Analysis of the
General State
Budget
Angola 2026

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Water and Sanitation in the State Budget

Key Messages

The Water, Sanitation and Hygiene (WASH) sector totals **Kz 739 billion in 2026 (Kz 739,161,841,639.00)**, corresponding to approximately **2.2 percent of the General State Budget (OGE) and 0.5 percent of (GDP)**. Despite the **nominal increase of 15 percent compared to 2025**, the sector's share of the budget has remained relatively stable over the past five years, suggesting that the increase in funding has largely kept pace with the overall growth in public spending.

Water supply accounts for about **91 percent of total spending in the ASH sector** in 2026, while **basic sanitation** represents only **7 percent** and **environmental protection, 2 percent**. This **disparity has widened over time**: while in 2022, spending on water was about three times that of sanitation, by 2026 this ratio reached approximately twelve (12) to one (1), highlighting a growing imbalance between complementary subsectors, such as public health.

Funding for basic sanitation decreased by 54 percent in 2026 compared to the previous year and amounts to approximately **Kz 1,500.00 per inhabitant** throughout the year. This reduction occurs in a context where high levels of open defecation persist, along with significant regional inequalities in access to sanitation and recurring public health risks associated with inadequate water, sanitation, and hygiene conditions.

The 2026 State Budget reveals a **distinct institutional framework by subsector** within the water, sanitation, and hygiene (ASH) sector. The **water supply remains heavily centralized within the Ministry of Energy and Water**, which receives about **91 percent** of the sector's allocation, while **basic sanitation** shows **greater decentralization at the provincial government level**, with a **strong concentration in Luanda**, which accounts for about 32 percent of the provincial allocation. This structure highlights different implementation models within the sector and reinforces the **need for inter-institutional coordination and more integrated territorial planning**.

The sector has recorded **high levels of budget execution** in recent years, both in water supply and in basic sanitation. However, the **territorial distribution of resources remains unequal** and heavily concentrated in certain institutions and provinces, suggesting the need to simultaneously strengthen both the equity of allocation and the capacity for implementation at the subnational level.

The analysis of funding for the ASH sector is constrained by **limitations in budget classification**, with relevant expenditures on water, sanitation, and hygiene scattered across different functions and programs, including housing, urban infrastructure, and the environment. This fragmentation reduces the visibility of total investment in the sector and limits the capacity for monitoring, planning, and evidence-based decision-making.

Although Angola has made progress in expanding access to drinking water and sanitation over the past decade, marked **inequalities persist between urban and rural areas**, as well as **growing challenges in rapidly expanding peri-urban areas**. These disparities limit gains in coverage and underscore the need for a more equitable allocation of resources that is targeted toward areas with the greatest deficits in access.

Figure 1 Trends in Budget Expenditures ASH 2022–2026 (in billions of kwanzas)

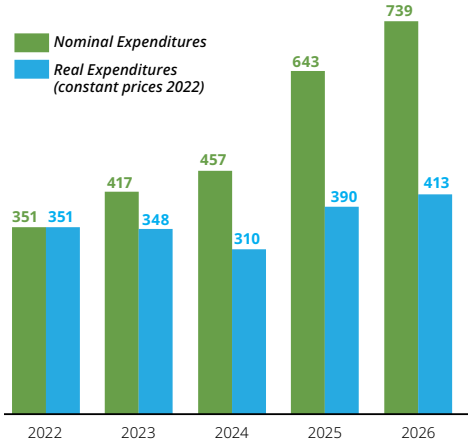
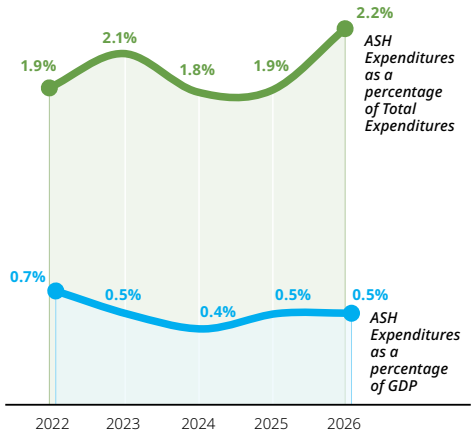


Figure 2 Trends in ASH Expenditures as a percentage of Total Expenditures and of GDP (in %) 2022–2026

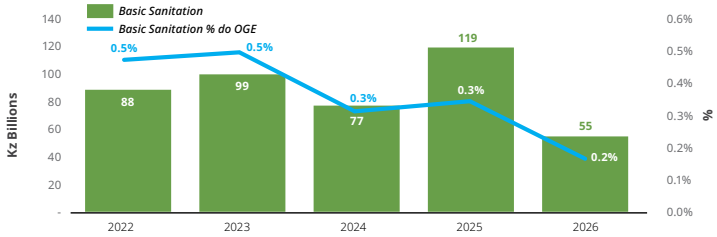


An analysis of spending in relative terms indicates that the **share of the ASH sector in total public spending** remained relatively stable over the period, ranging **between 1.9 percent and 2.2 percent of the State Budget**. As a **percentage of GDP**, spending fluctuated **between 0.4 percent and 0.7 percent, with an average of 0.5 percent** over the period. These results suggest that the growth in sector spending has largely kept pace with the overall expansion of the budget and the economy, without reflecting a structural change in the budgetary priority assigned to the sector.

Source: Ministry of Finance; 2022-2026 Budget by Function; World Economic Outlook

The trend in **budgetary spending allocated to basic sanitation** shows an uneven trajectory over the 2022–2026 period. The allocation rose from approximately Kz 88.3 billion in 2022 to Kz 118.7 billion in 2025, reaching the highest level of the period. However, the **budget allocation in the 2026 State Budget shows a sharp decline to approximately Kz 54,633,273,274.00**, representing a **nominal decrease of approximately 54 percent** compared to the previous year.

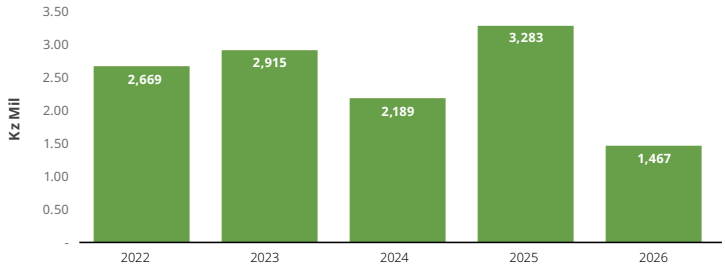
Figure 3 Basic Sanitation Budget, 2022-2026



Source: Ministry of Finance; 2022-2026 Budget by Function

On a **per capita basis, the 2026 State Budget provides for an allocation of approximately Kz 1,500.00 per inhabitant for sanitation** throughout the year. This level of investment contrasts with the scale of the challenges the subsector continues to face and with its importance to public health.

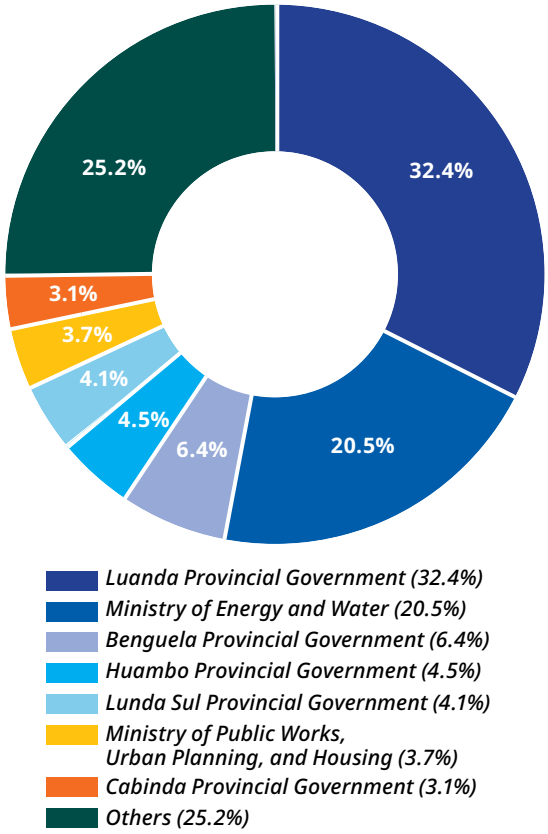
Figure 4 Per Capita Budget for Basic Sanitation, 2022-2026



Source: Ministry of Finance; 2022-2026 Budget by Function

The **Luanda Provincial Government is the largest implementer of the budget for basic sanitation, accounting for 32 percent of the budget allocation**. Next is the Ministry of Energy and Water, with 21 percent, and the Benguela Provincial Government, with 6 percent.

Figure 5 Organs Responsible for Basic Sanitation Implementation



Source: Ministry of Finance; 2026 Budget by Organ

Recommendations

1 **Strengthen funding for basic sanitation as a public health priority**[1]: *Progressively and significantly increase the budget allocation for basic sanitation, reversing the decrease recorded in 2026, and reducing the imbalance with the water supply subsector, without compromising the sustainability of ongoing investments in the latter. In line with the regional guidelines of the Council of African Ministers of Water (AMCOW – African Ministers' Council on Water), which have advocated for a greater allocation of public resources to the water and sanitation sector, including indicative targets of approximately 5% of the General State Budget, the strengthening of sanitation should be treated as a central priority for public health and human development.*

2 **Promote greater territorial equity in the allocation of resources:** *Revise the criteria for the territorial allocation of ASH sector resources, ensuring a more equitable distribution among provinces and a greater focus on areas with lower service coverage, including rural and rapidly expanding peri-urban areas.*

3 **Strengthen institutional coordination and integrated planning in the ASH sector:** *Strengthen and consolidate the role of mechanisms such as FONAS at the national level and promote coordination structures at the provincial and municipal levels, taking into account the different implementation models of the sector, with strong centralization in water supply and greater decentralization in basic sanitation. FONAS promotes better coordination among government institutions , partners, and other sector stakeholders.*

4 **Improve the budgetary classification and traceability of sanitation expenditures:** *Review and adjust the budget classification of expenditures related to water, sanitation, and hygiene, reducing the current dispersion across different functions and programs (including housing, urban infrastructure, and the environment), in order to increase transparency, comparability, and the ability to monitor public investment in the sector.*

5 **Strengthen the maintenance and sustainability of water supply systems:** *Ensure the allocation of sufficient, specific, and regular resources for the operation, maintenance, and rehabilitation of existing infrastructure to guarantee the continuity and quality of services and the protection of public investments made.*

6 **Expand and consolidate community-based approaches to sanitation and hygiene:** *Strengthen and scale up the Community- and School-Led Total Sanitation (STLCE) program, with a focus on eliminating open defecation and promoting hygiene and sustainable behavioral changes, especially in rural areas, while also exploring its potential for adaptation and application in peri-urban areas.*

7 **Strengthen data, monitoring, and results-based management systems:** *Improve data collection and use, integrating targets, indicators, and regular reports that enable tracking of progress and support evidence-based decision-making.*

1 Basic sanitation services refer to the use of improved sanitation facilities that hygienically separate human excreta from human contact and are not shared with other households, according to the classification of the WHO/UNICEF Joint Monitoring Program (JMP)