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Angola

May 2021

Executive Summary

This country fact sheet provides key trade, investment and tourism related statistics for Angola. Specifically, it shows global trade and investment flows including an analysis of top markets and products for Angola in relation to South Africa and the Western Cape, highlighting the largest and fastest growing products and sub-sectors. It also investigates tourism trends for Angola as well as those between Angola and South Africa. The key highlights in the fact sheet are provided below:

Economy

Angola's oil-driven economy has been in recession since 2016, leading to an increase in its debt-to-GDP ratio from 57.1% in 2015 to an estimated 120.3% in 2020. To promote macroeconomic stability, private investment, and a more diversified economy, major reforms were introduced over the past two years — including a value-added tax, a fiscal responsibility law, a liberalisation of the exchange rate regime, and a private investment and privatisation law. However, the COVID–19 pandemic has unwound some gains from these measures.

Trade

Over the period 2010 to 2019, Angola was a net exporter of goods. Angola was the 60th largest global exporter of goods in 2019 with exports reaching USD34,83bn. In terms of imports the country was the 88th largest importer of goods in 2019, importing goods worth USD14,16bn. From 2015 to 2019, exports declined by an annual average of 6,68% and imports declined by 9,02%.

The Western Cape's exports of goods to Angola were valued at USD68,57m in 2020, while imported goods were valued at USD35,34m in 2020. Between 2016 and 2020 exports decreased by 15,20%, while imports decreased by 31,78%. Between 2011 and 2020, the Western Cape recorded a negative trade balance with the oil-rich country, with the highest trade deficit of USD1,21m recorded in 2012.

Investment

Between January 2013 and December 2020, a total of four FDI projects were recorded from South Africa to Angola. These projects represent a total capital investment of USD106m which is an average investment of USD26m per project. During the period, a total of 750 jobs were created.

Tourism

The Western Cape saw a substantial increase in Angolan visitors in 2018, with arrivals increasing further in 2019 with a 13,5% growth.

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1. Country Overview

Angola is a country in Southern Africa. It is the 7th largest country in Africa, and is bordered by Namibia on the south, the Democratic Republic of the Congo on the north, and Zambia on the east; its west coast is on the Atlantic Ocean and Luanda is its capital city.

Since the adoption of a new constitution in 2010, the politics of Angola takes place in a framework of a presidential republic, whereby the President of Angola is both head of state and head of government, and of a multi-party system. Legislative power is vested in the President, the government and parliament. Angola is a member state of the United Nations, OPEC (Organization of the Petroleum Exporting Countries), African Union, the Community of Portuguese Language Countries, the Latin Union and the Southern African Development Community (Wikipedia, 2021).

In 2021, Angola's population was estimated at 33,64 million people. Portuguese is widely spoken throughout the country and is considered to be the country's official language.

GENERAL INFORMATION - ANGOLA	
Capital	Luanda
Population (July 2021 est.)	33,642,646
Government type	Presidential republic
Chief of state (since 26 September 2017)	President Joao Manuel Goncalves Lourenco
Life expectancy	61.71 years
Literacy	71.1%
Ethnic groups (2016 est.)	Ovimbundu 37%, Kimbundu 25%, Bakongo 13%, mestico (mixed European and native African) 2%, European 1%, another 22%
Religion(s) (2014 est.)	Roman Catholic 41.1%, Protestant 38.1%, other 8.6%, none 12.3%
Languages (2014 est.)	Portuguese 71.2% (official), Umbundu 23%, Kikongo 8.2%, Kimbundu 7.8%, Chokwe 6.5%, Nhaneca 3.4%, Nganguela 3.1%, Fiote 2.4%, Kwanhama 2.3%, Muhumbi 2.1%, Luvale 1%, other 3.6%
Human Development Index	0,581

Sources: CIA World Factbook, 2021, HDI, 2021

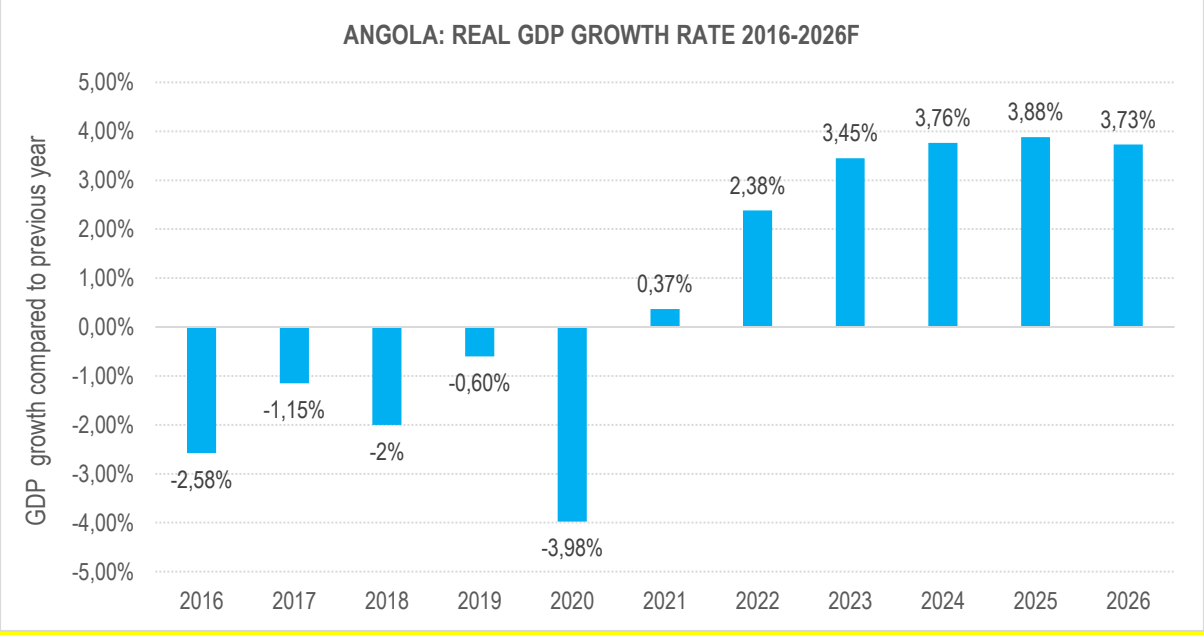
2. Economic Overview

Angola's oil-driven economy has been in recession since 2016, leading to an increase in its debt-to-GDP ratio from 57.1% in 2015 to an estimated 120.3% in 2020. To promote macroeconomic stability, private investment, and a more diversified economy, major reforms were introduced over the past two years — including a value-added tax, a fiscal responsibility law, a liberalisation of the exchange rate regime, and a private investment and privatisation law. However, the COVID–19 pandemic has unwound some gains from these measures. The decline in oil revenues has hampered the government's capacity to fully protect livelihoods from the effects of the pandemic. As a result, the socioeconomic situation worsened. The unemployment rate rose to 34.0% in the third quarter of 2020 compared with 30% a year before, with youth unemployment rising to a high of 56.4% from 54.2% in the third quarter 2019. The pandemic is expected to exacerbate the 2019 official poverty incidence of 40.6%. (afdb, 2021).

ECONOMIC INFORMATION	
GDP (2019)	88,82bn
Real GDP growth (2019)	-0,06%
GDP per capita (December 2019)	USD2,790.73
Inflation rate (February 2021)	24.6%
Commercial Bank Prime Lending Rate (December 2019)	15,78%
Unemployment rate (Q3 2020)	34.0%
Doing Business in 2020 ranking	177
Total Exports (2019)	34,82bn
Total Imports (2019)	USD14,16bn

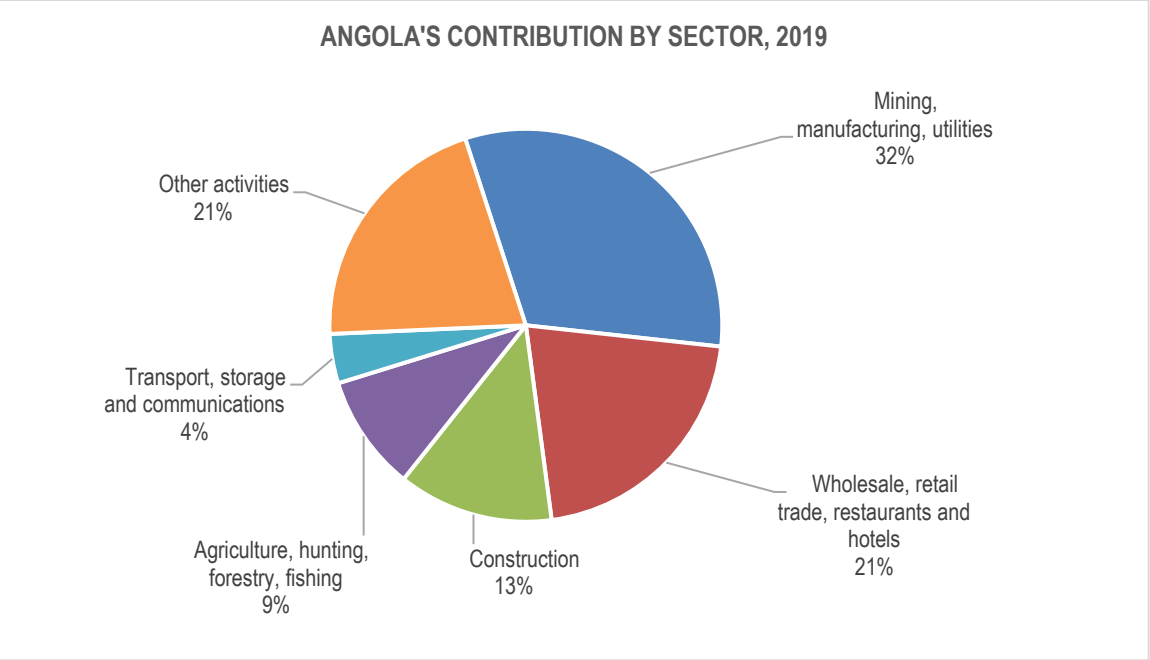
Source: CIA World Factbook, 2021; World Bank Doing Business report, 2021, Trade Economics, 2021, AFDB, World Bank, 2020

The graph below shows Angola's real GDP growth over a twelve-year period. In 2020, Angola's economy was forecast to have contracted by 3,98 percent, this is due to the impact of the pandemic on the country's local economy. In 2021, the country's GDP is projected to grow by 0,37 percent, this assumption is premised on the non-oil sectors performing well.



Source: Statistica, 2020

The contributions of Angola's economic sectors to GDP in 2019 are depicted in the figure below. The largest contributor was the mining, manufacturing, and utilities (32%) sector, followed by the wholesale, retail, trade, restaurant, and hotels (21%) sector.



Source: UNCTAD, 2021

Doing Business in Angola

The World Bank's Ease of Doing Report ranks economies based on the conduciveness of starting a business and the operation of a local firm. The World Bank Group in its annual 2020 *Doing Business* report ranked Angola 177th out of 190 countries monitored in terms of ease of doing business. Angola's relative strengths in terms of ease of doing business include paying taxes ranked 106th, dealing with construction permits ranked 120th and starting a business ranked 146th.

ANGOLA'S EASE OF DOING BUSINESS, 2020	
SELECTED INDICATORS	**RANKING OUT OF 190 COUNTRIES, 2020**
Starting a Business	146
Dealing with Construction Permits	120
Getting Electricity	156
Registering Property	167
Getting Credit	185
Protecting Investors	147
Paying Taxes	106
Trading Across Borders	174
Enforcing Contracts	186
Resolving Insolvency	168
Doing Business 2020	**177**

Source: World Bank Ease of Doing Business Reports, 2020

2.1 Angola Risk Ratings

"A sovereign credit rating is the credit rating of a country or sovereign entity. Sovereign credit ratings give investors insight into the level of risk associated with investing in a particular country and include political risks. At the request of the country, a credit rating agency will evaluate the country's economic and political environment to determine a representative credit rating".

Source: Investopedia

While a number of credit agencies exist, the three most recognised credit ratings agencies globally are Fitch Ratings, Moody's Investors Services (Moody's) and Standard & Poor's (S&P). Reasons for a country/sovereign to seek a credit rating from one of these three agencies include not only to access funding in international bond markets via the issuance of bonds in external debt markets, but it is a means to attract foreign direct investment. Obtaining a good sovereign credit rating instils confidence in investors seeking to invest in that country, with the credit rating a means for the country to demonstrate financial transparency and credit standing.

Two key rating 'standards' exist, with the highest possible rating category being "AAA" according to S&P, which indicates that the rated country has extremely strong capacity to meet its financial commitments. A wide range of rating categories exists below this, with the categories ranging all the way down to SD (i.e., defaulted), which means the rated country has failed to pay one or more of its financial obligations when it came due.

ANGOLA'S COUNTRY RATINGS		
STANDARD & POORS'S	**FITCH RATING**	**MOODY'S RATINGS**
Credit Rating	**Credit Rating**	**Credit Rating**
CCC+	**CCC**	**Caa1**
Stable	n/a	stable
26 Mar 2020	04 Sep 2020	08 Sep 2020

Source: TradingEconomics 2020

A number of alternative measures and rating scales exist to assess risks posed to companies and banks, particularly those pertaining to political and commercial risks when undertaking international commercial transactions. One such company which offers these services is Belgium's Delcredereducroire, the country's official export credit agency and public credit insurer.

The table below shows Delcredereducroire's current risk assessment of Angola in terms of export transactions and direct investments. Ratings are between 1 and 7, and between A and C, with 7 and C being the maximum risk indicators.

- In terms of political risk associated with export transactions in Angola, these are deemed to be high in the short, medium and long-term.
- Commercial risk in turn is considered to be of high risk.

Regarding direct investments, risks associated with all the categories are low as indicated by scores awarded below.

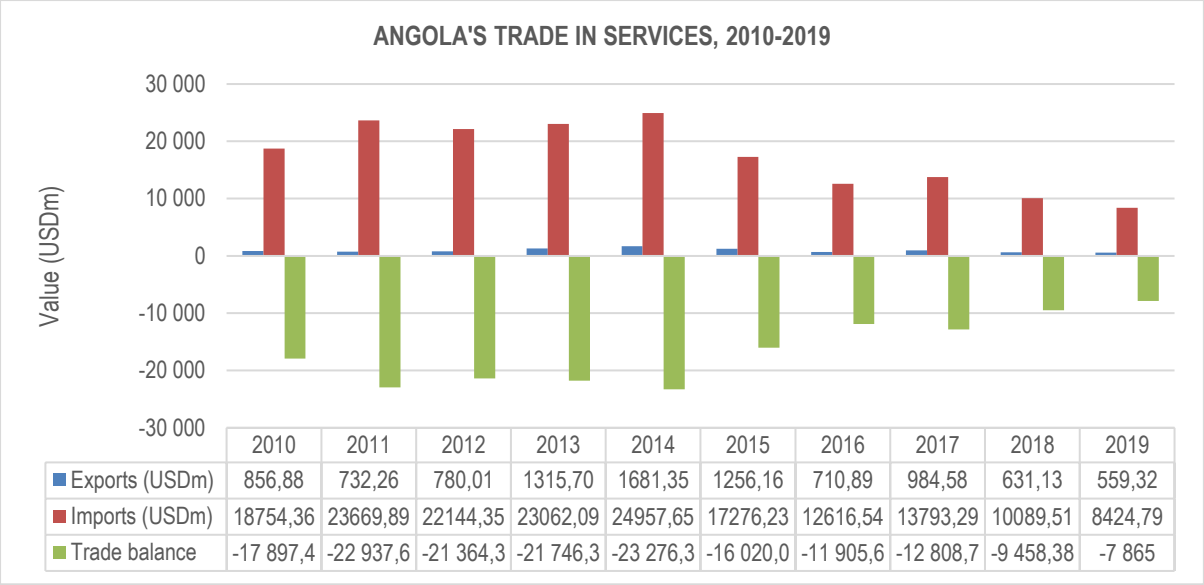
ANGOLA'S RISK ASSESSMENT		
EXPORT TRANSACTIONS		
Political Risks	Short Term	6
	Medium-Long term	6
	Special Transactions	6
Commercial Risk	C	
DIRECT INVESTMENTS		
Political violence risk	5	
Risk of expropriation and government action	4	
Transfer risk	6	

Source: ONDD, 2021

3. Trade

3.1 Angola's trade in services

In 2019, Angola was the 140th largest global exporter of services, valued at USD559,32m. Angola's global exports of services declined by 15,49% between 2015 and 2019. In terms of global imports of services, Angola was ranked 65th in 2019, valued at USD8,42bn declining by 18,35% between 2015 and 2019. Over the reviewed period, Angola has consistently maintained a negative trade balance in the trade in services.



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Exports (USDm)	856,88	732,26	780,01	1315,70	1681,35	1256,16	710,89	984,58	631,13	559,32
Imports (USDm)	18754,36	23669,89	22144,35	23062,09	24957,65	17276,23	12616,54	13793,29	10089,51	8424,79
Trade balance	-17 897,4	-22 937,6	-21 364,3	-21 746,3	-23 276,3	-16 020,0	-11 905,6	-12 808,7	-9 458,38	-7 865

Source: Trademap, 2021

Travel was the largest service export from Angola valued at USD484,82m. This was followed by transport, valued at USD31,74m. Telecommunications, computer, and information and other business services were ranked 3rd and 4th valued at USD23,98m and USD18,01m, respectively.

Transport was the largest import service into Angola valued at USD3,15bn followed by other business services valued at USD2,15bn. This was followed by the construction services sector and travel services, valued at USD1,27bn and USD469,28m, respectively.

TOP 10 SERVICES EXPORTED BY ANGOLA, 2019				TOP 10 SERVICES IMPORTED BY ANGOLA, 2019			
CODE	SERVICE	VALUE 2019 (USD'000)	% GROWTH 2015-2019	CODE	SERVICE	VALUE 2019 (USD'000)	% GROWTH 2015-2019
4	Travel	484 823	-16,20%	3	Transport	3 153 013	-0,10
3	Transport	31 744	6,95%	10	Other business services	2 150 138	-0,25
9	Telecommunications, computer, and information services	23 984	-5,99%	5	Construction	1 267 438	-0,26
10	Other business services	18 011	40,78%	4	Travel	469 281	0,68
8	Charges for the use of intellectual property	660	-34,62%	6	Insurance and pension services	322 025	-0,02
2	Maintenance and repair services	100	-11,81%	11	Personal, cultural, and recreational services	266 204	2 906,08
				7	Financial services	229 209	0,29

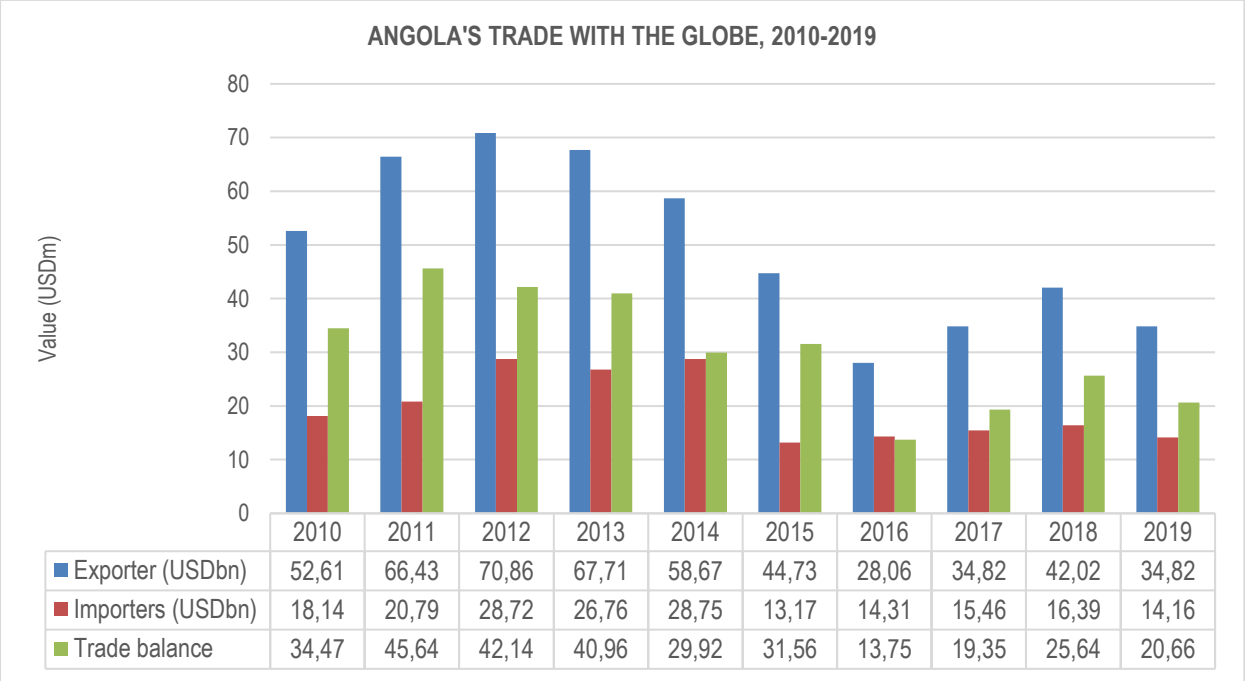
				12	Government goods and services	205 614	-0,10
				9	Telecommunications, computer, and information services	153 080	-0,15
				8	Charges for the use of intellectual property	129 426	-0,09
				2	Maintenance and repair services	78 995	1,00
				1	Manufacturing services on physical inputs owned by others	361	1,08
TOTAL		**559 321**	**-15,49%**	**TOTAL**		**8 424 785**	**-18,35%**

Source: TradeMap, 2021

*Other business services include merchanting and other trade-related services, operational leasing (rental), miscellaneous business, professional, and technical services, and other services.

3.2 Angola's trade in goods

Over the period 2010 to 2019, Angola was a net exporter of goods. Angola was the 60th largest global exporter of goods in 2019 with exports reaching USD34,83bn. In terms of imports, the country was the 88th largest importer of goods in 2019, importing goods worth USD14,16bn. From 2015 to 2019, exports and imports declined by an annual average of 6,68% and 9,02%, respectively.



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Exporter (USDbn)	52,61	66,43	70,86	67,71	58,67	44,73	28,06	34,82	42,02	34,82
Importers (USDbn)	18,14	20,79	28,72	26,76	28,75	13,17	14,31	15,46	16,39	14,16
Trade balance	34,47	45,64	42,14	40,96	29,92	31,56	13,75	19,35	25,64	20,66

Source: TradeMap, 2021

China was the leading destination market for Angolan exports at a value of USD21,36bn in 2019. India and Spain ranked second and third valued at USD3,45bn and USD1,19bn, respectively. Portugal is Angola's former colonial master. In recent years, the two states have put a lot of effort to move beyond the legacy of colonial rule over Angola that ended in 1975 when Portugal withdrew without handing over power and Angola sank into civil war until 2002.

Of the top 10 destination markets only one country was a fellow African state. South Africa was Angola's 10th largest export destination market with exports valued at USD365,06m in 2019.

TOP 10 DESTINATION MARKETS FOR EXPORTS FROM ANGOLA, 2019			
RANK	COUNTRY	VALUE 2019 (USDm)	% GROWTH 2015-2019
1	China	21 357,87	-1,08%
2	India	3 450,78	0,63%
3	Spain	1 190,58	-12,58%
4	United Arab Emirates	1 124,36	7,27%
5	Portugal	1 109,80	19,56%
6	United States	928,95	-13,73%
7	Italy	744,41	-2,09%
8	Thailand	580,50	212,14%
9	France	569,47	-2,35%
10	South Africa	365,06	-23,07%
TOTAL EXPORTS		**34 819,24**	**-6,68%**

Source: TradeMap, 2021

China was the country's leading import source market in 2019 at a value of USD2,03bn. France and Portugal were ranked second and third valued at USD2,00bn and USD1,82bn, respectively. South Africa was Angola's 8th largest import source market in 2019, importing South African goods to the value of USD504,47m.

TOP 10 SOURCE MARKETS FOR IMPORTS INTO ANGOLA, 2019			
RANK	COUNTRY	VALUE 2019 (USDm)	% GROWTH 2015-2019
1	China	2 030,00	-7,06%
2	France	2 002,33	60,38%
3	Portugal	1 821,25	-9,79%
4	Belgium	887,24	4,18%
5	Korea, Republic of	748,20	23,93%
6	United States of America	659,82	-12,56%
7	Brazil	558,25	-8,78%
8	South Africa	504,47	-12,03%
9	India	482,91	1,06%
10	Togo	449,14	237,57%
TOTAL IMPORTS		**14 160,15**	**-9,02%**

Source: TradeMap, 2021

The hexagons below show Angola's competitive advantage in trade:

Source: TradeMap, 2021

Crude petroleum oils and oils obtained from bituminous minerals were the leading export product category from Angola in 2019, valued at USD31,33bn. This product was followed by petroleum gas and other gaseous hydrocarbons worth USD1,45bn. Diamonds, and refined petroleum oils and oils obtained from bituminous minerals ranked third and forth valued at USD1,21bn and USD241 927 respectively.

Crude petroleum oils and oils obtained from bituminous minerals were the leading imported product by Angola in 2019, valued at USD1,98bn. Petroleum gas, and diamonds were ranked second and third at USD1,56bn and USD287 076, respectively.

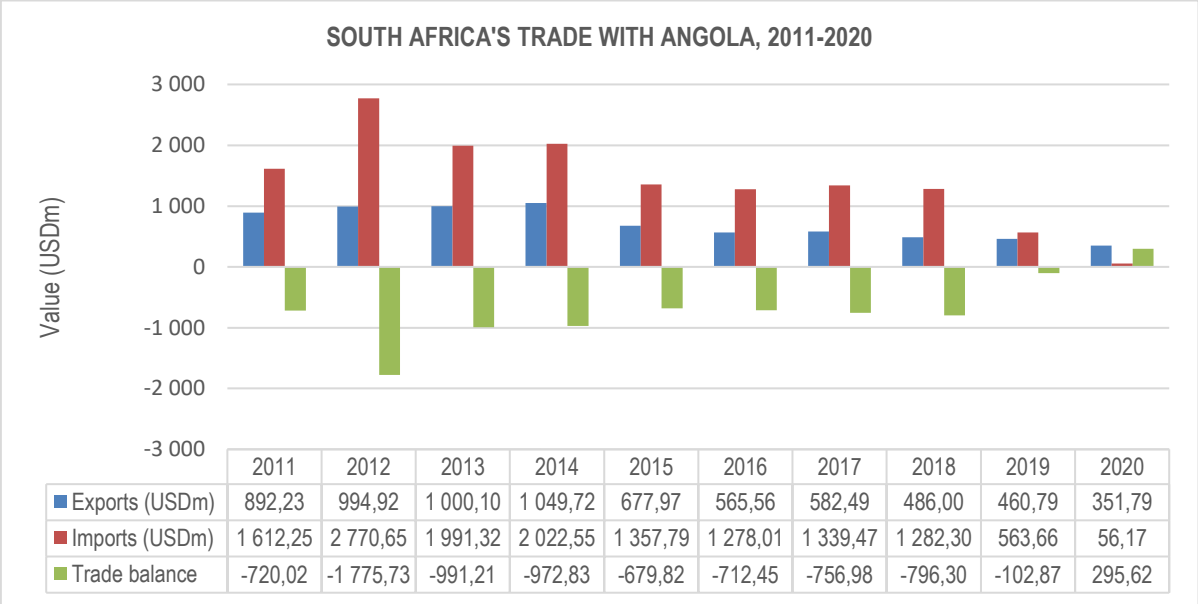
TOP 10 SOUTH AFRICAN EXPORTS TO ANGOLA, 2019				TOP 10 SOUTH AFRICAN IMPORTS FROM ANGOLA, 2019			
RANK	PRODUCT	VALUE 2019 (USDbn)	% GROWTH 2015-2019	RANK	PRODUCT	VALUE 2019 (USDbn)	% GROWTH 2015-2019
1	Crude Petroleum oils and oils obtained from bituminous minerals	31,33	-8,02%	1	Crude petroleum oils and oils obtained from bituminous minerals	1,98	15,70%
2	Petroleum gas and other gaseous hydrocarbons	1,45	-	2	Petroleum gas and other gaseous hydrocarbons	1,56	26022,36%
3	Diamonds	1,21	0,39%	3	Diamonds	0,29	1,30%
4	Refined petroleum oils and oils obtained from bituminous minerals	0,24	-	4	Refined petroleum oils and oils obtained from bituminous minerals	0,29	195,74%
5	Oils and other products of the distillation of high temperature coal tar; similar products ...	0,13	-14,33%	5	Oils and other products of the distillation of high temperature coal tar	0,28	-0,15%
6	Turbojets, turbopropellers and other gas turbines	0,04	-	6	Turbojets, turbopropellers and other gas turbines	0,27	1257,28%
7	Wheat or meslin flour	0,02	-	7	Wheat or meslin flour	0,23	114,51%
8	Wood sawn or chipped lengthwise, sliced or peeled, whether planed, sanded or end-jointed	0,02	-	8	Wood sawn or chipped lengthwise	0,22	830,45%

TOP 10 SOUTH AFRICAN EXPORTS TO ANGOLA, 2019				TOP 10 SOUTH AFRICAN IMPORTS FROM ANGOLA, 2019			
RANK	PRODUCT	VALUE 2019 (USDbn)	% GROWTH 2015-2019	RANK	PRODUCT	VALUE 2019 (USDbn)	% GROWTH 2015-2019
9	Crustaceans, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine, ...	0,02	-	9	Crustaceans	0,20	3,20%
10	Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats, or the like	0,02	-	10	Taps, cocks, valves, and similar appliances for pipes	0,15	84,78%
TOTAL EXPORTS		**34,82**	**-6,68%**	**TOTAL IMPORTS**		**14,16**	**-9,02%**

Source: TradeMap, 2021

3.3 Trade with South Africa

In 2020, Angola was South Africa's 13th largest global export market in Africa, with exports valued at USD351,79m. In terms of imports Angola was the country's 14th largest import market valued at USD56,17m in the same year. Between 2011 and 2019 South Africa's imports from Angola were greater than exports, with the largest trade deficit of USD1,78bn in 2012. A sharp decline in imports from Angola in 2020 however saw South Africa record a trade surplus with the oil-rich country.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Exports (USDm)	892,23	994,92	1 000,10	1 049,72	677,97	565,56	582,49	486,00	460,79	351,79
Imports (USDm)	1 612,25	2 770,65	1 991,32	2 022,55	1 357,79	1 278,01	1 339,47	1 282,30	563,66	56,17
Trade balance	-720,02	-1 775,73	-991,21	-972,83	-679,82	-712,45	-756,98	-796,30	-102,87	295,62

Source: Quantec, 2021

The leading export product to Angola from South Africa in 2020 were printed books, brochures, leaflets, and similar printed matter, valued at USD33,48m, followed by soap (USD14,30m), and containers specially designed and equipped for carriage by one or more modes of transport (USD13,37m). Of the top 10 exported products, between 2016 and 2020 the highest growth in exports was recorded for printed books, brochures, leaflets, and similar printed matter (316,08%).

The leading import product into South Africa from Angola was crude petroleum oils and oils obtained from bituminous minerals valued at USD29,44m, followed by diamonds (USD21,89m) and refined petroleum oils and oils obtained from bituminous minerals (USD2,28m).

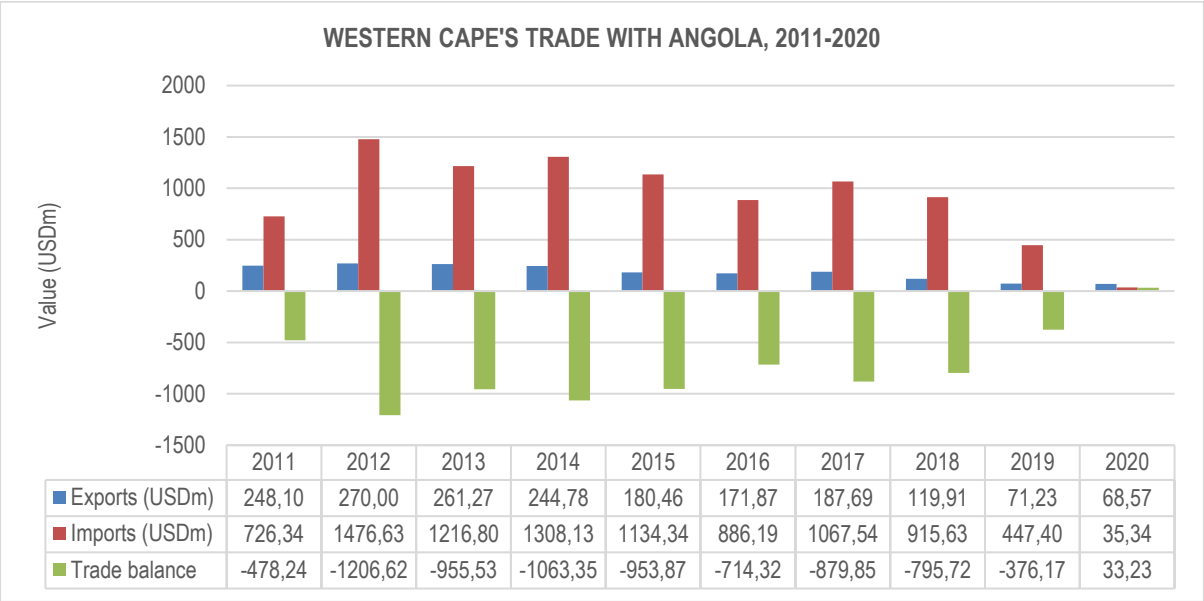
Of the top 10 imported products the highest growth in imports was recorded for electrical apparatus for switching or protecting electrical circuits (2901,14% y-o-y).

TOP 10 SOUTH AFRICAN EXPORT PRODUCTS FROM ANGOLA, 2020				TOP 10 SOUTH AFRICAN IMPORT PRODUCTS FROM ANGOLA, 2020			
RANK	PRODUCT	VALUE 2020 (USDm)	% GROWTH 2016-2020	RANK	PRODUCT	VALUE 2020 (USDm)	% GROWTH 2016-2020
1	Printed books, brochures, leaflets, and similar printed matter	33,48	316,08%	1	Crude petroleum oils and oils obtained from bituminous minerals	29,44	-31,76%
2	Soap	14,30	6,67	2	Diamonds	21,89	150,84%
3	Containers specially designed and equipped for carriage by one or more modes of transport	13,37	52,30%	3	Refined petroleum oils and oils obtained from bituminous minerals	2,28	-
4	Cereal groats, meal, and pellets	11,53	-16,05%	4	Electric generating sets and rotary converters	0,87	-
5	Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines, and road rollers	11,01	96,32%	5	Bananas	0,33	-
6	Refined petroleum oils and oils obtained from bituminous minerals	9,96	-5,98%	6	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)	0,23	250,61%
7	Undenatured ethyl alcohol	9,28	27,37%	7	Parts and accessories of the motor vehicles of tractors	0,19	391,70%
8	Cigars, cheroots, cigarillos, and cigarettes, of tobacco or of tobacco substitutes	8,26	-5,43%	8	Electrical apparatus for switching or protecting electrical circuits	0,12	2901,14%
9	Motor vehicles for the transport of goods	7,92	13,99%	9	Parts suitable for use solely or principally with the machinery of pulley tackle and hoists	0,09	60,21%
10	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators	6,70	51,06%	10	Metal-rolling mills and rolls therefor	0,09	-
TOTAL EXPORTS		**351,79**	**-11,80%**	**TOTAL IMPORTS**		56,17	**-30,28%**

Source: Trademap, 2021

3.4 Trade with the Western Cape

The Western Cape's exports of goods to Angola were valued at USD68,57m in 2020, while imported goods were valued at USD35,34m. Between 2015 and 2020 exports decreased by 15,20%, while imports decreased by 31,78%. Between 2011 and 2020, the Western Cape consistently recorded a negative trade balance with the oil-rich country, with the greatest trade deficit of USD1,21m recorded in 2012.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Exports (USDm)	248,10	270,00	261,27	244,78	180,46	171,87	187,69	119,91	71,23	68,57
Imports (USDm)	726,34	1476,63	1216,80	1308,13	1134,34	886,19	1067,54	915,63	447,40	35,34
Trade balance	-478,24	-1206,62	-955,53	-1063,35	-953,87	-714,32	-879,85	-795,72	-376,17	33,23

Source: Quantec, 2021

Cigars, cheroots, cigarillos, and cigarettes were the leading export product category to Angola from the Western Cape in 2020, valued at USD8,22m. This top export was followed by onions, shallots, garlic, leeks, and other alliaceous vegetables (USD4,05m), and apples, pears, and quinces (USD3,16m). Of the top ten exported products the highest growth in Western Cape exports was machinery for sorting, screening, separating, washing, crushing, grinding, mixing, or kneading earth, stone, ores, or other mineral substances with an average growth rate of 1082,04% between 2016 and 2020.

The leading import into the Western Cape from Angola in 2020 was crude petroleum oils and oils obtained from bituminous minerals, valued at USD32,91m. This top import is followed by refined petroleum oils and oils obtained from bituminous minerals, valued at USD2,04m, and bananas, including plantains valued at USD320 000.

TOP 10 WESTERN CAPE EXPORTS FROM ANGOLA, 2020				TOP 10 WESTERN CAPE IMPORTS INTO ANGOLA, 2020			
RANK	PRODUCT	VALUE 2020 (USDm)	% GROWTH 2016-2020	RANK	PRODUCT	VALUE 2020 (USDm)	% GROWTH 2016-2020
1	Cigars, cheroots, cigarillos, and cigarettes	8,22	-4,97%	1	Crude petroleum oils and oils obtained from bituminous minerals	32,91	-32,03%
2	Onions, shallots, garlic, leeks, and other alliaceous vegetables	4,05	-15,04%	2	Refined petroleum oils and oils obtained from bituminous minerals	2,04	-
3	Apples, pears, and quinces, fresh	3,61	-11,06%	3	Bananas, including plantains	0,32	-
4	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators	2,50	103,33%	4	Other engines and motors	0,03	-

5	Apparatus based on the use of X-rays or of alpha, beta, or gamma radiation	2,36	-	5	Machines and mechanical appliances having individual functions	0,02	
6	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing, or kneading earth, stone, ores, or other mineral substances	2,26	1082,04 %	6	Containers for compressed or liquefied gas, of iron or steel	0,01	-
7	Wine	1,67	-5,45%	7	Paintings, drawings, and pastels, executed entirely by hand,	0,00	-
8	Refined petroleum oils and oils obtained from bituminous minerals	1,63	5,95%	8	Other floating structures	0,00	-
9	Malt extract	1,48	85,39%	9	Mechanical appliances	0,00	-
10	Citrus fruit	1,47	-3,97%	10	Aluminium containers for compressed or liquefied gas	0,00	-
TOTAL EXPORTS		**68,57**	**-15,20%**	**TOTAL IMPORTS**		**35,34**	**-31,78%**

Source: Quantec, 2021

3.5 Trade Agreements

The AfCFTA is beyond a trade liberalising instrument. It is an enabler of inclusive growth and sustainable development, the AfCFTA collaboration aims to address inequalities, promote value addition and create jobs. As Africa trades more with itself, it will be essential to target critical hurdles faced in exporting within Africa such as SME (Small and Medium Enterprises) export competitiveness; rules of origin; technical and product safety standards. The African Continental Free Trade Area (AfCFTA) - the world's largest free-trade area - started trading on 1 January 2021, creating a market of 1.2 billion people and the eighth economic bloc in the world with a USD3-trillion combined GDP, that is expected to more than double by 2050. the AfCFTA has been ratified by 36 countries, and already possesses 90% of tariff offers and 34 services offers, which enables sound business and investment decisions in intra-African trade, strengthening accelerated action for trade as a means of implementation for the Africa We Want.

South African and Angola are members of the Free Trade Agreement involving the 12 Southern African Development Community countries (SADC). The SADC Free Trade Area was achieved in August 2008, when a phased programme of tariff reductions that had commenced in 2001 resulted in the attainment of minimum conditions for the Free Trade Area - 85% of intra-regional trade amongst the partner states attained zero duty.

As the process to remove tariffs on sensitive products is still ongoing, there is still potential for further expansion of intra-SADC trade as most of the products on the sensitive list such as textiles and clothing and leather products are highly tradable products.

Angola was the 30th (out of 36) country to deposit the instrument of ratification. The Angolan move came less than two months before trading based on the AFCFTA Agreement was scheduled to start on 1 January 2021, thereby raising hopes that more countries will follow Angola's lead.

3.6 Tariffs

Tariffs imposed on South African exports to Angola for 2019 are listed below. These tariffs are listed by the importing country i.e., Angola.

TARIFFS IMPOSED ON SOUTH AFRICAN EXPORTS BY ANGOLA, 2019					
HS CODE AND PRODUCT DESCRIPTION	TARIFF (%)	HS CODE AND PRODUCT DESCRIPTION	TARIFF (%)	HS CODE AND PRODUCT DESCRIPTION	TARIFF (%)
H01: Live animals	0	H33: Essential oils, perfumes, cosmetics, toiletries	15	H65: Headgear and parts thereof	10
H02: Meat and edible meat offal	10	H34: Soaps, lubricants, waxes, candles, modelling pastes	21	H66: Umbrellas, walking-sticks, seat-sticks, whips	10
H03: Fish, crustaceans, molluscs, aquatic invertebrates	24	H35: Albuminoids, modified starches, glues, enzymes	2	H67: Bird skin, feathers, artificial flowers, human hair	11
H04: Dairy products, eggs, honey, edible animal product	6	H36: Explosives, pyrotechnics, matches, pyrophorics	17	H68: Stone, plaster, cement, asbestos, mica, articles	26
H05: Products of animal origin	5	H37: Photographic or cinematographic goods	2	H69: Ceramic products	29
H06: Live trees, plants, bulbs, roots, cut flowers	9	H38: Miscellaneous chemical products	3	H70: Glass and glassware	8
H07: Edible vegetables and certain roots and tubers	15	H39: Plastics and articles thereof	4	H71: Pearls, precious stones, metals, coin	49
H08: Edible fruit, nuts, peel of citrus fruit, melons	50	H40: Rubber and articles thereof	3	H72: Iron and steel	7
H09: Coffee, tea, mate, and spices	23	H41: Raw hides and skins (other than furskins) and leather	2	H73: Articles of iron or steel	12
H10: Cereals	2	H42: Articles of leather, animal gut, harness, travel goods	19	H74: Copper and articles thereof	1
H11: Milling products, malt, starches, inulin, wheat gluten	0	H43: Furskins and artificial fur, manufactures thereof	50	H75: Nickel and articles thereof	0
H12: Oil seed, oleagic fruits, grain, seed, fruit,	1	H44: Wood and articles of wood, wood charcoal	30	H76: Aluminium and articles thereof	16
H13: Lac, gums, resins, vegetable saps and extracts	0	H45: Cork and articles of cork	0	H78: Lead and articles thereof	2
H14: Vegetable plaiting materials, vegetable products	10	H46: Manufactures of plaiting material, basketwork, etc.	30	H79: Zinc and articles thereof	3
H15: Animal, vegetable fats and oils, cleavage products,	1	H47: Pulp of wood, fibrous cellulosic material, waste	2	H80: Tin and articles thereof	0
H16: Meat, fish, and seafood food preparations	20	H48: Paper & paperboard, articles of pulp, paper, and board	6	H81: Other base metals, cermets, articles thereof	0
H17: Sugars and sugar confectionery	3	H49: Printed books, newspapers, pictures	13	H82: Tools, implements, cutlery, of base metal	2
H18: Cocoa and cocoa preparations	20	H50: Silk	2	H83: Miscellaneous articles of base metal	10
H19: Cereal, flour, starch, milk preparations and products	9	H51: Wool, animal hair, horsehair yarn and fabric thereof	0	H84: Nuclear reactors, boilers, machinery	2
H20: Vegetable, fruit, nut food preparations	54	H52: Cotton	1	H85: Electrical, electronic equipment	4
H21: Miscellaneous edible preparations	18	H53: Vegetable textile fibres paper yarn, woven fabric	1	H86: Railway, tramway locomotives, rolling stock, equipment	4
H22: Beverages, spirits, and vinegar	55	H54: Manmade filaments	1	H87: Vehicles other than railway, tramway	8
H23: Residues, wastes of food industry, animal fodder	0	H55: Manmade staple fibres	1	H88: Aircraft, spacecraft, and parts thereof	0
H24: Tobacco and manufactured tobacco substitutes	60	H56: Wadding, felt, nonwovens, yarns, twine, cordage	2	H89: Ships, boats, and other floating structures	3
H25: Salt, sulphur, earth, stone, plaster, lime, and cement	21	H57: Carpets and other textile floor coverings	20	H90: Optical, photo, technical, medical apparatus	1

H26: Ores, slag, and ash	0	H58: Special woven or tufted fabric, lace, tapestry	7	H91: Clocks and watches and parts thereof	20
H27: Mineral fuels, oils, distillation products,	1	H59: Impregnated, coated, or laminated textile fabric	2	H92: Musical instruments, parts, and accessories	2
H28: Inorganic chemicals, precious metal compound, isotopes	0	H60: Knitted or crocheted fabric	2	H94: Furniture, lighting, signs, prefabricated buildings	15
H29: Organic chemicals	0	H61: Articles of apparel, accessories, knit or crochet	10	H95: Toys, games, sports requisites	14
H30: Pharmaceutical products	0	H62: Articles of apparel, accessories, not knit or crochet	10	H96: Miscellaneous manufactured articles	16
H31: Fertilizers	0	H63: Other made textile articles, sets, worn clothing	9	H97: Works of art, collectors' pieces, and antiques	15
H32: Tanning, dyeing extracts, tannins, derivatives, pigments	6	H64: Footwear, gaiters and the like, parts thereof	10		

Source: Trademap, 2020

NOTE: Exporters should not take the HS2 tariff as conclusive and as the actual tariff that will be applied to the exported product. The tariffs indicated above are average tariffs and for products within the category it may be higher or lower than indicated. Where the tariff is zero it can be assumed that there is zero tariff applicable to all products within that HS code. Tariffs are determined according to the importing country's national tariff line from the HS6 level and upwards. Exporters are advised to visit www.macmap.org to determine the exact tariff applicable to the product at HS6.

3.7 Standards and regulations

Import Tariff

The current customs tariff schedule, Decree-Law 2/08, came into force in September 2008. It provides for tax exemptions on the import of raw materials, equipment and intermediate goods for industries, as well as reduced tariffs on 58 categories of basic goods to lower the price of these products for the end consumer. The tariff schedule imposes a tax on luxury products and subjects' certain goods to a special importation regime. Fees collected at the port include:

- Clearing costs (2% of declared value),
- Revenue stamp (0.5%),
- Port charges (USD500 per 20-foot container or USD850 per 40-foot container), and
- Port storage fees (free for the first 5 days, then USD60 per 20-foot container or USD120 per 40-foot container per day).

Trade Barriers

Angola prohibits importing viable transgenic grain or seed until regulatory systems governing biotechnology is developed.

Import Requirements and Documentation

A mandatory pre-shipment inspection (PSI) regime applies for the export of certain goods identified by the ministries of Finance, Agriculture, Health, Commerce and Industry. Goods such as used cars, live animals, meat, fish, dairy, live plants, seeds, fruit, cereals, alcoholic beverages, tobacco, toys, chemicals, and pharmaceutical products must be submitted to a PSI. Importing certain goods into Angola requires an import license issued by the Ministry of Commerce. Goods requiring ministerial authorisation include:

- pharmaceutical products for human use;
- saccharine and saccharine-derived products;
- radios;
- transmitters;
- receivers and other devices;
- weapons, ammunitions;
- fireworks and explosives;
- plants, roots, bulbs, microbial cultures, buds, fruits, seeds; and
- Crates and other packages containing these products.

Standards

Angola is not a full member of the International Standards Organization (ISO), but has been a corresponding member since 2002. The Angolan Institute for Standardisation and Quality (IANORQ) within the Ministry of Industry coordinates the country's development and implementation of technical standards. IANORQ is responsible for developing a national quality system to promote productivity, competitiveness and domestic production capacity. While Angola does not yet have a fully developed national standards regime, the country has a four-year National Normalisation Plan (2016-2020). The plan focuses on sectors, which contribute to the country's GDP or areas, which the government considers strategic for economic development.

Voluntary technical standards are developed by the 17 technical committees that are part of IANORQ. Standards established in Angola fall under the auspices of the technically relevant Ministry. To date INANORQ has published 150 technical standards and has set a goal to publish 428 more standards by 2020 in its strategic plan. Angola has adopted or referenced and is considering technical standards from Brazil, Chile, Colombia, Ecuador, Mozambique, Peru, Portugal, Spain, and the U.S.

(Source: Export.gov,2020)

3.8 Logistics

Railways: There are three separate railway lines in Angola: Luanda Railway (CFL) (northern), Benguela Railway (CFB) (central) and Moçâmedes Railway (CFM) (southern). The Benguela Railway connects Angola to the Democratic Republic of the Congo.

Waterways: Angola has an estimated 1,300km navigable waterways and the country's comparison to the world is ranked 36th globally.

Pipelines: gas, 2km; crude oil 87km (2008). In April 2012, the Zambian Development Agency (ZDA) and an Angolan company signed a memorandum of understanding (MoU) to build a multi-product pipeline from Lobito to Lusaka, Zambia, to deliver various refined products to Zambia. Angola plans to build an oil refinery in Lobito in the coming years.

Ports and harbours: The government plans to build a deep-water port at Barra do Dande, north of Luanda, in Bengo province near Caxito.

Airports: Angola has an estimated total of 30 paved runways and 181 unpaved runways.

Luanda port, Angola's largest port, processes about 80% of cargo shipped to Angola. The port installed new cranes and provided more training to reduce its cargo unloading time by 80% as the government reviews a plan to build Africa's biggest shipping terminal. Angola is also planning a new port at Dande, 50km north of the main Empresa Portuaria de Luanda EP.

The main ports are shown in the table below.

CAPE TOWN PORT TERMINAL TO VARIOUS PORT TERMINALS IN ANGOLA		
PORTS	**DISTANCE**	**TRANSIT TIME**
Ambriz	3121.11km	5 days 0 hours
Cabinda	3369.99km	5 days 9 hours
Essungo Marine	3281.00km	5 days 6 hours
Futila	3379.91km	5 days 10 hours
Girassol	3160.07km	5 days 1 hours
Kiabo	3180.23km	5 days 2 hours
Kiame Marine	3200.73km	5 days 3 hours
Lobito	2702.65km	4 days 5 hours
Lombo	3248.29km	5 days 5 hours
Luanda	3047.85km	5 days 21 hours
Malango	3392.28km	5 days 10 hours
Mocamedes	2377.18km	3 days 19 hours

CAPE TOWN PORT TERMINAL TO VARIOUS PORT TERMINALS IN ANGOLA		
PORTS	DISTANCE	TRANSIT TIME
Polanca	3225.03km	5 days 4 hours
Porto Amboim	2862.45km	4 days 14 hours
Soyo	3300.10km	5 days 7 hours
Sumbe	2824.55km	4 days 21 hours
Takula	3413.99km	5 days 11 hours

Source: Sea Rates, 2021

4. Consumer Insights

According to a survey by Boston Consulting Group, African's don't want to buy just anything: they are focused on buying things of good quality. The survey results show that Angolan's are less willing to pay more money for quality unlike Ethiopian's, Ghanaians' and Kenyan's. Furthermore, Angolan's appeared to be the least set in their channel preferences. Many Angolan's prefer traditional channels over modern channels when they are buying clothing, packaged foods, and home care products, but for breakfast and snack foods, Angola's are as likely to go first to a modern channel as to a traditional channel. Indeed, looking at a distribution of channel preferences by product category, one might not see much rhyme or reason in Angolans' behavior. This may be a reflection less of randomness than of the issues that have arisen because of Angola's economic problems and the devaluation of its currency (BCG,2019).

E-commerce is just emerging in Africa, but many Africans already use their smartphones and other connected devices to inform their offline shopping excursions. For instance, among Africans with online access, about one in four uses the internet to search for price information before going to a retail store. One in five uses the internet to search for product specifications and product information (BCG,2019). In terms of mobile connectivity, according to Data Portal there were 14.60 million mobile connections in Angola in January 2020. Also, there were 8.90 million internet users in Angola in the same year. Also, the number of internet users in Angola increased by 597 thousand (+7.2%) between 2019 and 2020.

EXHIBIT 2 | A Breakdown of Africans' Willingness to Pay for Quality

Share of respondents who would pay a premium, by category (%)

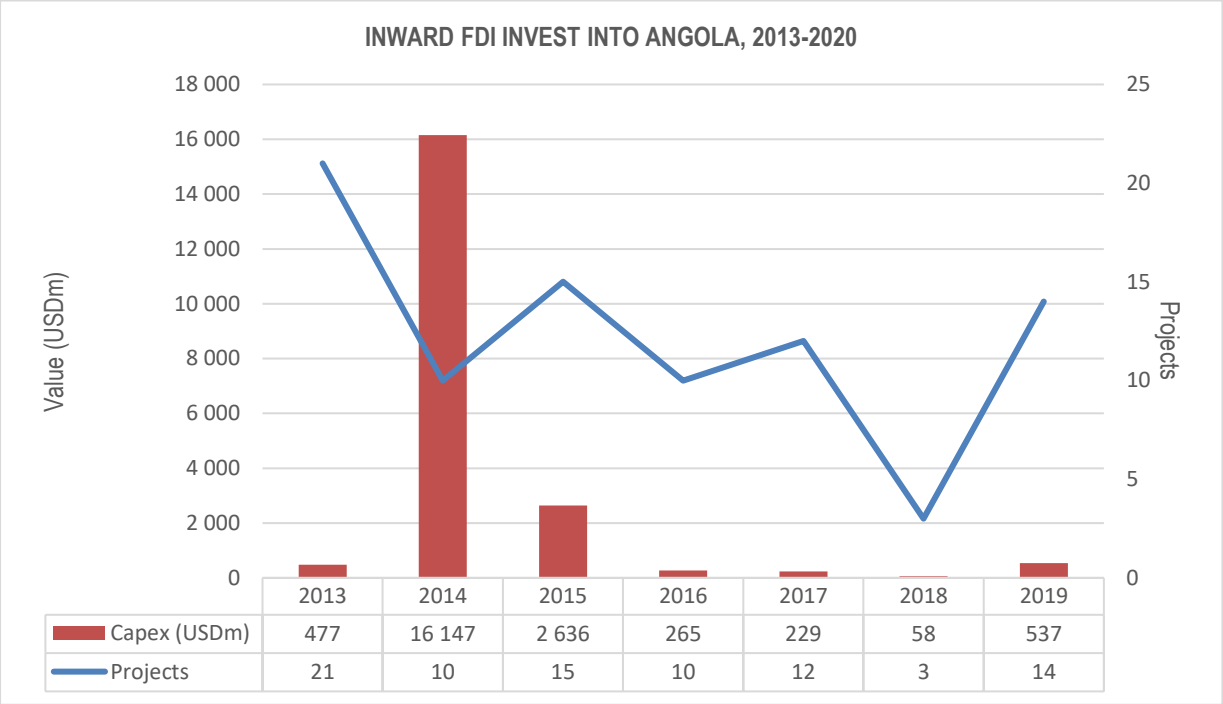
	Category	Algeria	Angola	Côte d'Ivoire	Egypt	Ethiopia	Ghana	Kenya	Morocco	Nigeria	South Africa	Tanzania	Uganda
Grocery	Beer	2	9	15	2	36	8	6	2	18	13	4	7
	Breakfast cereals and foods	20	24	28	21	68	60	53	19	51	28	52	36
	Chocolate and other candy	29	11	23	19	37	19	17	16	21	17	14	6
	Coffee and tea	29	17	29	26	55	40	50	27	53	25	50	15
	Milk	31	33	48	20	72	49	73	28	76	28	55	42
	Packaged food	27	21	27	12	54	45	21	11	54	26	25	10
	Snack foods	19	12	21	21	45	33	33	11	38	23	39	16
	Soft drinks and other nonalcoholic beverages	29	20	29	17	45	58	50	10	52	23	57	46
	Spirits	3	9	12	4	15	7	8	1	15	13	3	4
	Staples	28	29	44	33	55	64	65	34	74	31	76	52
	Wine	1	7	17	1	21	8	7	1	28	10	3	3
Nongrocery	Automobiles	26	14	18	13	17	6	9	12	34	15	8	4
	Baby products	8	19	23	8	37	16	14	10	19	10	10	7
	Beauty care	32	19	38	21	46	58	37	26	41	24	24	48
	Clothing and accessories	54	34	64	37	79	69	71	44	78	39	67	66
	Footwear	55	34	65	37	81	70	71	42	75	40	67	66
	Hair care	25	24	26	22	52	51	38	28	49	19	33	40
	Home appliances	37	23	35	22	49	45	24	23	53	32	24	12
	Home care	25	18	35	26	68	57	45	20	52	23	67	44
	Home electronics	35	25	39	22	51	49	34	24	52	32	37	26
	Mobile electronics	44	24	51	25	55	57	54	31	62	32	55	42
	Restaurants and away-from-home food	23	12	30	16	47	31	22	11	25	17	12	12

Source: 2018 BCG Africa Consumer Sentiment survey, January through March 2018.
Note: Respondents were asked whether they would be willing to pay more for a better quality product in each of 22 areas. N = 12,575.

5. Foreign Direct Investment

5.1 Global Investment into Angola

Between April 2013 and December 2020 a total of 88 FDI projects were recorded into Angola. These projects represent a total capital investment of USD22,61bn which is equivalent to USD269m per project. As a result a total of 12 756 jobs were created. The graph shows that capex into Angola peaked at USD16,13bn in 2014, while projects reached their peak in 2013 with a total of 21 projects.



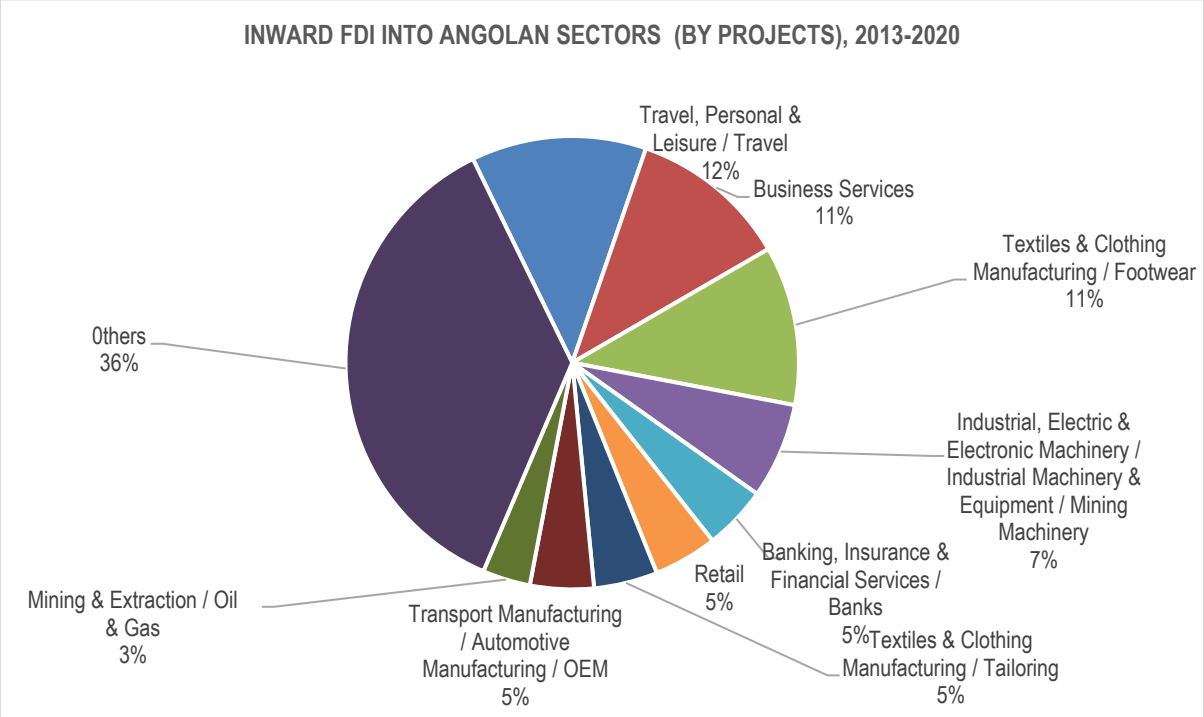
Source: BVD, 2021

The table below shows the source markets of inward FDI from Angola from January 2013 to December 2020. The United States was the largest source market in terms of projects, with 19 investment projects, which accounted for 21,59% of all projects. Portugal and France ranked second and third accounting for 17,05 and 6,82% of all projects, respectively.

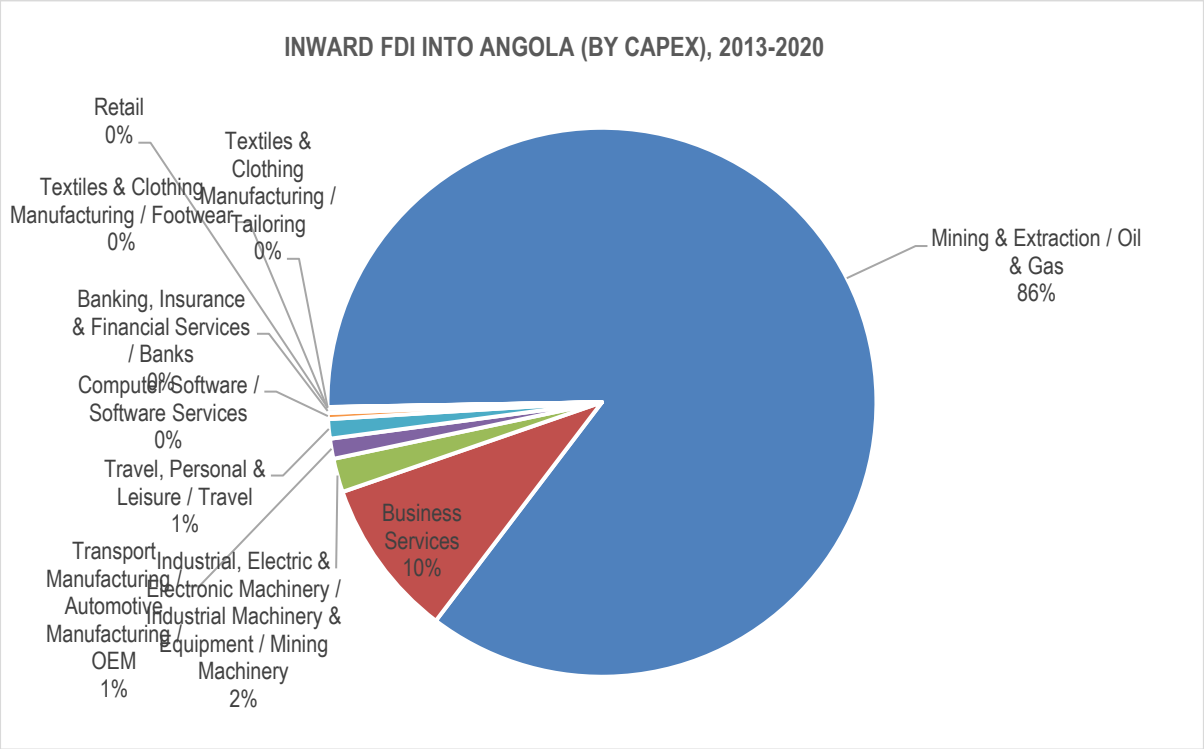
TOP 10 FDI SOURCE MARKETS FOR FDI INVESTMENT INTO ANGOLA, 2013-2020						
RANK	**COUNTRY**	**PROJECTS**	**% PROJECTS**	**CAPEX (USDm)**	**%CAPEX**	**JOBS**
1	United States	19	21,59%	668,00	2,95%	2545
2	Portugal	15	17,05%	304,85	1,35%	1771
3	France	6	6,82%	16 747,13	74,07%	1600
4	South Africa	5	5,68%	116,31	0,51%	775
5	Luxembourg	4	4,55%	1 925,65	8,52%	112
6	Spain	4	4,55%	4,07	0,02%	218
7	United Kingdom	4	4,55%	44,07	0,19%	87
8	Italy	3	3,41%	1 110,63	4,91%	1008
9	Japan	3	3,41%	205,27	0,91%	1435
10	Netherlands	3	3,41%	16,89	0,07%	60
TOTAL		**88**	**100,00%**	**22 609,40**	**100,00%**	**9 611**

Source: BVD, 2021

The travel, personal leisure and travel sector received the largest share in terms of projects accounting for 19%, followed by the business services sector which accounted for 17% of all projects. The mining and extraction sector received the highest percentage of total capex, accounting for 86%, followed by business services sector accounting with 10% of the total capex.



Source: BVD, 2021



Source: BVD, 2021

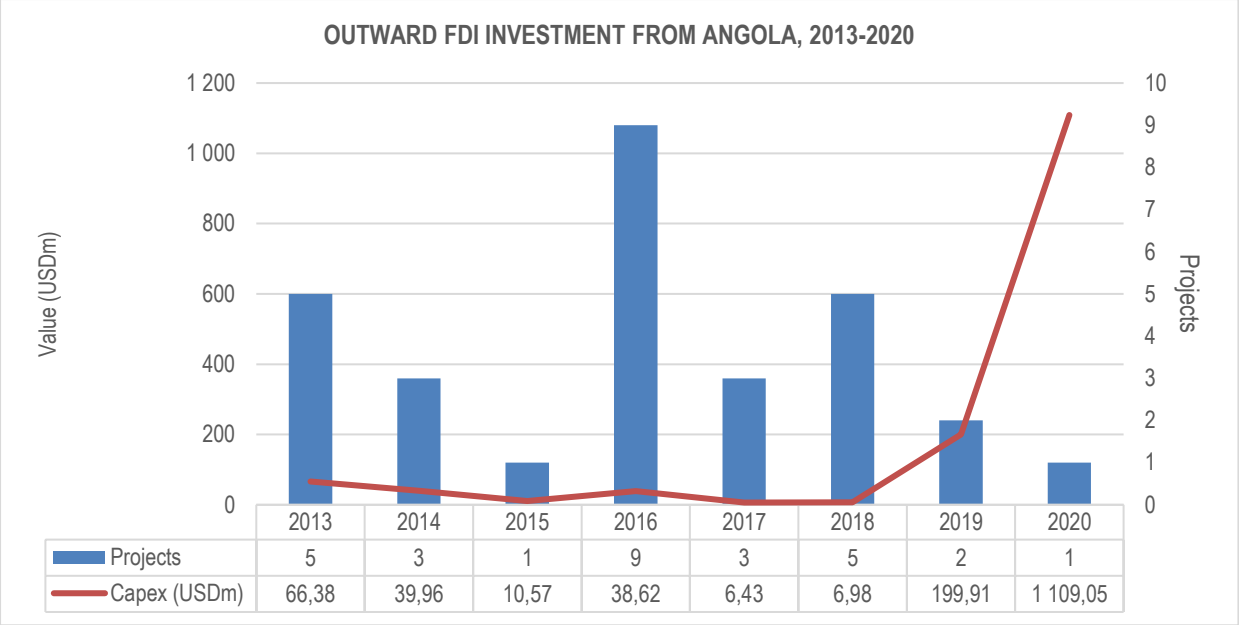
The leading investing company was Soprope – Organizacoes de Calcado SA, with the company investing in nine projects in the chemicals sector valued at approximately USD12m. Baker Hughes - a GE Company LLC - and Carlson Rezidor Hotel Group were the second largest investing companies by project, with five projects each.

TOP 10 COMPANIES FOR FDI INVESTMENT INTO ANGOLA, 2013-2020						
RANK	INVESTMENT COMPANY	DESTINATION MARKET	PRIMARY SECTOR	PROJECTS	CAPEX (USDm)	JOBS
1	Soprope – Organizacoes de Calcado SA	Portugal	Textiles & Clothing Manufacturing / Footwear	9	12	106
2	Baker Hughes - a GE Company LLC	United States of America	Industrial, Electric & Electronic Machinery / Industrial Machinery & Equipment / Mining Machinery	5	223	1 455
3	Carlson Rezidor Hotel Group	United States of America	Travel, Personal & Leisure / Travel	5	109	500
4	Accor SA	France	Travel, Personal & Leisure / Travel	4	87	400
5	Sparrows Offshore Group Ltd	United Kingdom	Business Services	2	1 152	1 070
6	Toyota Motor Corporation	Japan	Transport Manufacturing / Automotive Manufacturing / OEM	2	200	1 410
7	TRB International SA	Luxembourg	Retail	2	2	12
8	CloudFlare Inc.	United States	Computer Software / Web Hosting & Interne	1	127	200
9	Robert Bosch Industrietreuhand KG	Germany	Banking, Insurance & Financial Services / Investments / Trusts	1	2	12
10	Sika AG	Switzerland	Chemicals, Petroleum, Rubber & Plastic / Chemicals / Paints, Coatings, Inks & Adhesives	1	78	705
TOTAL				**88**	**22 609,40**	**9 611**

Source: BVD, 2021

5.2 Global investment from Angola

Between January 2003 and December 2020, a total of 29 outward global FDI projects were recorded from Angola. These projects represent a total capital investment of USD1,48bn which is an average investment of USD62m per project. During the period, a total of 3 133 jobs were created. The graph shows that outward FDI capex from Angola peaked in 2020 worth USD1,12bn and projects peaked in 2016 with five projects.



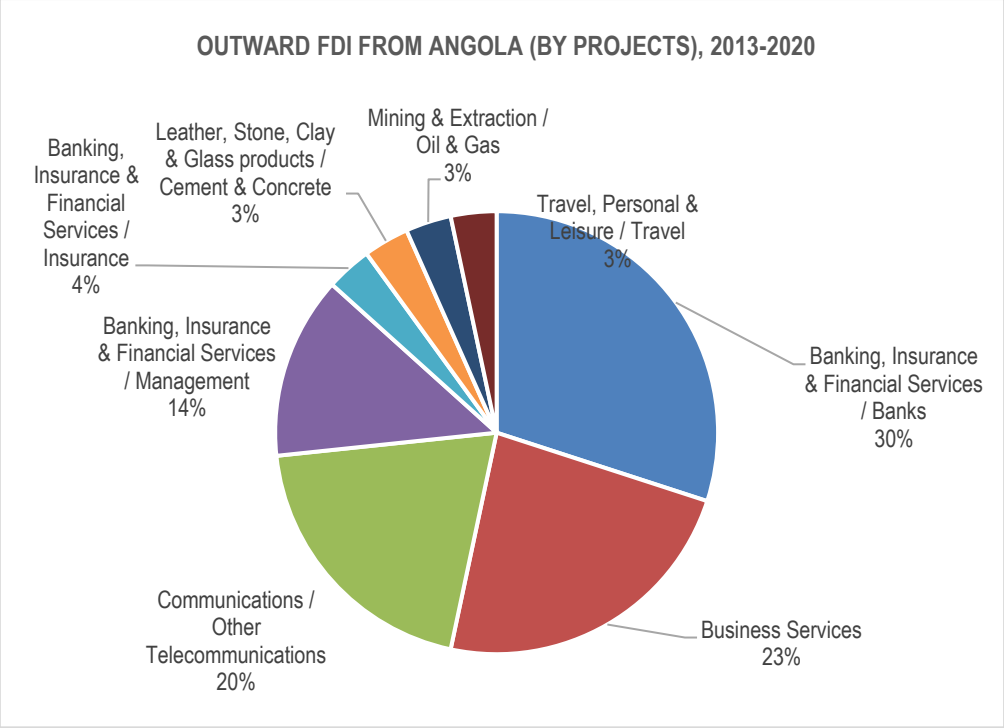
Source: BVD, 2021

The table below shows the destination markets of inward FDI from Angola from January 2013 to December 2020. Namibia was the largest destination market in terms of projects, with four investment projects, which accounted for 13,79% of all projects. Portugal and the United States ranked second and third accounting for 10.34% of all projects, respectively.

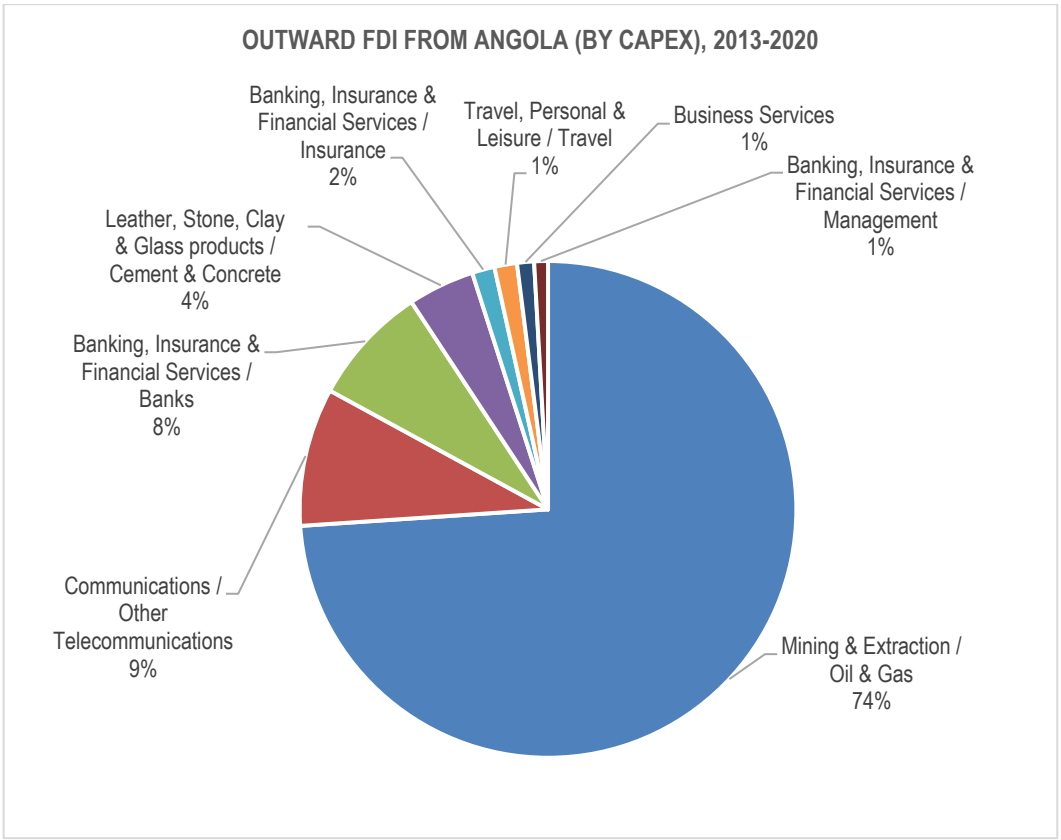
TOP 10 FDI DESTINATION MARKETS FOR FDI INVESTMENT INTO ANGOLA, 2013-2020						
RANK	**COUNTRY**	**PROJECTS**	**% PROJECTS**	**CAPEX (USDm)**	**%CAPEX**	**JOBS**
1	Namibia	4	13,79%	49,78	3,37%	100
2	Portugal	3	10,34%	40,13	2,72%	75
3	United States	3	10,34%	9,92	0,67%	36
4	Angola	2	6,90%	1131,08	76,53%	1100
5	Brazil	2	6,90%	148,05	10,02%	225
6	South Africa	2	6,90%	-	-	-
-7	Mauritius	1	3,45%	3,32	0,22%	12
8	Morocco	1	3,45%	3,32	0,22%	12
9	Switzerland	1	3,45%	1,66	0,11%	6
10	United Arab Emirates	1	3,45%	1,66	0,11%	6
TOTAL		**29**	**100,00%**	**1477,90**	**100,00%**	**9 611**

Source: Bvd, 2021

The banking, insurance and financial services sector received the largest share in terms of projects accounting for 30%, followed by the business services sector which accounted for 23% of all projects. The mining and extraction sector received the highest percentage of total capex, accounting for 74%, followed by the telecommunications services sector accounting with 9% of the total capex.



Source: BVD, 2021



Source: BVD, 2021

The leading investing company was Angola Cables SA, with the company investing in six projects in the Computer Software / Web Hosting & Internet.

TOP 10 FDI DESTINATION MARKETS FOR FDI INVESTMENT INTO ANGOLA, 2013-2020					
RANK	INVESTMENT COMPANY	SECTORS	PROJECTS	%CAPEX	JOBS
1	Angola Cables Sa	Computer Software / Web Hosting & Internet	6	20,69%	135
2	Banco Sol	Banking, Insurance & Financial Services / Banks	5	17,24%	66
3	Angola Capital Partners	Banking, Insurance & Financial Services / Management	4	13,79%	13
4	Banco Angolano De Negocios E Comercios Sa	Banking, Insurance & Financial Services / Banks	3	10,34%	41
5	Aaa Activos Lda	Travel, Personal & Leisure / Travel	1	3,45%	22
6	Accor SA	Travel, Personal & Leisure / Travel	1	3,45%	22
7	Banco Privado Atlantico Sa	Banking, Insurance & Financial Services / Banks	1	3,45%	11
8	Eni Spa	Mining & Extraction / Oil & Gas	1	3,45%	1 109
9	Sonangol Pesquisa E Producao SARL	Sonangol Pesquisa E Producao SARL	1	3,45%	1 109
TOTAL			**29**	**100,00%**	**9 611**

Source: BVD, 2021

5.3 FDI between South Africa and Angola

South African FDI into Angola

Between January 2013 and December 2020, a total of four FDI projects were recorded from South Africa to Angola. These projects represent a total capital investment of USD106m which is an average investment of USD26m per project. During the period, a total of 750 jobs were created.

FDI INVESTMENT FROM SOUTH AFRICA TO ANGOLA, 2013-2020				
	SECTOR	PROJECTS	AVG capex	JOBS
Clover Industries Ltd	Food & Tobacco Manufacturing	1	89	705
The Foschini Group Ltd	Retail	1	2	8
Standard Bank Group Ltd	Banking, Insurance & Financial Services / Banks	1	13	25
Webtickets Cc	Business Services	1	2	12
Total		**4**	**106**	**750**

Source: BVD, 2021

5.4 Angolan FDI to South Africa

Between January 2013 and December 2020, a total of two FDI projects were recorded from Angola to South Africa. The capital expenditure of these contracts was not disclosed.

On the 17th of November 2009 it was announced that **Angola Cables**, in Luanda, an Angola-based telecommunications services provider was going to establish a Point of Presence (PoP) in Cape Town, South Africa, by the end of 2017. The company's motive for the project was domestic market potential.

Project rationale

Mr Darwin Cost, Product Manager, said: "This expansion will give us the ability to attend to local internet and content demands, as well as enhancing our peering activities in the region."

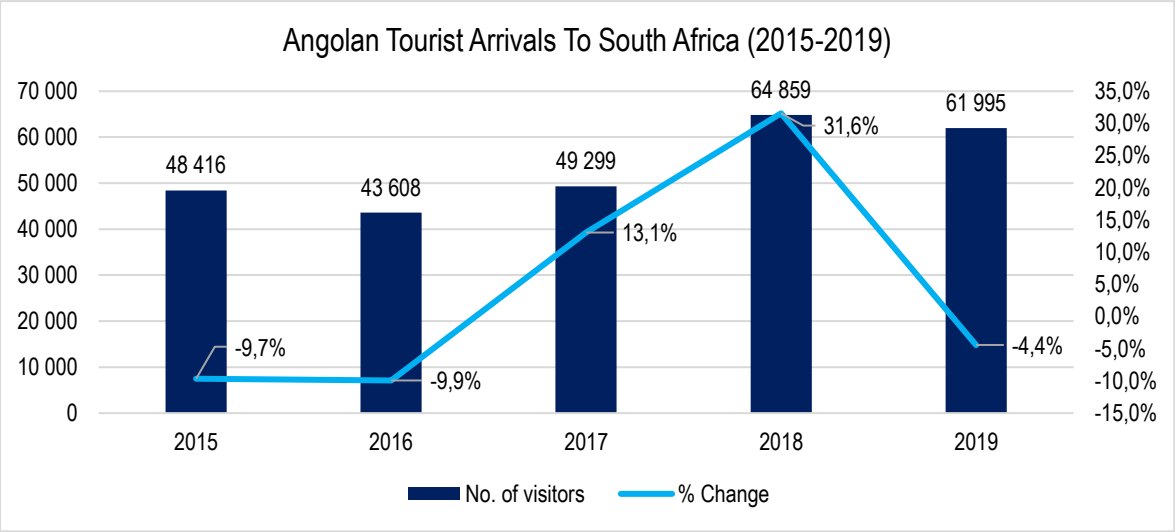
On the 16th of November 2016 it was announced that Angola Cables, in Luanda, an Angola-based telecommunications services provider is to open a Point of Presence (PoP) in Johannesburg, South Africa, to serve the domestic market.

Mr Antonio Nunes, CEO of Angola Cables. said: "As part of establishing Angola as one of the leading hubs for Internet connectivity in Africa, we're growing a strong IP ecosystem among countries in Southern and Western Africa, as well as South America."

5. Tourism

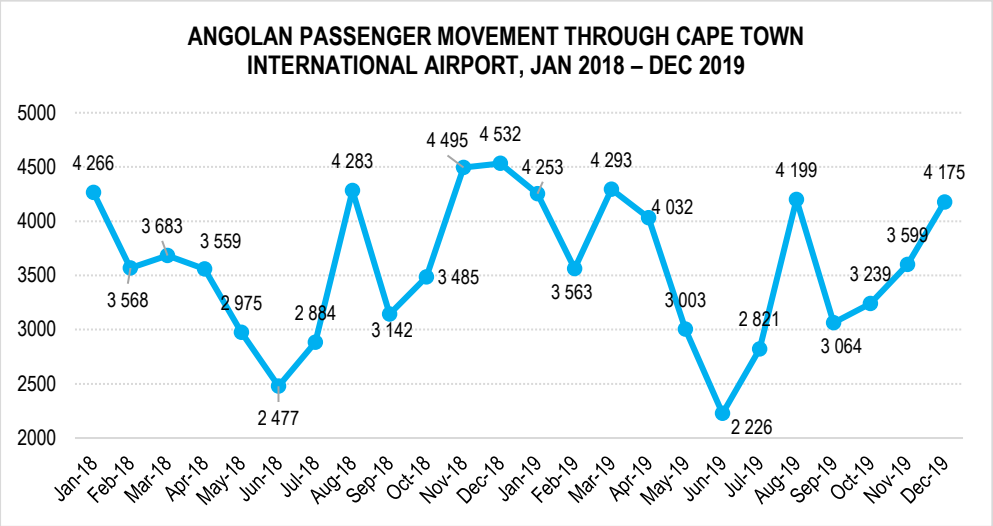
Visitors from Angola travelling to South Africa are predominantly visiting for the purpose of holiday, visiting friends and relatives, and for medical reasons.

Most of these travellers are typically between the ages of 18 and 54 years, with 12,7% in the 18 – 24 category and 34,4% in the 25 – 34 categories while those between the ages of 35 – 44 held a share of 32,2%. The highest share of Angolan visitors were repeat visitors with over 10 or more visits to the country. Holding a share of 29,7%.



Source: SATourism2020

The Western Cape saw a substantial increase in Angolan visitors in 2018 with arrivals increasing again in 2019 with a 13,5% growth.



Period	Tourist Arrivals	Y-O-Y % Change
2015	12 602	-14,2%
2016	12 067	-4,2%
2017	14 019	16,2%
2018	17 348	23,7%
2019	19 755	13,9%

Source: SATourism, 2020

6. Western Cape Investment Opportunities

WESTERN CAPE INVESTMENT OPPORTUNITIES FOR ANGOLAN COMPANIES, 2017
Agribusiness Opportunities:
• Niche markets such as biltong, herbal tea and ostrich meat are likely to find a burgeoning global audience among health-conscious consumers. • The increasing use of genetically modified crops will help to significantly improve yields and output. • Corn production would benefit from a decision to lift the ban on the use of the crop for biofuel. • Sugar consumption is set to rise and, along with disposable incomes, there will be growth in the fast food and casual dining industries. • Development of food supply chain technologies especially in food safety • Growing and exporting of cut and dried flowers. • Expand domestic fruit juice concentrate production. • Extend production of organic products for domestic and export markets. • Expand production of honey bush teas to meet growing consumer demand. • Expand production and processing of ostrich products. • Expand production of high-quality wines for export and establish boutique cellars. • Modernise and expand wine and beverage production facilities. • Expand packaging, freezing and canning facilities for export products. • Cuniculture (Rabbit farming). • Agri tourism • Cold storage facilities • Multiple opportunities in agribusiness value chain • Per capita food consumption is forecast to grow dynamically over our forecast period, opening up expansion opportunities for existing companies. • A number of food segments remain underdeveloped and would benefit from further investment. • Many industry sub-sectors, such as energy drinks, tea and coffee, are far from saturated and would benefit from further investment. • Rising health-consciousness is boosting demand for low-calorie soft drinks. • Scope for growth in high-end premium retailing as South Africa gets richer over the long term.
ICT Opportunities:
• In the personal devices market vendors will be able to tap demand from first-time buyers and in the upgrade/replacement market as the economic environment becomes more supportive.

• Improvements to network infrastructure an enabler for device sales, as well as wider adoption of cloud services and smart infrastructure. • Potential for South Africa to become a cloud services hub in the region due to relative strengths in network connectivity and legal environment. Strong private investment in key industry verticals, including financial services, retail and manufacturing. • Vibrant small- and medium-sized business sector will sustain demand for IT products and services.
Oil & Gas
• Considerable offshore exploration opportunities with major companies involved in upstream activity. • Shale gas resources in the Karoo Basin are thought to be among the largest in the world. • Coal-bed methane potential in the Karoo, with positive pilot production displaying upside potential. • The potential development of the LNG IPP Programme presents notable upside to gas imports. • The proposed separation of oil and gas regulation from legislation covering the mining industry could provide greater regulatory clarity. • Considerable offshore exploration opportunities in South Africa • Shale gas resources in Karoo Basin • Services facility: Port development and management. • Onshore and offshore maintenance • Pipeline engineering and construction (both subsea and onshore): • Lack of gas infrastructure: LNG facilities plant required: over reliance on imports and Eskom needed to reduce reliance on diesel due to costs and shift towards gas. • Upgrading of refineries required to meet standards. • Building a new refinery as future forecast is that the consumption will outstrip production. • Storage facilities
Real Estate Opportunities:
• Good retail sales, despite a slowing economy, reveal potential for relevant commercial unit developments, as well as distribution space. • A developing REIT market will attract foreign investment further down the line. • The anticipated rebound in GDP growth indicates potential for the broader commercial real estate market, amid improving demographics. • Building of boutique hotels (5-star, 4 star and 3 star) due to growing tourism market
Electronics Opportunities:
• Suppliers of parts and components for wind turbines and photo voltaic • Manufacture of automotive and electronic components • Manufacture of consumer electronics

Source: BMI, 2017, SAOGA, 2016, AIU, 2016

**Note: Statistics SA made changes to the release of its Tourism & Migration reports in 2014 and now no longer report on transit arrivals. As a result of this change, the weighting methodology has been revised and the results are now not comparable to data prior to 2013. 2014 represents the beginning of a new series of data.*

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