



# ***India in Angola Economic Newsletter***

***May — June 2022***



**TOGETHER IN PARTNERSHIP**  
**TOGETHER IN BUSINESS**

## From the Ambassador's Desk



Dear readers,

I am happy to present the eleventh edition of our Economic Newsletter on India-Angola 'Together in Partnership - Together in Business'. In last two months, Angola has seen several positive signs on the economic front.

For ease of citizens, limit of transferring dollars abroad has now been increased from USD two thousand to five thousand. Government of Angola brought a regulation on prevention of the use of the financial system for purpose of money laundering and terror financing. A new certification seal "Made in Angola" has been introduced with green labels for organic, biodegradable and sustainable products to convey confidence among consumers. Among financial developments opening of simplified bank accounts and free distribution of automatic payment terminals are coming into existence with the perspective to help young entrepreneurs and to provide ease for micro-credits. At the same time, reduction of Industrial Tax by 56.6 percent, provided for in the General State Budget (OGE) 2022 for service providers in the oil and mining sectors, is encouraging the technological and organizational development in the country.

To further deepen India-Angola Economic relations and to promote Medical Value Tourism to India, Embassy organized a Virtual Conference titled 'India - The medical tourism destination for Angolans' on 26.05.22. On 22.06.22, I hosted an India- Angola Global Partnership meet and updated Angolan Government representatives and prominent entrepreneurs on the developments in the Indian Economy. While providing information on the current economic scenario in Angola, we have also covered the province of Kwanza Sul province in this edition.

Readers are requested to share this newsletter with their colleagues and acquaintances. Each newsletter will also be posted on our website ([www.indembangola.gov.in](http://www.indembangola.gov.in)), Facebook page (@indiainangola2019), Twitter (@IndiainAngola) and Instagram (@india\_in\_angola).

With regards,

(Pratibha Parkar)  
Ambassador

**Embassy of India, Luanda [Angola], Working hours: Monday to Friday: 0900 hrs to 1730 hrs**

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## Economic Laws and Regulations in Angola

### Transfers abroad increase to five thousand dollars a month

The National Bank of Angola increased the limit for transfer abroad from two to five thousand dollars a month, which could be sent by Foreign Citizens too for family support through non-banking institutions.

### Instruction raises limit on remittance of values

The National Bank of Angola (BNA) raised the limit on the sale of foreign currency for companies providing payment services and exchange offices, to five thousand dollars per month per beneficiary or the equivalent in foreign currency.

### Regulation of preventive duties for money laundering and terrorist financing:

The National Bank of Angola (BNA) Notice 1/2022 was on June 6th, regulates the provisions of the Law on Combating Money Laundering and the Financing of Terrorism (Regulating Law No. 83/2017, of 31.8.2020, which transposed Directive (EU) 2018/843), on the prevention of the use of the financial system for the purpose of money laundering, into the legal system capital or terrorist financing.

### Certification seal on national products:

Presidential Decree 160/2022 of 17 June, which created the new certification of "Made in Angola" was presented in Luanda, by the National Institute for Support to Micro Small and Medium Enterprises (INAPEM). The new certification seal "**Made in Angola**", will be used as well along with a green label for organic, biodegradable and sustainable products, is aimed to convey confidence to consumers.

### Capital and regulatory funds applicable to Non-Banking Financial Institutions

The National Bank of Angola vide Notice no. 12/22, of May 4 established the minimum share capital and regulatory own funds applicable to Non-Banking Financial Institutions linked to currency and credit, under supervision of the National Bank. This provides relaxation to various financial institutions namely exchange houses, financial management institutions, credit guarantee societies, loan institutions and payment service providers.

## Economic Laws and Regulations in Angola

### Management of Naturally Occurring Radioactive Materials - NORM

The Presidential Decree No. 165/22 of 23/06/2022, established the general radiological protection and safety criteria and requirements necessary for the management of Naturally Occurring Radioactive Materials - NORM and other radioactive waste of very short half-life, very low level, low level and intermediate level of radioactivity, as well as the procedures necessary for the handling, segregation, treatment, transport, transfer, storage and/or disposal of radioactive waste in radiological facilities.

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## Economic News and Developments in Angola



### Viana fair “made in” Angola raises 550 million kwanzas

The first edition of the Fair of Manufactured Products in Angola, which lasted for five days, in the municipality of Viana, in Luanda, raised 550 million kwanzas, resulting from the sale of products made available and partnerships consolidated by the hundred exhibitors from

Benguela, Bié, Cabinda, Cuando Cubango Cuanza-Norte, Cuanza-Sul and Luanda.

The Ministry of Industry and Commerce, in its attributions and in close collaboration with the ministerial departments of the productive sector, said that it "will spare no effort to support initiatives that seek to leverage industrial and commercial activity in the country", reinforced said Secretary of State for Commerce. The first edition of the Fair of Manufactured Products in Angola showed that it is possible to produce and create markets in the face of the difficulties caused by the Covid-19 pandemic and the international geopolitical context.

The fair served as a platform for the Ministry of Industry and Commerce to experiment with a successful model of institutional presence, through which its directorates and institutes can use as tools to bring industrial and commercial companies closer together.

### Government approves rules for the creation of the Informal Economy Observatory

The normative parts of the Informal Economy Observatory were approved by the Government, providing for its operation later this year, within the scope of the Informal Economy Reconversion Program (PREI), announced on 11.05.22 , the director of the Office for Politics. Ministry of Economy and Planning (MEP), Adriano Celso Borja.



He reinforced that, within the scope of the financial inclusion service, the opening of simplified bank accounts and the free distribution of automatic payment terminals, which aim to strengthen financial inclusion, with the perspective of helping entrepreneurs in the facilitated access to micro-credits, continue.

## Economic News and Developments in Angola



### Tax reduction encourages the industrial sector

The reduction of the Industrial Tax by 56.6 percent, provided for in the General State Budget (OGE) 2022 for service providers in the oil and mining sectors, encourages the technological and organizational development of national industries, said economist Juliana Evangelista.

The OGE for 2022 reduces the Industrial Tax rate, which is levied on accidental services, from 15 percent to 6.5%, and the Executive's bill, sent to the National Assembly, was approved on 07.06.22 by the deputies, in the specialty. Speaking to media, Juliana Evangelista believes that the reduction of the Industrial Tax for employees of the oil and mining industries, included in the General State Budget for the year 2022, is part of one of the measures to encourage economic activity in these motor sectors. Asked to what extent this reduction measure from 15 to 6.5% satisfies the oil and mining industrial sector, Juliana Evangelista considers it an important step towards increasing the flow of investment, improving the business environment in the country, as well as strength and financial liquidity for companies. Therefore, it indicates that it is a priority to exploit mineral resources (Petroleum) as much as possible, otherwise they will be underused.

### Angolan companies are more confident

The confidence indicators of Angolan companies maintained an upward trend in the first quarter of 2022, with the environment being favorable for all sectors analyzed, except construction. The purpose of the survey is to analyze the Economic Climate in Angola, with most sectors under analysis showing a positive year-on-year trend and evolution and favorable economic conditions for companies. From the data obtained in the first quarter of 2022, it was observed that the economic climate remained favorable, with the CI maintaining the upward trend of the last six consecutive quarters, evolving positively in relation to the same period of the previous year and remaining above the average of the series started in 2008 .



## Economic News and Developments in Angola



### De Beers' return to Angola deemed a diplomatic victory

The return of the multinational company De Beers Exploration Holdings to Angola represents a win for Angolan economic and business diplomacy, the Secretary of State for International Cooperation and Angolan Communities, Domingos Vieira Lopes, said on 06.06.22.

Speaking at a bilateral meeting between delegations from the governments of Angola and South Africa, the Angolan official said the multinational returned in the wake of a series of structural reforms and new state policies, which have improved business environment and made the country more attractive to foreign investment.

De Beers is a conglomerate of companies involved in diamond mining and trading, active in all categories of the diamond mining industry: open pit, underground, deep sea or hillside. The company also operates in Botswana, Namibia, South Africa, Canada, and other countries around the world. De Beers stopped operating in Angola in 2012, although it maintained a small representative office in Luanda province. The company's return is the result of an agreement with Angola's Ministry of Mineral Resources, Oil and Gas, that authorise it to prospect primary diamond deposits over an area of 9,984 square kilometres in the municipalities of Saurimo, Dala and Muconda, in eastern Lunda Sul province.

### New Luanda International Airport performs first experimental flight with a Boeing 777

The New Luanda International Airport, christened "Dr. António Agostinho Neto" performed its first experimental flight on 17.06.22, using a Boeing 777 type aircraft of the national flag company TAAG.



According to the coordinator of the Operational Office of the New Luanda International Airport, José Paulo Nóbrega, he assured that everything was prepared for the ceremony of carrying out the first experimental flight. As per reports, the New Luanda International Airport "Dr. António Agostinho Neto" has a capacity for 15 million passengers/year, a volume of goods of 50 thousand tons/year and occupies an area of 1,324 hectares .

## Economic News and Developments in Angola



### Increase in Foreign Exchange for Banks

On 7th May, the National Bank of Angola (BNA) announced an increase in the daily limit on the foreign exchange position of banks to be 10 percent of its own regulatory funds, an increase from the 5.0 percent that was in existence since January 2021. The relaxation would provide a greater supply of foreign

exchange in the Angolan market.

As a basis for calculating the foreign exchange position, the BNA establishes that the balances, converted into kwanzas, of the asset and liability accounts recorded on the balance sheet in foreign currency, as well as the regulatory own funds calculated at the close of the previous month.

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## Province in Angola

### Kwanza Sul Province

#### Kwanza Sul Profile

Kwanza Sul is one of the 18 provinces of Angola, located in the central region of the country. Its capital is in the city and municipality of Sumbe.

According to the 2018 population projections prepared by the National Institute of Statistics. It has a population of 2,109,999 inhabitants and a land area of 55 660 km<sup>2</sup> (4.7 % of the country's total area), being the fifth most populous province of Angola.

The province is administratively divided into 12 municipalities and 32 communes, consisting of the municipalities of Amboim, Cassongue, Cela, Conda, Ebo, Libolo, Mussende, Porto Amboim, Quilenda, Quibala, Seles and Sumbe.

#### Geography

It is bordered to the north and northeast by the Longa and Kwanza rivers, with the provinces of Luanda, Kwanza Norte and Malanje; to the south with the province of Benguela; to the southeast with the provinces of Bié and Huambo, and; to the west with the Atlantic Ocean.

#### Climate

According to the climatic classification of Köppen-Geiger, in the populous coast of Kwanza Sul, the hot semi-arid climate prevails (BSh). In the Munenga region, on the other hand, the tropical savanna climate (Aw/As) predominates, while in the Ebo and Cassongue regions the oceanic climate (Cwa/Cwb).

#### Demography

The largest ethnic groups present in the province are the Ambundos, to the north, speakers of the Kimbundo language, and; the Ovimbundos, to the south, speakers of the Umbundo language. The main language spoken is Portuguese.

#### Economy

The most important economic activities in Kwanza Sul are linked to its strong agricultural sector, mainly permanent crops. Industrialization is geared towards the transformation of agricultural products produced in the province itself.

## Province in Angola

### Kwanza Sul Province

#### Farming and extractivism

The most relevant permanent crops are coffee, palm, banana, citrus, as well as fruit and vegetables, such as guava.

The temporary crops are sugar cane and cotton, near the coast, and corn, wheat, potatoes, soybeans, rice and sunflower in the sub-planar region.

There is cattle breeding for beef and milk in the middle and high plateau areas, and on the coast, taking advantage of the immense natural fields.

Marine extractive fishing is a strong sector in the Quissonde bay and Sumbe coastal strip; while river fishing is practiced mainly in Libolo and Mussende.

#### Industry and Mining

It is in the agri-industrial subsector where the main industrial plants of Kwanza Sul are located. They are basically dedicated to the processing of milk and beef. There are also relevant agro-industrial plants for the minimal processing of coffee and rice.

Another activity that has a strong agri-industrial presence is logging, with furniture factories, sawmills, and joinery. Its presence is registered in the municipalities of Seles, Libolo and Amboim, where there are large quantities of eucalyptus, pine and gravel.

The industrial mineral activity, on the other hand, registers a wage mass in the extraction of diamonds, limestone, sand and pebbles.

The industrial activities of beverage production, inns and boat repairs, as well as the wage bill and relevant taxes from hydroelectric generation at the Laúca Hydroelectric Plant, the Capanda Hydroelectric Plant and the Caculo Cabaça Hydroelectric Plant are also registered.

#### Commerce and Services

The commercial sector is concentrated in the wholesale centers of Sumbe and Porto Amboim, of strictly regional importance, to supply food and basic items for the province. Regarding services, the logistics sector has great prominence in the flow of products through the Port of Kwanza Sul, in Porto Amboim.

## Province in Angola

### Kwanza Sul Province

#### Culture and leisure

The province is famous for its cave paintings from the Neolithic era and ruins of ancient fortifications, such as the Amboim Fort, the Quicombo Fort, the Quibala Fort and the Calulu Fort.

The beaches of Kicombo, Carimba, Chiculcua and Tapado River in Sumbe and the Marginal Beach in Porto Amboim are suitable for bathing.



The waterfalls of the Binga Waterfalls on the Keve River are found in the municipality of Conda, where there are also the thermal and medicinal waters of Tokota and the highest waterfalls in the province (over 150 meters) are found in the municipality of Kilenda.

#### Binga Waterfalls



## Province in Angola

### Kwanza Sul Province

**Other natural attractions to visit are:**

Keve river mouth, Sassa Forest, Sassa Caves, Kikombo Caves, Waco medicinal waters, Catanda Medicinal Waters, Seles Municipality.

#### **Sassa Caves**



**The Governor of the Province of Kwanza Sul is**

**JOB PEDRO CASELO CAPAPINHA**



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For trade queries in Angola, kindly feel free to write to [com.luanda@mea.gov.in](mailto:com.luanda@mea.gov.in). For tenders in Angola, please visit our link <https://www.indembangola.gov.in/extra?id=BeXWd>

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## Other Economic Engagements

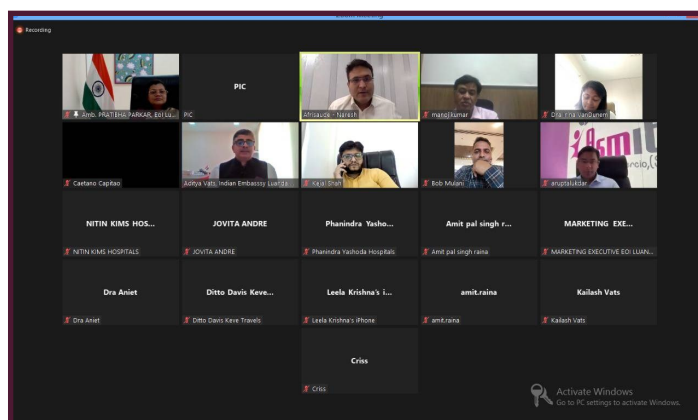
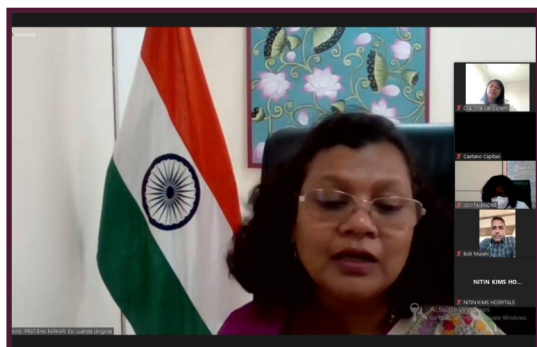


H.E. Ambassador Pratibha Parkar met H.E. Secretary of State for Energy Antonio Fernandes R. Belsa da Costa on 04.05.22 and discussed enhancement of bilateral economic cooperation in the Energy sector and further intensification of B2B ties. Ambassador also highlighted India's strengths and advanced technologies in the Energy, Power generation and Renewable Energy fields .



On 11.05.22, Ambassador met H.E Mr. Ottoniel Lobo Carvalho dos Santos, Secretary of State for Finance and Treasury & discussed about cooperation in the Fintech sector and other important investment opportunities between India and Angola.





Towards promoting Medical Value Tourism to India, a Virtual Conference titled 'India - The medical tourism destination for Angolans' was organised by the Embassy on 26.05.22.

Ambassador Pratibha Parkar invited Angolans to take advantage of the top notch medical facilities available in India and released a report on the health sector of Angola. Dr Andre Jovita, Director Hospitals, Ministry of Health of Angola appreciated the initiative to enhance further cooperation between India and Angola in the health sector. Representative from prominent Indian Hospitals presented their infrastructure, facilities and arrangements available for Angolans. Angolan clinics also highlighted their requirements and sought tie-ups with Indian medical fraternity.



On 07.06.22, Ambassador Mrs. Pratibha Parkar had a fruitful discussion with H.E Domingos Vieira Lopes, Secretary of State for International Cooperation on various commercial, bilateral & multilateral issues.

## Other Economic Engagements



On 22.06.22, Ambassador Pratibha Parkar hosted an India- Angola Global Partnership meet and updated Angolan Government representatives and prominent entrepreneurs on the developments in the Indian Economy.

Ambassador also encouraged physical participation of a Government -cum- Business delegation to the 17th CII Exim bank Conclave being held in Delhi on 19 -20 July. The Secretary of State for Commerce, Director M/o Finance, Representatives of MiREX, Ministry of Economy, Commerce Chambers and prominent business CEOs in Angola attended the event.