of confident African governments that are determined to achieve sustained economic growth and to develop world-class urban infrastructure that can serve as the platform for continuous growth (Pieterse, 2015).

The framework paper for this research project distinguishes five characteristics of turn-around cities (Pieterse, 2015):

- There is a marked improvement in the economic performance of the city over the past 5-10 years, with prospects for sustained growth, defined narrowly in GDP terms.
- There is an expanding public investment agenda with a clear focus on economic infrastructure, especially investments that can enhance productivity and inclusivity, e.g. public transport, road and rail infrastructure, social development investments and housing.

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1 In line with common practice, this report refers to Luanda as a city even though administratively it is a province. A new administrative division adopted in 2011 created the municipality of Luanda out of a total of 7 municipalities that make up the province of Luanda. However, unless specific reference is made to that entity, it should be assumed that the term ‘the city of Luanda’ refers to the administrative entity of the province of Luanda.

2 “Vamos Salvar Luanda” (Let’s save Luanda) was a campaign launched by the Provincial Government of Luanda in 1993 (see also Gastrow, 2014).

3 This notion was first brought forth by The Economist in 2011 (see http://www.economist.com/node/21541015, accessed 25 May 2016), but has become part of a narrative that been reinforced by various business think tanks, pan-African development agencies, and investors and countries that stand to benefit from the continent’s economic growth (Pieterse, 2015).
There is evidence of fast-tracked projects over and above the routine operations of the city, that enjoy dedicated resources, implementation mechanisms and high level political backing, manifest in “world-class” and/or “turn-around” discourses.

A policy and institutional commitment to effective urban management is visible in one form or another.

There is an expressed desire for international recognition and reputation building as being, for example, world-class and/or globally competitive.

The framework paper also defines the following questions to guide the research:

- What is the evidence that the research reflects the criteria of turn-around cities?
- What are the primary elements of the urban development agenda?
- What is the discursive rationale and strategy of the urban development agenda and priority programmes that are invested with political capital?
- Do the flagship projects potentially contribute to more adaptive and inclusive patterns of urban development, considering various dimensions of urban power and exclusion, including gender?
- What is the discursive rationale and strategy of the urban development agenda and priority programmes that are invested with political capital?

For the flagship projects the following questions are included:

- To what extent were the priority programmes or flagship initiatives developed in a top-down, technocratic fashion and/or consultative manner?
- What are the prospects of achieving the stated goals of the flagship initiatives?
- What are the prospects of the flagship initiative to establish a pathway towards greater adaptiveness and inclusivity?

The framework paper also presents several categories for analysing the case studies (Table 1).

<table>
<thead>
<tr>
<th>Analytical category</th>
<th>Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>Human</td>
</tr>
<tr>
<td></td>
<td>Financial</td>
</tr>
<tr>
<td></td>
<td>Institutional systems to plan and act/implement</td>
</tr>
<tr>
<td>Inclusiveness</td>
<td>Public satisfaction</td>
</tr>
<tr>
<td></td>
<td>Nature of decision-making processes</td>
</tr>
<tr>
<td>Accountability</td>
<td>Multi-level system: powers and functions division</td>
</tr>
<tr>
<td></td>
<td>Democratic mechanisms to mediate decision-making within (local) state and with external actors, especially around contested issues</td>
</tr>
<tr>
<td>Contestation</td>
<td>Type of political regime</td>
</tr>
<tr>
<td></td>
<td>Relationships between political parties and within</td>
</tr>
</tbody>
</table>

Source: Adapted from Resnick in Pieterse (2015)

While research interest in Luanda is growing and the country’s first post-independence national census held in 2014 provided evidence on the population of the city for the first time, disaggregated public data on Luanda remain scarce. This study, therefore, relies mainly on historical and academic literature, as well as grey literature such as government, policy and research reports; legislation documents; online records and an archive of newspaper articles that is part of the database of Development Workshop’s Documentation Centre dating back to 2001. Interviews and informal conversations were conducted June–August and November–December 2015 with a range of actors, including representatives of central, provincial and
municipal/district government levels; the private sector; civil society; and resident committees, as well as ordinary residents of Luanda.

3. Luanda’s history
The city of Luanda has had a central role in Angola’s history, even though it was never planned to be the country’s capital. Its development is marked by bouts of rapid but rather haphazard growth, almost always by default than by design. When Luanda was founded in 1576 by the Portuguese explorer Paulo Dias de Novais, its area was controlled by the Kongo kingdom. In the subsequent centuries, Luanda mainly served as a port for shipping slaves to Brazil, where Rio de Janeiro had been established as the capital of the Portuguese empire (Amaral, 1968). At that time, few Portuguese lived in the colony and Luanda was considered as

[a place] … causing terror not only to its inhabitants but also those from overseas, because of its filthy streets, impregnated with a poisonous stench, backyards filled with blacks covered with contagious diseases, groups of miserable blacks in dumps called cubatas [huts], in addition to many other causes that directly contributed to the spread of acute and deadly diseases (Batalha, 2006:154).

Change started after Brazil’s independence in 1822, which was followed by Portugal’s abolition of slavery in 1836. Over the following years slave trade was slowly replaced with rubber, wax and ivory export. Cleaning of Luanda started in the late 19th century. Police and fire-fighter forces were formed, and public lighting, road and drainage works, and water distribution systems were set up.

The fall of the Portuguese monarchy in 1910 saw the rise in numbers of Portuguese settlers, encouraged by the settler policy of the new republic, which also started to impose more control over what then came to be referred as its overseas provinces (Bender, 2004). It was from the 1940s, however, that Luanda’s development effectively took off. A coffee boom fuelled spectacular economic growth in Angola and particularly in Luanda, where more than 56 percent of the country’s urban civil construction and more than 62 percent of construction in the main cities4 occurred between 1945 and 1965 (Amaral, 1968; Teixeira de Sampayo et al., 1973). Luanda’s population doubled each decade to make up more than half of the country’s urban population by 1970 (Cahen, 1989). During that time Luanda became known as the Paris of Africa, “… no longer that forgotten city where pioneers converge in search of fortunes”,5 but a destination on its own merit, attracting migrants from the Portuguese mainland and the country’s rural areas (Monteiro, 1973).

Wide arteries were opened up throughout the city and a new port and an international airport were built. In the process, many historical monuments were demolished and “the city lost its originality, sacrificed to the desire of constant renewal and modernization” (Amaral, 1968:26). The Colonial Act of 1930 that separated the population into the juridical categories of (black) subjects and (white and mixed race) citizens consolidated the division between the white city of asphalt and the black slums or musseques. Basic services and overall urban management generally did not reach beyond the white city (Pélissier, 1978).

The rapid expansion of the slums and the growth of increasingly radicalised clandestine anti-colonial political activity led to several institutional reforms to deal with the city’s rapid growth during the 1960s, such as the creation of an urbanisation and planning unit in the municipal administration of Luanda and new legal instruments for urban planning and development (Amado et al., 1992). However, in practice the municipal government could not keep up with the demand for housing, and the lack of financial and administrative capacity limited its work to the recognition of illegally built neighbourhoods (Amaral, 1968; Bailey, 1968).

By then the armed struggle for independence had already started, only to end after the fall of the Portuguese dictatorial New State in April 1974. In the power struggle that followed the formation of a transitional government for Angola in January 1975, the MPLA, one of the three liberation movements recognised by the Portuguese, gained control over Luanda with

4 The main urban centres at the time were Luanda, Huambo, Lobito, Benguela, Lubango, Malanje, Silva Porto (now Bié) and Moçâmbedes (now Namibe).
5 Luanda: a grande cidade. Cartaz (undated issue from the 1960s).
Cuban and Soviet assistance, where it proclaimed independence on 11 November 1975. The MPLA’s control over Luanda allowed it to hold on to power over the decades that followed, even though UNITA occupied large parts of the Central Highlands and southeastern Angola with United States and South African support (Pearce, 2015). Since most of the fighting took place in the interior of the country, Luanda became a safe haven for most displaced people. After the country returned to war following the 1992 elections, about three million people were estimated to have migrated mostly to Luanda and also other coastal and MPLA held cities such as Benguela and Lubango (Robson and Roque, 2001).

When the war ended in 2002 following the death of UNITA leader Jonas Savimbi, Angola was considered to be facing a serious humanitarian crisis (IMF, 2003). War had displaced millions of people, was responsible for the mining of large areas and had destroyed or degraded most of the country’s physical, economic and social infrastructure and services. While Luanda had not suffered the kind of destruction other towns had, it lacked the investment in infrastructure required to sustain the population, which had grown from about 500,000 at independence to over 3.5 million by the end of the war, resulting in the severe degradation of the city’s core and the growth of sprawling slums (Van der Winden, 1996; Lopes, 2001; DW and CEHS, 2005; Udelsmann Rodrigues, 2006; DW, 2011). Most local governments had virtually stopped functioning, especially the lowest level of the state administration (UNDP, 2002). The economy was largely informal and dollarised, since the kwanza, the national currency, had severely depreciated, and mainly involved trade in imported goods, since domestic industries and agriculture had largely collapsed (Messiant, 1992). The lack of basic services such as water and sanitation resulted in diseases such as malaria, diarrhoea and malnutrition and one of the highest levels of child mortality in the world, with 150 deaths per 1,000 live births, and 250 deaths per 1,000 live births for children under five years (INE and UNICEF, 2003). By the end of the war Luanda faced “many extreme challenges for urban development” (Jenkins et al., 2002:150).

4. Luanda as a turn-around city

The first decade after the end of the war saw Angola rise to become one of Africa’s fastest growing economies, experiencing an average of 14.9 percent GDP growth a year between 2002 and 2008 (Alves da Rocha, 2012). Luanda was at the centre of this growth, and its post-war construction boom sparked frequent referrals to the city as Africa’s new Dubai. The main driver of this growth was the rising oil production. While oil production had been increasing since the mid-1990s to reach over 800,000 barrels a day, global market prices were relatively low, at about US$ 23 in 2002. Oil prices rose from 2004 onwards, peaking at an average of US$ 100 in 2008. With oil production at almost 2 million barrels a day, Angola became Africa’s largest oil producer after Nigeria, allowing the government to finance a massive post-war reconstruction programme.

Scholars have written about the home-grown nature of post-war reconstruction in Angola and the government’s considerable agency in managing the oil sector and partnerships with countries such as China (Shaxson, 2009; Corkin, 2013). But others have drawn attention to the dark side of post-war reconstruction efforts, particularly for the city of Luanda (Gastrow, 2014; Rodrigues and Frias, 2015; Schubert, 2015; Soares de Oliveira, 2015). Such accounts build on the work of human rights organisations, activists and researchers who have diligently documented the many cases of corruption, large-scale evictions and the increasing social, economic and spatial inequalities that have marked Angola’s growth over the past years (AI, 2003; HRW, 2007; SOS Habitat, 2012).

While recognising these critiques, this study uses the turn-around trope to acknowledge Luanda’s transformation as real in the sense that many of the government’s flagship projects in the city have been translated into reality. Unlike similar projects in other countries on the continent they represent more than mere “urban fantasies” (Cain, 2014 in response to Watson, 2014). The notion of turn-around then functions as a point of departure to take Luanda’s transformation seriously on its own terms. In doing so, the study aims to

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neither romanticise nor demonise Luanda’s post-war development, but to provide grounded and critical insight into its characteristics and dynamics.

While Luanda meets all the characteristics of a turn-around city, the conditions under which this was achieved have been particular. Oil revenue is an important part of the story, but the way in which it has been managed and distributed has been defining for the maintenance and consolidation of the post-war political settlement. Post-war reconstruction has been used by the MPLA government to gain legitimacy and consolidate its victory over UNITA while at the same time closing the space for any other potential threat to its hegemony. This has resulted in significant political and economic stability, even if the prospects of this approach for long-term development are uncertain. For Luanda, the workings of this approach are illustrated in the significant central government control over the implementation and management of the flagship projects. While this is partly a consequence of the country’s weak local government, a legacy of the war that resulted in a chronically understaffed local administration and a lack of skilled personnel, it also allows the central government to maintain control over the reins of power in the capital. Hence, although there have been some efforts to train local government officials, effective local government reform has not occurred. Local administrators continue to be appointed instead of elected, and their budgets depend on the central government’s allocations. This limits their political and fiscal autonomy and consequently their ability to effectively plan and execute development programmes.

The goal of effective and timely implementation and completion of some of the government’s most strategic projects has not been pursued through the strengthening of the local government or institutions but by creating special public–private partnerships or special agencies that are accountable to President José Eduardo dos Santos himself, who has accumulated a vast degree of executive power since coming into office in 1979. These agencies enjoy strong political support and have access to significant financial resources. They include the presidential Office for Special Works (GOE), the Office for National Reconstruction (GRN), the Technical Office for the Urban Requalification of Cazenga and Sambizanga (GTRUCS) and the state oil company, Sonangol.

The following section looks at how Luanda meets the characteristics of turn-around cities as defined by Pieterse (2015). There is a marked improvement in the economic performance of the city over the past 5–10 years, with prospects for sustained growth, defined narrowly in GDP terms.

By the end of the war, Angola was one of the poorest countries worldwide, with a GDP per capita of US$ 655.60 in 2000. But during what the Angolan economist Alves da Rocha (2012) calls Angola’s golden age, the country reached double digit GDP growth rates. Luanda has been at the centre of this growth. Between 2003 and 2007 Luanda accounted for an average of 74 percent of the national GDP and for most of the growth in non-oil sectors such as infrastructure and construction and services such as banking and telecommunications. At the height of the boom in 2007, 55 percent of all companies were established in Luanda, generating 77 percent of the private sector jobs and 27 percent of the public sector jobs (Alves da Rocha, 2010). As a result, nearly all local government tax revenues came from Luanda, standing at 95.84 percent in 2007.

The investment in Luanda’s services and infrastructure, including in office space, and the fact that the city harbours the country’s most skilled workforce mean that even if growth were to slow down, it would still be concentrated in the capital. There is an expanding public investment agenda, with a clear focus on economic infrastructure, especially investments that can enhance productivity and inclusivity, for example in public transport, road and rail infrastructure, social development investments and housing. Between 2003 and 2007, the Angolan state budget increased sevenfold. At its peak in 2013 it was about US$ 69 billion.

7 Provincial governors are appointed by the president, while municipal and communal administrators are appointed by provincial governors. Provisions for organising elections at the level of municipalities have existed in law since 1992 and were included in the constitution adopted in 2010, but in practice local elections have been continually postponed.


9 Email correspondence with the Angolan Tax Authority, 21 December 2015.
almost twenty times the 2003 budget, and it surpassed the total western aid to the African continent that year (Soares de Oliveira, 2015) (Fig. 1).¹⁰

**Figure 1: Angolan state budget, 2003–2016**

Budgetary expansion has gone hand in hand with a rise in public investment (Fig. 2), which was estimated at about US$ 93 billion between 2002 and 2014 (UCAN, 2015). At least a third of the annual allocation for public investment is used for the rehabilitation and construction of infrastructure, with the ministries of public works and of energy and water being the main recipients (Fig. 3). A World Bank report shows that between 2005 and 2009 the government invested about US$ 4.3 billion, or 14 percent of GDP, each year in infrastructure such as ports, railways, roads and power generation. Over 2003–2007, infrastructure improvements added 1 percentage point to the per capita growth rate, which is substantial compared with other African countries (Foster and Pushak, 2011).

¹⁰ The numbers in figures 1, 2 and 3 were converted from the Angolan kwanza to US dollars at a time when the kwanza reached the lowest levels since the end of the war. In August 2016, the exchange rate stood at 165 AOA to US$ 1, while in 2013 it stood at about 96 AOA to 1 US$. The figures therefore serve illustrative purposes only. All original values were retrieved from the website of the Angolan Ministry of Finances, see http://www.minfin.gov.ao/PortalMinfin/faces/orcamento/ogeanocorrente accessed 25 May 2016. Disaggregated data on public investment for the years after 2010 were not available.
The government’s public investments are funded through oil revenue, estimated at US$ 467 billion for 2003–2013 (UCAN, 2015), and through credit lines using oil as collateral. A number of countries have conceded oil-backed loans to Angola over the past years, but China has been the main partner. By 2007 China’s Export-Import Bank had extended US$ 6.5 billion to Angola. This was the main source of funding for its public investment programme for 2004–2006, financing over 100 contracts mainly for rehabilitating roads and railroads and constructing schools and hospitals. Contracts under other loan agreements focused on the installation of water and energy networks, telecommunication lines and water treatment plants (Vines and Campos, 2008). Additional loans were conceded during these and subsequent years by CIF, the China Development Bank and the Industrial and Commercial Bank of China, totalling about US$ 14.5 billion by 2011 (Corkin, 2013). A western donor conference planned since 2002 on the financing of the country’s reconstruction was postponed indefinitely in 2005.

As an average of 85 percent of the Angolan state budget is controlled by the structures of the central government, it is difficult to assess the level of public investment that has gone to Luanda over time. An overview of the top recipients of public investment allocations during 2003 to 2010 shows that until 2005 the Provincial Government of Luanda was amongst the top three recipients (Fig. 3). Since then, most public investment has been allocated to central government structures and special agencies responsible for infrastructural development such as GRN. Nevertheless, a closer reading of the state budget as well as the number of major infrastructural works implemented in Luanda during these years indicates that the city was the main destination of government spending.

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**Figure 2: Angolan public investment, 2003–2010**

![Figure 2: Angolan public investment, 2003–2010](image)

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11 The first loan from China’s Export-Import Bank for US$ 2.5 billion was repayable at three-month LIBOR + 1.5% over 15 years, while the second tranche of US$ 2 billion was repayable at LIBOR + 1.25% over 18 years. Corkin (2013) notes that these terms did not make the Chinese loans less expensive than those of other financiers, but the advantages for Angola were in the repayment period and fact that the oil shipments were determined according to the international spot price of the day. The loans never actually entered the Angolan financial system but went into an escrow account to finance construction contracts undertaken by Chinese companies under the loan agreements.
There is evidence of fast-tracked projects over and above the routine operations of the city, that enjoy dedicated resources, implementation mechanisms and high level political backing, manifest in “world-class” and/or “turn-around” discourses.

In a context of post-war reconstruction, many projects are considered a priority and it is difficult to distinguish those that depart from established routine. However, a distinction can be made between regular reconstruction projects and projects that go beyond the mere reconstruction of public infrastructure and services (see Table 2). Such projects often have symbolic meaning and reflect a desire to show Luanda as a world-class city at par with any city in the world, and are promoted as such. They target not just foreign partners and investors but also domestic constituents that the government sees as important in maintaining political stability, such as the emerging urban middle class. Often they are implemented or financed through special agencies.

Following this rationale, the work on Luanda’s roads, schools, hospitals, water and energy networks; the modernisation of the port and airport; and to a certain extent the reform of the customs agency can be seen as regular projects, while the renewal of the politico-administrative centre of Luanda\textsuperscript{12} and the extensive land development project in the south of the city that has become the most important business district aside from downtown Luanda\textsuperscript{13} are seen as special, world-class projects.

Some special flagship projects serve vanity purposes and have had little impact, such as the Luanda Special Economic Zone, which aimed to establish 73 state industries but so far has only a handful of factories that are running, but only nominally (Soares de Oliveira, 2015). Other projects have experienced significant delays such as Luanda’s new international airport, promoted as the largest airport in Africa, which has been under construction since 2004.\textsuperscript{14}

\textsuperscript{12} This project has consisted of the rehabilitation of some of the main buildings in the politico-administrative centre such as the presidential palace in the Cidade Alta (High City), as well as road works; the construction of a new high court, a national assembly and the completion of the mausoleum which holds the remains of the first President Agostinho Neto.

\textsuperscript{13} The Luanda Sul land development project was financed through a public–private partnership of the Provincial Government of Luanda and a Brazilian company. Between 1997 and 2012, 1,700 hectares was serviced through this partnership. While the project was meant to provide social housing, nowadays the area of Luanda Sul mainly consists of up-market, gated communities, hotels, conference and shopping centres and office complexes.

Some projects stand out for having been implemented in record time and for generating benefits for more than just a small political or economic elite. These projects are the redevelopment of the Bay of Luanda and the mass-scale public housing projects such as the New City of Kilamba.

Table 2: Selected flagship projects in Luanda

<table>
<thead>
<tr>
<th>Flagship project</th>
<th>Urban sector</th>
<th>Mode of development, funding or operation</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of roads, schools and hospitals, and water and electricity networks</td>
<td>Transport /infrastructure rehabilitation</td>
<td>China’s Export-Import Bank</td>
<td>Completed</td>
</tr>
<tr>
<td>Modernisation of existing port and airport</td>
<td>Infrastructure rehabilitation</td>
<td>Ministry of Transport</td>
<td>Completed</td>
</tr>
<tr>
<td>Modernisation of customs</td>
<td>Revenue/finance</td>
<td>Private–public partnership</td>
<td>Completed</td>
</tr>
<tr>
<td>Renewal of the politico-administrative centre</td>
<td>Institutional infrastructure development</td>
<td>GOE</td>
<td>First phase completed</td>
</tr>
<tr>
<td>Land development in Luanda Sul</td>
<td>Residential and commercial development</td>
<td>Private–public partnership</td>
<td>Completed</td>
</tr>
<tr>
<td>Luanda Special Economic Zone</td>
<td>Industrial growth pole</td>
<td>GRN, Sonangol</td>
<td>Completed/ongoing</td>
</tr>
<tr>
<td>Construction of new international airport</td>
<td>Air transport</td>
<td>CIF, GRN</td>
<td>Under construction</td>
</tr>
<tr>
<td>Redevelopment of the Bay of Luanda</td>
<td>Environment/landscape/residential and commercial development</td>
<td>Private–public partnership</td>
<td>First phase completed</td>
</tr>
<tr>
<td>Public housing projects:</td>
<td>Housing</td>
<td>GOE, GRN, GTRUCS</td>
<td>Completed/ongoing</td>
</tr>
<tr>
<td>- Social housing (low income) e.g. Zango, Panguila and Sapu</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Public housing (middle income) e.g. Nova Vida, Kilamba and Cacuaco/Sequele</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Informal settlement upgrading e.g. Rangel, Cazenga and Sambizanga</td>
<td></td>
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</table>

A policy and institutional commitment to effective urban management is visible in one form or another. Numerous institutional, legislative and administrative reforms have been instituted over the past years in line with a discourse on the need to make the urban management of Luanda more effective. These include new land and urban planning laws and new local government legislation, as well as the creation of urban management institutions such as the Urban Planning and Management Institute for Luanda (IPGUL) in 2007. The government is working to accommodate the city’s growing population, and in 2011 adopted new administrative divisions for Luanda and the adjacent province of Bengo. This involved stretching the borders of Luanda province to the south by annexing the municipalities of Icolo e Bengo and Quiçama, previously part of Bengo province, while detaching a part of the northern municipality of Cacuaco. Six of Luanda’s former nine municipalities were joined with the municipality of Luanda to become the City of Luanda (Fig. 4), while the new municipality of Belas was created in the area that covers new developments such as the New City of Kilamba. Special administrative committees were created to streamline and improve public service delivery in...
the City of Luanda, Kilamba and some of the other new housing developments, but they have been given little effective power.

Figure 4: Luanda province before (left) and after (right) the new politico-administrative division of 2011

There is an expressed desire for international recognition and reputation building as being, for example, world-class and/or globally competitive.

Most state investments in the last decade have aimed at lifting Luanda to become a “modern, efficient, creative and unified metropolis”, as stated in the country’s long-term development plan, Angola 2025 (GoA, 2007). The National Development Plan adopted in 2012 for 2013–2017 refers to metropolitan Luanda as a “platform of internationalisation” (GoA, 2012:86). This idea similarly forms the basis for the provincial development plan for Luanda for 2013–2017 (GPL, 2014).

The master plan for Luanda launched in December 2015, to be implemented over the next 15 years, identifies three pillars of change to transform Luanda into a liveable, beautiful international city. One pillar aims to turn Luanda into a future economic, touristic and service pole in southern Africa by keeping its international profile and creating world standard infrastructure. The new port and airport hubs are set to “bolster Luanda’s regional and global profile, as a centre for services, logistics and manufacturing and as a market for agricultural produce to diversify Angola’s economic base in a world-class capital city environment” (GoA, 2015:10).

Several initiatives illustrate the government’s aim to create a conducive environment for foreign and private investment. These include the creation of a National Private Investment
Agency and one-stop shops for business and property registration. Particular investments have been made for example in construction of stadiums and hotels in cities across the country to allow the hosting of big events such as the 2007 African Basketball Championship games, the 2010 African Cup of Nations and the World 2013 Ice Hockey Championship, as well as of regional summits of African leaders, which mostly occur in Luanda. Such initiatives are accompanied with public television, radio, newspaper and billboard campaigns in the country and on international channels such as CNN to publicise the government’s reconstruction efforts. Government documentaries such as Made in Angola and ANIP promotional videos also aim to rebrand and promote the country focusing on Luanda.

5. Luanda’s flagship projects
The redevelopment of the Bay of Luanda and the construction of the New City of Kilamba are two of the flagship projects undertaken in Luanda in the recent past. They stand out among other projects for the dedicated financial and political backing they have received, which has allowed their execution in record time, and for generating benefits for more than just a small political or economic elite. Although they have important limitations, both projects not only serve as powerful symbols of Luanda’s post-war transformation but also have had real impact on people’s lives.

5.1 The Bay of Luanda
The Bay of Luanda, known as Avenida de Paulo Dias de Novais before independence, after the Portuguese explorer who founded the City of Luanda, has for centuries represented the heart of the city. Goods such as rum, food, clothes, sugar and tobacco, as well as hardware, came into the country through the bay from across the Atlantic in exchange for slaves, ivory, wax and seeds (Amaral, 1968).

Until the mid-1900s ships docked in the entry of the bay, along the Island of Luanda, and were connected to the shore by small boats. The construction of a new port with a wharf under the urbanisation plan for the waterfront of Luanda of 1943 and subsequent works under the Colonial Urbanisation Department created in 1944 to oversee the designing and execution of the architecture and urbanisation projects in the Portuguese colonies (Milheiro and Dias, 2009), shifted the main focus of the city’s movements from the centre of the bay to 2 km north of the city (Amaral, 1968). This opened up the bay for water sports such as sailing, an activity that started growing in the 1950s, with Angolan sailing teams participating in international championships. During this time the Bay of Luanda became a place of leisure and a symbol of the city’s transformation to modernity. Postcards of Luanda of the early 1960s widely feature the bay of as the main trademark of the city (image 1).

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After independence, the bay was renamed Avenida 4 de Fevereiro, the date of the start of the armed struggle against Portuguese colonial rule in 1961. In the war years after independence the bay waters became polluted as sewerage and drainage systems stopped working. A feasibility study was carried out in the early 1980s by a Dutch company with the view to setting up a sewage outfall system, rehabilitating the port and protecting the shore. Only some shore protection work was undertaken, and after the war ended raw sewerage continued to flow into the bay, roads and buildings were frequently flooded and a substantial volume of contaminated sludge piled up along most of the waterfront.\textsuperscript{18}

In 2003, plans were commissioned by the Ministry of Public Works for the redevelopment of the bay. In October 2003, a Portuguese businessman, José Carlos Moreira Récio, who had worked in Angola since the late 1980s, and António Mosquito, an Angolan businessman with ties to the ruling party, presented a proposal for the redevelopment of the bay to the government in a ceremony attended by President dos Santos. The proposal included plans for dredging and cleaning of the bay, extending the Marginal road and constructing parking lots and green spaces. The work, costing about US$ 76 million, would be financed privately. In return, the promoters sought from the government compensation in the form of land that they would reclaim using dredged sand from the ocean to create two artificial islands in the bay parallel to the Island of Luanda. The islands, measuring 900 m\textsuperscript{2}, would be used for private real estate development with a projected investment of US$ 462 million.\textsuperscript{19} The proposal was scheduled for discussion at the Council of Ministers on 30 October.

Discontent regarding the plan arose soon after its presentation, and on 28 October a group of citizens sent a letter to President dos Santos expressing concern about the private nature and size of the project, its disregard for the traditions and identity of the city’s people, and its potential to destroy the soul and mirror of the city of Luanda and its ex libris, the bay. The letter was signed by 185 people, including the first prime minister of Angola; famous Angolan writers and intellectuals; professionals such as doctors, businessmen and teachers; and university students. The letter also expressed the fear that environmental, ecological, cultural, geophysical and sociocultural impacts of the project had not been sufficiently considered. It stated that such a project required consultation of the people and that before the project was discussed in the Council of Ministers all documents related to the project

needed to be made available to the public and to be openly discussed as an act of “true respect for democracy”.20

The project was withdrawn from the agenda of the Council of Ministers meeting, and an awareness-raising campaign was initiated by the Luanda Waterfront Corporation, which was set up to drive the project, upon the request of the then Minister of Public Works, Higino Carneiro.21 The campaign started with a special meeting aimed at journalists and opinion makers.22 Several advertisements were published in the state’s daily newspaper, Jornal de Angola, on the benefits of the project, which included the boosting of the redevelopment of the Cidade Baixa (downtown Luanda) by restoring the bay’s natural splendour; upgrading Avenida 4 de Fevereiro and turning the waterfront into the unequivocal symbol of the city of Luanda; resolving the problems of silting and pollution in the bay and traffic congestion on the waterfront; and reclaiming land for urban development. It argued that the project would not result in the displacement of any community but would constitute an important source of employment, generating more than 2,500 direct and indirect jobs in addition to fiscal revenue for the city.

The media campaign was considered to have been largely private presentations and selective sessions and not to have answered the request for a wide and public debate on the project. These concerns were expressed in the second letter to the president on 26 November 2003, which reiterated the request that the president promote a public debate.23 A third letter to the president followed on 19 January 2004 reiterating the request for a wide and public debate on the project and the concerns about it.24 Meanwhile, the proponents and critics of the project discussed their views in state and private newspapers as well as online.

At the end of January 2004 the project promoters announced their intention to modify their initial plan. They submitted the new version to ANIP in July 2004. On 31 August 2005 the project was approved by the Council of Ministers. The concept of private investment in return for land for real estate development was retained in the new plan but the two artificial islands were dropped. Instead, land would be reclaimed along both the waterfront and the Island of Luanda. The total funding for the project, estimated at US$ 2.32 billion, would be invested over 13 years, US$ 113.6 million of which would be private investment for rehabilitating the bay and the waterfront. An additional US$ 2.03 billion in bank loans would go to the development of the reclaimed land (RTP, 2007).

More studies were carried out over the next months to finalise the design of the project, which was approved in April 2006. This was followed by a licensing process and the completion of the final design in June 2007. Marine work was started mid-2008 by a Belgian dredging company, followed by the land-based work, which was contracted to two Portuguese construction companies and involved a multidisciplinary team of engineers from different parts of the world. As costs surpassed the initial estimates, to ensure financing of the first phase was complete the promoters created the Sociedade Baía de Luanda (SBL), which came to include as its main shareholders Angolan companies and banks such as the state oil company Sonangol, Banco Privado Atlântico, Banco Millennium Angola and Finicapital.

The work under the first phase was largely completed in August 2012 and inaugurated on the 70th birthday of President dos Santos on 28 August, three days before the country’s second post-war elections. With a total investment of US$ 376 million, almost triple the initial estimates, the new Bay of Luanda had a 3 km upgraded promenade with over 2,000 newly planted palm trees, 147,000 m² of pedestrian spaces, about 3 km of cycle lanes, 10 open spaces along the beachfront, 3 playgrounds, 3 sport fields, 5 basketball courts and 5 spaces

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20 A copy of the letter was provided to the author by the Associação Kalu. See also Pascoal Mukuna, ‘Luandenses prestigiados querem travar mega-projecto da Baía de Luanda’, in the private newspaper Agora of 1 November 2003.
21 Semanário Angolense of 8–15 November 2003 reported that the minister had instructed the promoters of the project to organise as many debates as necessary until the concerns of ‘some citizens’ were accommodated.
23 A copy of the letter was provided to the author by Associação Kalu.
24 A copy of the letter was provided to the author by Associação Kalu.
for cultural events, in addition to a new wastewater system, a 6-lane road, a fuel station and a flyover connecting the waterfront to the island.25

Image 2: Redeveloped Bay of Luanda

The first phase of the redevelopment of the Bay of Luanda project was hailed both nationally and internationally as a success and received various awards.26 The technicians involved with the project note the pressure and challenges from the tight time frame within which it had to be delivered, but attribute the rapid conclusion of the project to people’s commitment, the quality of the partnerships and of the companies involved and the existence of a clear objective.27

According to Manuel Gabriel, SBL’s business development manager, the impact of the project can be felt at all levels:

There is the environmental aspect, because the project cleaned the Bay of Luanda, which is … a symbolic area of the city. In all the pictures of the city, even the old ones, the Bay of Luanda appears as a postcard of the city. It was a shame that this postcard had become polluted, its image had become worn out. So, this image was cleaned, the waters were cleaned, and today we can, for instance, see dolphins in the bay, something once unthinkable. We have seen a group of over a thousand ducks landing in the bay. These kinds of things did not happen when everything was polluted. … it brought the roads and the leisure areas. It will bring commercial areas, it has brought events and it will bring new areas to live and work in that, I would say, did not exist in Luanda. An area where someone can work, can go out and walk 3 km along the sea surrounded by grass fields. … this is in fact a very significant impact already today and this impact will grow more and more.28

26 The project has received awards in Angola, South Africa and Portugal. In October 2013 Luanda won the International Waterfront Association’s award for the best environmental redevelopment and public space project from among 40 projects from around the world.
27 Focus group interview with team members (now employed by private investment company Darwin IM), Luanda, 30 November 2015; Interview with architect Costa Lopes (the firm responsible for the design of the project) Luanda, 4 December 2015.
28 Interview with the business development manager of Sociedade Baía de Luanda, Manuel Gabriel, Luanda, 9 July 2015.
An estimated 2,500 visitors come to the bay each day, both young and old, as well as residents from the city centre and from the outskirts of the city. People can be found jogging on the promenade, youngsters roller-skating or playing basketball and children playing in the playgrounds, along with small-scale vendors. Others come for exhibitions, dance classes and music events in the evenings or weekends (images 3–6). Sail boats are back in the bay. The redevelopment of the bay has also reduced traffic and facilitated access to the Island of Luanda.

Image 3–6: Bay of Luanda in 2015

©Ngoi Salucombo

©Ampe Rogério / Pedro Parente

The initial contestation against the project has subsided. The group involved in the petition to the president against the initial plans for the bay created an association in April 2004 called Kalu. They consider their victory to have been the elimination of the artificial islands from the project. Kalu has been involved in activities such as presentations and city walks in collaboration with the department of architecture of the private university Lusíada to raise awareness on the need to preserve the city’s heritage. They have also been fighting against the demolition of the Elinga theatre in downtown Luanda and are critical of the lack of debate on the new master plan for Luanda, a process that is managed by the presidency’s Office for Civil Affairs.

Apart from a protest by the residents of the buildings along the waterfront about impending parking costs, there has been little debate about the considerable compensation to SBL as the project’s developer. Their package includes 30-year concessions on all outdoor

29 Observations and interviews in the Bay of Luanda, August 2015.
30 Conversation with Kalu director, Pedro Beirão, vice-president, Cristina Pinto, and architect Ângela Mingas, Luanda, 8 July, 13 and 17 August and 4 December 2015.
31 After the inauguration of the first phase, residents of the buildings along the waterfront protested against an announcement requiring them to pay about US$ 450 a month for parking. This was eventually suspended (5 mil dólares por carro para estacionar na Baía de Luanda, VOA, 16 November 2012).
publicity along the waterfront, on all the retail spaces along the waterfront, and on all the 3,100 newly built parking spaces along the waterfront, in addition to 60-year land development rights for three plots of reclaimed land covering 38 hectares. Significant fiscal benefits and incentives were also included (Resolution 51/05 of 26 October).

The role of SBL as the manager and principal architect of the redeveloped waterfront has also largely been uncontested. Some changes were made to the final design to safeguard the public nature of the first phase, for instance the reduction in the number of plots for real estate development upon the request of state institutions such as IPGUL, while SBL itself made other changes in consultation with its partners and investors. However, there has been no control or supervision over SBL by the provincial or municipal government of Luanda or other state institution to hold the company accountable to meeting all its obligations. Although the importance of the project as a potential source of fiscal revenue and employment was highlighted from the outset, so far no information on such outcomes has been reported by ANIP in its latest activity report, the National Tax Directorate or SBL itself. Considering the significant fiscal benefits negotiated for the project, it can be assumed that SBL has paid no taxes so far and that better accountability and reporting mechanisms are needed.

While the Bay of Luanda nowadays represents the closest thing to a public space in a city where most vacant land has been captured for real estate development, several observers have expressed concern over the absence of inclusiveness in the project, such as one resident who noted that

… access to … events often is through paying fees, but not much is returned to the citizen. The management of the bay needs to understand that the principal beneficiary of that space is the citizen and not whoever comes up with an idea about how a public space should be used for the generation of revenues.

Such concerns may become more pertinent as phase two of the project, launched in 2013, progresses. Kiosks at strategic points along the promenade will host restaurants, snack bars and shops, following the concept of open-air shopping. This could turn the waterfront into an increasingly commoditised and exclusive space. In addition, while the land parcels designated for real estate development were said to be designed for integration with the rest of the bay in order to secure public access, the high-end and private nature of the planned development may increasingly limit the use of the space to the class of working professionals.

5.2 The New City of Kilamba

Plans for the construction of new cities in Angola date back to pre-independence days with Huambo, built from 1912 to substitute Luanda as the capital of the Portuguese colony, as the first such city. Located in the country’s central highlands, Huambo was intended to be a prosperous European settlement and was elevated to the capital of Angola by legislation in 1928 and given the name Nova Lisboa. But it never actually became the capital of Angola, and until the 1940s it did not even have electricity, running water or sewers (DW and CEHS, 2005:77).

Designs for satellite cities around Luanda were proposed during the 1940s and 1950s in master plans to deal with the city’s rapid growth (Fonte, 2007). Although it was never approved, the first comprehensive master plan for Luanda, developed in 1973 by a French company, built on those designs by proposing a growth-pole structure for decongesting the city through creating three urban centres: Luanda, Cacuaco in the northeast of Luanda, and Viana in the southeast of the city (Amado et al., 1992; Jenkins et al., 2002). Plans were also circulated during those years for a new political and administrative capital to be called Angolia. However, none of those plans was implemented, as the unexpected fall of the
Salazarist regime in Portugal in April 1974 soon led to Angola's independence and a near complete exodus of the Portuguese from the colony.

In the first years of independence, Cubans provided technical assistance to the National Planning Directorate of the Ministry of Construction and Housing, which culminated in the initiation of some state-led, self-help building projects and the construction of about 3,000 five-storey flats, mainly in Luanda and the adjacent provinces of Benguela and Kwanza Sul (Greger, 1986; Mendes, 1988). The Cubans also designed a master plan for the city of Luanda, replacing the 1973 version. But the Cuban plan was never implemented as it grossly underestimated the growth of the city population, projected to reach 1,650,000 in 2010 but which it reached by 1990. Investment in housing and urban development peaked in 1985 but fell to almost zero from 1987 onwards (Amado et al., 1992).

With the country's transition to a market economy in the early 1990s the national housing stock was privatised, and international organisations and financial institutions entered into urban planning and financing through projects for upgrading the musseques in Luanda. Studies were conducted on housing, and a land policy and an urban infrastructure rehabilitation plan were proposed. Most of the projects stalled, though, owing to the collapse of a staff-monitored programme of the IMF in 1995 (Hodges, 2004).

A plan for the management of Luanda’s urban growth based on a study undertaken between 1995 and 1997 by a Lebanese firm, Dar-Al-Handasah, with financial assistance from the World Bank was adopted in 2000 (Raposo, 2007). That plan was to provide the basis of a future master plan for Luanda and it marked the restart of the growth-pole planning approach introduced in the colonial era. Like the colonial master plan of 1973, the new plan identified several areas around Cacuaco and Viana for the development of growth poles. A special technical commission for the analysis of urban development projects in the province of Luanda was created in 2005 headed by André Mingas, an architect who had been a student of José Troufa Real, the head of the first urbanisation unit created in Luanda in the early 1960s. On Mingas’ invitation, Troufa Real was taken on board of the commission.

In 2007 the government approved Angola 2025, a long-term development strategy that proposed to transform Luanda into a world class city by structuring the provinces of Luanda and Bengo into a multi-polar metropolis with peripheral cities (GoA, 2007). In May 2007 the Council of Ministers approved the three state land reserves identified for the constructing the three new cities of Dande, Cacuaco and Luanda (PortalAngop, 2007). Chinese funding made it possible to effectively implement these plans. The projects financed under this credit line were to be managed by GRN. Six of a total of eight new cities were to be built in the metropolitan area of Luanda and the other two in the oil-rich province of Cabinda and the diamond-rich province of Lunda Norte (Table 3).
Table 3: GRN contracts for urban and new city development

<table>
<thead>
<tr>
<th>Project</th>
<th>Company</th>
<th>Contract</th>
<th>Value (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New City of Kilamba (phase I)</td>
<td>CITIC – International Contracting Inc.</td>
<td>EPC</td>
<td>3,534,564,888.00</td>
</tr>
<tr>
<td></td>
<td>TPF Planeg</td>
<td>MCSS</td>
<td>123,709,770.00</td>
</tr>
<tr>
<td>Urban development Km 44</td>
<td>China Guangxi International Construction Engineering Corporation</td>
<td>EPC</td>
<td>82,795,046.03</td>
</tr>
<tr>
<td></td>
<td>SECAN – Sociedade de Engenharia e Consultoria</td>
<td>MCSS</td>
<td>2,897,466.00</td>
</tr>
<tr>
<td>Urban development Musseque Capari</td>
<td>China Guangxi International Construction Engineering Corporation</td>
<td>EPC</td>
<td>294,070,754.00</td>
</tr>
<tr>
<td></td>
<td>SECAN – Sociedade de Engenharia e Consultoria</td>
<td>MCSS</td>
<td>10,244,266.00</td>
</tr>
<tr>
<td></td>
<td>SECAN – Sociedade de Engenharia e Consultoria</td>
<td>MCSS</td>
<td>6,470,918.00</td>
</tr>
<tr>
<td>Special urban development of Cabinda</td>
<td>China Guangxi International Construction Engineering Corporation</td>
<td>EPC</td>
<td>59,710,535.26</td>
</tr>
<tr>
<td></td>
<td>Arquinota, Limitada</td>
<td>MCSS</td>
<td>2,089,869.00</td>
</tr>
<tr>
<td>New City of Cacuaco</td>
<td>China Tiesiju Civil Engineering Group Co</td>
<td>EPC</td>
<td>704,273,800.00</td>
</tr>
<tr>
<td></td>
<td>TPF Planeg</td>
<td>MCSS</td>
<td>24,649,583.00</td>
</tr>
<tr>
<td>City of Dande</td>
<td>China Tiesiju Civil Engineering Group Co</td>
<td>EPC</td>
<td>704,273,800.00</td>
</tr>
<tr>
<td></td>
<td>TPF Planeg</td>
<td>MCSS</td>
<td>24,649,583.00</td>
</tr>
<tr>
<td>New City of Dundo</td>
<td>Pan-China Construction Group Corporation Limited</td>
<td>EPC</td>
<td>574,704,000.00</td>
</tr>
<tr>
<td></td>
<td>TPF Planeg</td>
<td>MCSS</td>
<td>20,114,640.00</td>
</tr>
</tbody>
</table>


With a contract value of US$ 3.5 billion, the New City of Kilamba stands out as the flagship project amongst the eight planned developments. In June 2007 GRN signed a memorandum of understanding with the CITIC Group, a Chinese state company, for constructing the satellite city of Kilamba, reportedly the largest project of its kind that China had contracted abroad (People’s Daily, 2008).

The initial design of the project defined the New City of Kilamba as a “social housing” project,\(^{36}\) in line with the growing discourse at the time on the importance of housing and integrated urban development. With the country’s first post-war legislative elections scheduled for September 2008, housing featured prominently in the government’s reconstruction agenda. Apart from some relatively small-scale housing projects, until that time state intervention in housing had involved mostly large-scale demolition of houses of the urban poor to make way for development projects (DW, 2011). During the World Habitat Day celebrations hosted in Luanda in October 2008, President dos Santos publically announced his

\(^{36}\) EPC: engineering, procurement and construction contract
\(^{37}\) MCSS: management, coordination and monitoring services (fiscalização) contract
\(^{38}\) Phase I Social Housing Project in Angola, a presentation by CITIC International Contracting Inc., 28 November 2008.
commitment to have a total of 1 million houses built in all the country’s provinces by 2012 (PortalAngop, 2008). That goal was adopted in the National Urbanism and Housing Programme in 2009 (Croese, 2012).

The global economic and financial crisis that hit the country in 2009 delayed the start of the housing programme, but financing from the state oil company, Sonangol, and a loan from the Industrial and Commercial Bank of China ensured the implementation of the government’s most strategic projects such as the new City of Kilamba (Cardoso, 2015; IMF, 2012). While the government’s 1 million houses programme had seen almost no progress three years after its launch, the New City of Kilamba’s first phase was completed in two years and was inaugurated by President dos Santos on 11 July 2011.

The first phase of Kilamba was meant to consist of 409 buildings of 4, 8 or 12 storeys in 24 blocks for a total of 20,000 apartments to house 157,000 inhabitants; a city centre with large open areas; a commercial centre; and public facilities such as a museum, opera house, library, 24 kindergartens and 14 schools, along with water and electricity infrastructure (image 7). The second phase, which was planned to kick off in 2012, would focus on the construction of service related infrastructure such as hospitals, clinics and health centres, banks, fuel stations, police stations, churches, etc. A third phase of the project foresees the construction of a total of 70,000 apartments (Angonoticias, 2010).

Image 7: Artist impression of initial design for Kilamba

Source: Phase I Social Housing Project in Angola, a presentation by CITIC International Contracting Inc. (28 November 2008).

While the schools and basic infrastructure were included in the first phase as it was delivered in 2011, the other public infrastructure and facilities were replaced with apartment buildings, increasing the total buildings to 710 (CITIC, 2014).

In the context of the growing housing deficit, estimated at 1.9 million units in 2010, popular interest in the project upon its conclusion was significant. However, owing to its long distance from the city, the lack of affordable mortgages and the high cost of the units, ranging between US$ 125,000 and US$ 200,000, Kilamba initially attracted few people and it soon came to be labelled as a Chinese-built ghost town (Redvers, 2012a, 2012b). In 2013 the government lowered the prices to US$ 70,000 to US$ 180,000 and also made the apartments available on rental and rent-to-buy schemes, which soon led to overwhelming demand and the suspension of sales as a result.40

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40 Under the scheme, a $70,000, three-bedroom apartment could be obtained with a down payment of $14,000 and a 15 or 20-year mortgage repaid in monthly instalments of US$ 390 or US$ 310, respectively, or without a down-payment but with monthly instalments of US$ 550 or US$ 460 paid over 15 or 20 years, respectively. Public servants received subsidised loans through the National Housing Fund (FFH) of up to 30 years at 3% interest rate. This brought Kilamba houses within the reach of junior public servants, who earn about US$ 1,500 (CAHF, 2015).
The lowering of the prices went together with a campaign to promote the project. Numerous foreign dignitaries, including the United Nations Secretary General, Ban Ki Moon, and journalists were taken to Kilamba when they visited Luanda. By 2015 Kilamba had over 70,000 inhabitants and functioning basic services such as water and electricity, an administration, kindergartens, schools, sports fields, shops and restaurants (images 8–10). A special issue of African Business magazine on African cities published in March 2015 included a special photo reportage on the city to provide proof that there was indeed life in Kilamba and hailed it as a clean, modern and dream-like ‘un-African’ town.41

Image 8–10: Kilamba in 2015

©Ngoi Salucombo/Sylvia Croese

Before the construction of Kilamba, private newspapers such as Semanário Angolense (2007; 2007b) questioned the state’s intentions and the lack of debate on the plans. Others raised concerns about the feasibility of the National Urbanism and Housing Programme and the lack of involvement in its formulation of independent representatives of civil society such as churches and political opposition parties (A Capital, 2009; Semanário Angolense, 2009). But this clamour has been relatively low compared with the objections about the development of the Bay of Luanda. This might be because much less information was available about the plans for the Kilamba project or because it was constructed largely away from the public eye, in the periphery of the city and about 20 km southeast of the city centre.

Kilamba has been criticised for its exclusive nature and the irregularities that have marked the sale and distribution of its houses, particularly the high level of corruption and political favouritism (see e.g. Marques de Morais, 2011; Pitcher and Moorman, 2015). While initially promoted as a social housing project, Kilamba has done little to meet the housing needs of Luanda’s urban poor, who cannot afford its apartments and who do not fit the ideal model of a nuclear household with formal sector employment that the apartments were designed for. However, the modernist imaginary evoked by Kilamba is undeniably attractive in a context where little decent and affordable housing is available for the expanding urban middle class. Kilamba, as well as the other mass scale government housing projects built in recent years in Luanda such as Nova Vida and the New City of Sequele (also known as Cacuaco), is helping to fill that gap.

A survey of 184 households in Kilamba carried out June–August 2014 found that the population of Kilamba was relatively young and about a third of the residents were employed in the private sector and another third in the civil service. Some 75 percent of the respondents

considered their apartment to be better than their previous home, particularly its size and quality, and because they felt they owned it (Cain, Croese and Pitcher, 2014). Moreover, the international attention and widespread media coverage on the project have instilled a sense of pride and common identity among Kilamba residents. Various Facebook groups have been created by and for Kilamba residents for sharing information. In the first years after the city’s inauguration these groups served to denounce inappropriate actions and behaviour, with residents posting pictures of inappropriately parked cars or reporting incidents where rules were broken (Buire, 2014). Other new cities have followed Kilamba’s example and have also started Facebook groups.

The success of Kilamba can be attributed to a number of factors, according to the administrator of the city:

There are various factors that contribute to its success. First of all the way that Kilamba is structured physically allows for a close relationship between the administration and residents. The administration is new and present. …The close relationship with residents is crucial, although not everyone would agree with this. Residents may be more inclined to participate because they are proud of living in Kilamba. … Kilamba has received more attention from the authorities. … It also has to do with the level of schooling of the residents. Politically, there is a need for a different approach here. It is not possible to do mass party politics. You can do this in other neighbourhoods but here you would run the risk that people would simply not show up. All in all, I would think that the levels of satisfaction are influenced by these factors.42

Kilamba’s national and international exposure has made its administrator much more outward looking than the average administrator in Angola for whom, in the absence of local elections, accountability mainly works upward. Kilamba’s administrator is open to receiving residents and visitors and discussing issues related to the management of the city. But Kilamba’s administration has little effective power or autonomy. Despite the statement of the President at Kilamba’s inauguration that the city would become a test case of a “functional, simple, rational and transparent new model of urban management” on the path towards the gradual decentralisation of the state administration (PortalAngop, 2011), Kilamba is far from a city in the political-administrative sense and its daily management is not much different from that of any other municipality in the province of Luanda. Kilamba’s administrator is a presidential appointee and was brought on board only after the project was delivered. Moreover, the city’s administration depends on the central government for financing and receives annual allocations through the state budget. Observers indicate, however, that the funds allocated to Kilamba are by no means sufficient for its management.43 Although the administration collects revenue locally through issuing documents such as proof of residence or fees for space rental for events and publicity, no mechanisms exist for collective decision-making or accountability on how these funds are spent.

A statute for Kilamba adopted in August 2015 gives residents’ committees responsibility for handling the daily management issues such as cleaning and maintenance of the buildings and their surroundings, and allows them to charge fees for that. Many of the committees, which are organised at the building or block level, were already doing this voluntarily to deal with maintenance and security problems.44 The support of the administration is needed to provide services that the committees do not have the capacity to deliver such as collecting waste, maintaining the green areas and dealing with the increasing crime in the city.45

The top-down implementation of the city project through the use of special agencies also means that other state institutions were not involved in its planning. As a result, measures to enhance Kilamba’s connection to the inner city, where many residents still work, through improving public transport, which would involve, among other things, the construction of a bus

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42 Interview with the administrator of Kilamba, Joaquim Israel, Luanda, 18 August 2015.
43 Conversation with the National Director of Local State Administration of the Ministry of Territorial Administration, Luanda, 2 December 2015.
44 While resident committees are not officially recognised by the state, they operate with various degrees of autonomy across the city.
rapid transit network, have only recently been introduced.\textsuperscript{46} The 2014 survey found that 45 percent of Kilamba residents took at least 2 hours to get to work.

Experts argue that while Kilamba has contributed to Luanda’s formal and affordable housing stock, it did not contribute to the effective reform of the property and housing finance market.\textsuperscript{47} For instance, by using a Chinese contractor, workers and construction material, the project limited the growth of the domestic construction industry. Moreover, while the rent-to-buy scheme has facilitated access to Kilamba apartments, the legislation to regulate this scheme has not yet been adopted and residents do not hold property deeds for their apartments and do not pay property taxes. In addition, the various changes in the institutions appointed to commercialise the apartments in Kilamba until the end of 2015 have made it impossible to develop a regular payment system for the monthly instalments, so default rates have been high.\textsuperscript{48} This is less so for the apartments allocated to public servants through FFH, where monthly payments are made automatically by bank transfer.\textsuperscript{49} Nevertheless, it can be assumed that so far the state has recovered little of its initial investment in the project, which raises questions about the sustainability of the approach used to build Kilamba in long-term housing development.

6. Conclusion
Over the first decade after the war ended in 2002, the Angolan government implemented what has been referred to as a home-grown reconstruction programme (Shaxson, 2009). Rising oil revenues and readily available external funding gave the government the confidence and leverage to conduct this process largely on its own terms. State control of these resources has allowed the reconstruction work to proceed at an unprecedented pace and scale in a bid to transform the image of the country.

Luanda has been at the centre of this transformation process. It has benefited the most from the country’s non-oil economic growth and public investment and it has been the main site for the implementation of a range of administrative, financial, institutional and large infrastructural flagship projects. These projects illustrate the government’s distinct desire to turn the city around by projecting it as world class and at par with other cities in the world. In Angola’s post-war context, flagship projects in Luanda target not only the international audience but also domestic constituents.

With their focus on providing public space and affordable housing, the Bay of Luanda and Kilamba projects stand out as reflective of concerns that go beyond mere economic interests. Both projects received high-level financial and political backing, although for the bay the investment and execution of the work went through private entities while for Kilamba these were through state arrangements. This top-down and state-led approach allowed for rapid completion of the first phases of both projects. Contestation against the projects has been relatively low, and in the case of the bay limited to well-connected city dwellers. Although limited in inclusiveness, both projects undoubtedly have benefited more than a narrow elite, as measured by the daily use of the bay and the full occupation the City of Kilamba. Moreover, the value of the projects as visible symbols of efforts to project Luanda as a world-class city is considerable.

Accountability in both projects has been low, with little debate on or oversight of their financing and management. Despite the government’s rhetoric on its goal to institute effective urban management through new laws and institutions, local administrations and institutions in Luanda continue to be weak. This limits their capacity and ability to effectively hold private

\textsuperscript{46} Interview with Eng. Noélia Assuilo Costa, Director of Urban Transport Directorate, Ministry of Transport, Luanda, 8 July 2015.
\textsuperscript{47} Interview with Cleber Corrêa, director of the real estate agency Proimóveis and co-founder of APIMA, Luanda, 14 August 2015.
\textsuperscript{48} Negotiations started in the last months of 2015 between residents of Kilamba and Imogestin, the company responsible for commercialising the housing, on the payment terms.
\textsuperscript{49} Interview with Dr Abel dos Santos Bastos, Executive Commission of the FFH, and Dr Paulo Miguel Araújo, Financial Administration Directorate FFH, Luanda, 19 August 2015.
actors to account, and has left newly created administration bodies such as that for Kilamba unable to manage the infrastructure delivered through the central government or to adequately respond to citizens’ needs. In the long term the failure to reform the local government will likely limit the transformative potential of both projects.

The limitations of the highly centralised approach to development are concerning, as they have deepened geographical inequalities and fostered continued rural–urban migration, adding further pressure to Luanda’s growth. Census data put the population of Luanda at almost 7 million, two-thirds of whom live in dire poverty (INE, 2016). With an annual average growth rate of 7 percent over the past years, Luanda is the most rapidly growing city in southern Africa and the fifth largest African metropolitan area after Cairo, Lagos, Kinshasa and Johannesburg (UN-Habitat, 2008). A centralised approach might work well for infrastructural development but is less suitable for the kind of economic and social development interventions needed to diversify and transform an economy and alleviate poverty. The country remains highly oil dependent, meaning that low oil prices will significantly limit the government’s ability to manage urban growth. A more integrated, decentralised and participatory approach to the management of urban and economic growth will have to be a central theme in Luanda’s governance if the city’s turn-around is to become more inclusive and adaptive in the long term.
A Capital (2009) ‘Teremos (?) um milhão de casas em quatro anos’ [We will (?) have one million houses in four years] (18 April).


UNDP (2002). Study on deconcentration and decentralization. Luanda: UNDP.