



Time is Now!

Royal Netherlands Embassy Luanda, Angola

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Economy, Commerce and Investments

Angola Finance Minister elected Africa best



Angolan Finance Minister, José Pedro de Morais

The Angolan minister of Finance, José Pedro de Morais, was elected Africa's best finance minister in 2007 by The Banker, an international observing group.

In its assessment, the international organisation, focused on transparency and governments' programmes follow-up process, having the Angolan official been chosen from among the best five ministers in the world. The observing group took into account issues such as the fight against corruption, tax evasion and application of market economy principles.

Jose Pedro de Morais was appointed minister of Finance on 9th December, 2002, by Angolan president, Jose Eduardo dos Santos, and is seen by that international institution as being the top figure in the process of revitalisation of the Southern African nation's economy, that started four years ago.

Edward George, analyst of The Economist magazine, is quoted by The Banker as saying that José Pedro de Morais firmly defends a better relation with institutions like the Extractive Industry Transparency.

The Angolan Cabinet minister also earns credit for the tidying up of the country's statistics and drastic reduction of inflation, currently set at around 11 percent. The economic growth that Angola has been enjoying for the last four years is a result of the recommendation made by José Pedro de Morais, who advised the African country's Government to halt consultations with the International Monetary Fund (IMF) over the monitored programme.

Royal Netherlands Embassy Luanda, Angola

Source: Angop

Angola to benefit over € 200 million from the EDF

Angola might benefit this year from a financial assistance estimated at 214 million Euros from the European Development Fund (EDF), in the framework of the Cotonou Accord that binds together Africa, Caribbean and Pacific (ACP) countries and the European Union nations.

The information was released Tuesday in Luanda by the Planning minister, Ana Dias Lourenço, during a session of the National Assembly (Angolan Parliament).

The minister was presenting an information to the House about the Revised Cotonou Accord.

According to the minister, the amount would be released from the 10th EDF, surpassing the sum of the ninth EDF, still in exercise, estimated at 177 million Euros.

The funding is part of the European Commission's 2008-2013 programming and aims at assisting the ACP countries with implementing National and Regional Indicative Programmes.

As to Angola, the amount will permit the implementation of the National Indicative Programme approved by the Government during a session of the Cabinet Council of June 27, 2007, fundamentally meant for development.

The minister said the Revised Cotonou Accord represents an important juridical instrument for the implementation of the policy of cooperation in various domains between the ACP's 79 countries and the EU.

Meanwhile, the Revised Cotonou Accord was approved, for unanimous ratification, with 141 votes, but met with a political declaration of the parliamentary opposition of UNITA party bench.

UNITA spoke out of the need for the reinforcement of control mechanisms of the implementation of the accord. This stand was supported by MP, Marta Cristina, member of the Liberal Democratic Party, PLD.

Signed on June 23, 2000, in Cotonou, Benin, the accord regulates the ACP-EU relation until the year 2020, covering more than 100 states: the EU's 25 and the ACP's 79, and follows the Lome Convention.

The accord provides for negotiations for a new commercial regime based on the Economic Partnership Accords (EPA) between the EU and the ACP countries.

The EPA, whose negotiation process is still in progress, according to the minister, would involve new commercial arrangements compatible with the World Trade Organisation (WTO), with gradual removal of commercial barriers between the ACP countries and the European Union, based on initiatives of regional integration of the ACP States.

The negotiations were expected to be complete by late 2007 and gradually implemented between 2008 and 2020, but hesitations on the part of the ACP countries, in view of the incompatibilities in the trade with the European Union, led to their delay.

The Cotonou Accord is intended to reduce poverty, promote sustained development and integration of ACP in the world economy and contribute for peace and security and a stable political and democratic environment.

The revision focuses on spheres such as political dialogue, consolidation of peace, prevention and resolution of conflicts and allocation of resources, thus permitting exceptional or additional financial assistance and other benefits.

Source: Angop

Angola to cooperate with the most industrialised countries



Angola President José Eduardo dos Santos

The Angolan head of State, José Eduardo dos Santos, said Thursday in Luanda, the country is open to “cooperate with the most industrialised countries, with the so-called emerging economies, that are Brazil, China and India, including African countries and other countries eventually.

Diversification secures a major democraticity in the international relations and must, obviously, be encouraged, according to the president who was addressing the ceremony of New Year compliments from the diplomatic corps accredited in Angola.

The Angolan Government, alike those of other African countries, he stated, wants to continue leading the destinies of its people, rejecting its territory from being used as a scene for new disputes of others’ interest, which create tensions and put at stake its legitimate aspirations of peace, stability and sustainable development.

“Angola does not intend to exclude anyone and wants to cooperate with everyone, establishing partnerships that give advantage to all parties”, said the head of State.

Source: Angop

Brazilian suggest milk quality control investment

The General Director of the Brazilian company, “Embrapa Gado do Leite”, Paulo Martins, suggested to Angolan authorities to invest in technologies of milk quality control produced locally.

The official who is in Angola since Monday, told Angop at Luanda’s “4 de Fevereiro” International Airport, he has noticed that most of the cattle breeders are traditional producers, hence the need for technologies adjustable to the culture and knowledge of the communities.

Segundo Paulo Martins, Angola has natural conditions favourable to produce enormous quantities of milk for export and stop importing, once the country invests in research in its dairy industry.

He said his company is ready to provide to Angola technologies adaptable to the local traditional producers, in order to secure more hygiene and better milk quality.

The source said as well that “Embrapa” has decided to invest in training of Angolan personnel in Brazil, to enable the creation of new technologies, capable of producing revenues through the production of milk.

According to him, milk in developing countries like China, Argentina, Brazil and New Zeland is seen as a strategy to generate job and revenue, and Angola can also choose milk production as a privileged strategy to generate jobs and income.

The Brazilian delegation is set to leave Angola on January 13. So far, Paulo Martins and his assistant, Marer Sidney, have visited the premises of the Institute of Veterinary Investigation (IIV) in the provinces of Kwanza Sul, Huíla and Huambo.

The “Empresa Brasileira de Pesquisa Agropecuária – Embrapa Gado de Leite” is considered the major Brazilian centre for milk quality control. It also deals with the training of personnel and diagnosis and prospecting of animal diseases. Angola is the second major importer of Brazilian milk.

The General Manager, Ditutala Lucas Simão, told Angop that the Brazilian team worked in some provinces of the country with some dairy tradition, to provide suggestions to local producers on the modern methods of production and control of quality.

The trip of “Embrapa” to Angola is part of the bilateral cooperation agreement between Angola and Brazil in the

domain of research and strategy of the Ministry of Agriculture and Rural Development to relaunch national milk production.

Source: Angop

Angola development rate has been slower than expected

According to the latest BPI (Portuguese Investment Bank) report, the pace of economic development projects in Angola is slower than expected, despite the availability of funds and a favourable macroeconomic scenario. The BPI Group, which owns the Angola Development Bank (BFA), stated that, despite the progress that has been made, the implementation of the Public Investment Program (PIP) has systematically fallen short of expectations. The reasons may be the inability of the Angolan production structure to meet the demands of some projects, notably due to a lack of skilled labour and transport facilities. As occurred in previous years, the 2007 State Budget noted that public investment projects were not fully executed. The biggest investment efforts will focus on water and energy, transport, telecommunications, health, and education, which are all seen as essential for developing the economy. Total outlined investment expenditure is \$9.6 billion, of which \$5.6 billion have been obtained via financing and the remainder from the State Budget. The report stated that the country's GDP grew by 24.4 percent in 2007.

Source: Lisbon Lusa News Agency

Angola registered the lowest inflation rate in last 16 Years

Jornal de Angola reported that in 2007 Angola registered the lowest inflation rate in the last 16 years. The rate was 11.78 percent, almost half a percentage point less than in 2006, and this reduction is a trend that has been maintained since 2003. Despite the drop, the average inflation was 1.78 percent above that forecast by the government, which was expecting an inflation rate of 10 percent in 2007. In 2008, the government is forecasting an inflation rate of 10 percent or less, with all economic and monetary policies aimed at keeping inflation down and stable.

Source: Jornal de Angola

Trade between Angola and Spain reached € 466 million in 2007

Trades between Angola and Spain totalled 466 million euros in 2007, stated Mariano Muela, the economic and trade advisor of the Spanish Embassy in Luanda. According to the Jornal de Angola newspaper, Angolan exports amounted to 133 million euros, mainly from the sale of oil, and Spain sold products, mainly industrial equipment and electrical items, to the value of 333 million euros. Spanish Ambassador Xavier Vallaure, who was speaking at a meeting between Angolan businessmen and a Spanish business mission comprising eight companies from the agricultural materials manufacturing sector, said that about 30 Spanish companies are working in Angola and eight of these are also interested in investing in the country.

Source: Macaahub online

Angola stock exchange to start transactions

The Angolan Stocks and Securities Exchange (BVDA) will open in the first quarter of 2008. The BVDA would like to begin trading shares from as many firms as possible to develop into an international capital market. Some of the companies associated with the Luanda stock exchange are Sonangol, ENSA, Endiama, Port of Luanda, BIC, BAI, BFA, BPC and Millennium Angola banks.

Source: ANIP

German airline to start operation in Angola

The German airline Lufthansa will begin flying to Angola as of April 2008, connecting the cities of Luanda and Frankfurt. The company will operate an A340-300 Airbus with a 221-passenger capacity in the first, executive and economic classes.

The route is intended to reinforce Lufthansa connections in Africa, one of the world's most strategic markets of these days. The flight between the two cities will have a duration of eight hours and 25 minutes, with the plane departing at 8:30 pm on Wednesday and reaching Luanda at 3:55 am the following day. The departure from Luanda will be at 8:35 pm of Thursday, landing in Germany at 6:00 am. Reservations can be made online at the website, www.lufthansa.com, or at the airport counters in the respective countries.

Source: Angola Press Agency

China-made MA60 commuter plane debuts in Angola

A China-made regional commuter plane made its debut at the international airport in the Angolan capital, Luanda, attracting many Angolan and Chinese high-ranking officials from aircraft-related sectors.

The Modern Ark 60 (MA60) with a seating capacity between 48 and 60 is an ideal regional commuter plane, said Zhipeng Yuan, the Chinese pilot who operates the demonstration flight from Luanda- Lubango-Luanda.

"It (the plane) flies beautifully," he told Xinhua after operating the MA60 flying to and back from Lubango, the capital of Huila province in south Angola.

The MA60 is a regional turboprop commuter plane developed and made by China. It is fitted up with state-of-the-art technology and equipment which can offer passengers comfort during their trips. With strong fuselage and landing gears as well as outstanding adaptability, it can take off and land on a short runway of 1,000 meters long.

At the ceremony of the demonstration flight held at the Luanda international airport, Sun Zhiwei, deputy managing director of China National Aero-Technology Import and Export Corporation (CATIC), said he was very happy to see the fast economic development in Angola after the 27-year civil war ended in 2002, which, he added, offers Angola a great leap forward in growth opportunity in the sector of air transportation.

Sun also said he believed that Luanda, the capital of Angola, has the greatest potential to become a new air transportation hub in the southern African region, which calls for an effective regional transit network throughout the country. "MA60 could be the most suitable type of aircraft meeting the requirement," he said.

Meanwhile, Jesus Nelson Martins, president of the Angolan Airlines (TAAG), expressed his satisfaction at the demonstration flight of MA60 at the ceremony. "The demonstration flight is just the first step of Angola-China cooperation in civil aviation sector," he said, adding that the prospects for Angola and China in civilian aircraft cooperation are bright, since all Angola's domestic flight routes range from several hundreds of kilometres up to 1,000 km.

According to Sun, MA60 sells well in developing countries, especially in Africa. Since it sold the first MA60 to Air Zimbabwe in April 2005, Sun said, CATIC has received 35 orders from overseas airlines in addition to 90-plus from domestic airlines.

Source: XINHUA

Cuba and Angola boost cooperation in fishing industry

Cuba and Angola continue working together to foster economic development in both countries through joint cooperation programs on several sectors. This cooperation is in line with agreements signed by Angolan president Jose Eduardo dos Santos during a recent visit to Cuba.

With the objective of following up on the accords, the Cuban Minister for the Fishing Industry, Alfredo Lopez, travelled to Angola for an official visit.

Lopez said, "We are going to pass on our knowledge of the fishing sector to the Angolans," adding that he is acquainted with the situation of the industry in the African country as a group of Cuban experts have already evaluated the potential of that nation.

According to the Angolan media, Lopez is expected to meet his local counterpart, Salomão Xirimimbi, and tour Lobito, the province of Benguela, 420 Kms to the south of Luanda.

Source: Mathaba.net

Taxes on goods and services in Angola

Sales Tax

Nature of Tax : There is no sales tax.

Excise tax (Imposto de consumo) – Decree 41/99 of Dec. 10, 1999 Decree 29/02 of May 21, 2002

Excise tax – Law 9/99 of Oct. 1, 1999 (expansion of the tax base to include telecommunications, hotel, and similar services, and water and electricity consumption)

Nature of Tax:

Levied on the following:

- the production and importation of goods, regardless of their origin;
- auctions or sales carried out by customs and other public services;
- the use of goods or raw materials other than in the production process and which benefited from a tax exemption;
- consumption of water and energy;
- telecommunications services;
- hotel services and related or similar activities.

Definition:

For purposes of this tax, goods produced in Angola are defined as those produced or manufactured in the country or those whose production process was completed in the national territory.

Exemptions:

- Goods exported by the producer or by legally recognized entities established for this purpose;
- Goods imported by diplomatic and consular offices, subject to reciprocal treatment;
- Goods manufactured as a result of activities performed through artisanal processes;
- Raw materials and subsidiary materials incorporated into the manufacturing process, capital goods and major replacement parts if duly certified by the relevant ministries, with the accompanying declaration of exclusive use.

Not subject to the tax:

- Unprocessed agricultural and livestock products;
- Forestry primary products;
- Unprocessed fishing products;
- Unprocessed mineral products.

Rates:

- From 5 to 30 percent
- General rate: 10 percent
- Schedule I: Subsidized rate: 2 percent
- Schedule II: Penalty rates: 20-30 percent

Schedule II: Hotel, tourism and similar services: 10 percent; Telecom Services: 5 percent; Water consumption: 5 percent; Energy consumption: 5 percent.

Source: ANIP

Oil, Mining and Energy

Kizomba C starts production offshore Angola

StatoilHydro has announced that the Kizomba C development in block 15 off the Angolan coast started production from the Mondo field on 1 January 2008. The second phase consisting of the Saxi and Batuque fields will follow later in 2008. Mondo production is expected to reach a plateau rate of 100,000 barrels of oil per day (bpd). Production from the three fields (Mondo, Saxi and Batuque) in the Kizomba C Development is anticipated to plateau at a total of 200,000 bpd.

“Angola is the country that contributes the most to StatoilHydro’s international portfolio and it is very important for StatoilHydro. We are excited to get another field into production in Angola” says Jon Bakken, StatoilHydro asset manager for block 15.

The addition of Kizomba C-Mondo increases StatoilHydro equity production from Angola to approximately 200,000 bpd. Mondo, as the first Kizomba C field to come on stream, was discovered in 2000 and is located some 370 kilometres north-west of Luanda, the capital of Angola, in water depths of approximately 800 metres.

The Kizomba C Development includes two floating, storage and offloading (FPSO) vessels, one for Mondo and one for Saxi/Batuque and a total of 36 subsea wells, 17 of which are for Kizomba C-Mondo. Block 15: Kizomba C-Mondo is the fourth hub in block 15. The other three hubs are Kizomba A and B and Xikomba. A total of 33 exploration and appraisal wells have been drilled to date with 19 discoveries announced.

Additional participants in block 15 are: Esso Exploration Angola Limited (operator with 40%), BP Exploration (Angola) Limited (with 26.67 %), ENI Angola Exploration B.V (with 20%) and StatoilHydro Angola with 13.33%.

Source: The Norway Post

Spanish Fortis Bank Funds solar energy project

Spanish Fortis Bank will invest USD 5.9 million, in 2008, in the installation of solar energy systems in various localities of the central Huambo Province. The project will cover 23 localities of the province and is part of the Social Development Project, aimed at reducing electricity costs and improving sanitary conditions and the standard of living.

Source: ANIP

Government approves Sonils USD 143.9 million expansion project

The Angolan Government recently formalised the private investment project named "Sonils-Projecto de Expansão" with a global cost of USD 143.9 million. The information is contained in the State Gazette's Series I of November 14, nr. 137, that reached Angop recently.

The project is meant for the expansion of the wharf and equipping of the new Sonangol Integrated Logistics Services Limited (Sonils) base with all facilities permitting its functionality and capacity to adapt to the growing needs of the oil sector. To this end, Sonils is to expand its wharf and equip it and provide its new base area with all facilities that permit its rational and efficient functioning.

The "Sonils-Expansion Project" includes the construction of a 750-metre-quay with 12 metres depth, mooring, staircases and rubber ring bumpers. It also includes points of service for loading and unloading of oil products and the construction of a dock for heavy load equipped with escalators and a 500 tons crane.

The project is also intended to promote the people's economic, social and cultural wellbeing, increase the country's production capacity, create jobs for nationals and their professional training.

Source: Angop

SCOTS input key to FMC'S Angola deal

FMC Technologies is to supply deepwater subsea processing and production systems for Total Exploration and Production of Angola's deepwater Pazflor project, with some of the equipment to be made in Scotland.

The award is worth about £500million in revenue to FMC and the equipment to be supplied includes 49 subsea trees and wellhead systems.

The trees will be designed and made at Dunfermline. David Currie, managing director of the Scottish unit, said it was excellent news for the Dunfermline operation and testament to the skill and expertise of the world-class workforce on site.

He said that the Scottish unit had also shipped its 100th subsea xmas tree on December 21: an annual production target which had never been achieved within Dunfermline and other FMC locations worldwide.

Source: Angola Press Agency

Over 90 percent of country's crude oil exported

Angola, the second major crude oil exporter in Africa south of Sahara, only second to Nigeria, with a daily production estimated at 1.7 million barrels, exports currently more than 90 percent of its output. The information was released in Luanda by Angolan Oil Minister, Desidério Costa.

The minister, who was speaking during the ceremony of yearend compliments, said that in order to reverse the situation, actions are underway towards the implementation of the new refinery project, in Lobito port city, in central Benguela province.

The Minister recalled that the Luanda refinery has been transferred to the control of the Angolan State, through the purchase of the shares formerly held by Fina Petroleos de Angola, SARL.

As to the Angola Liquefied Natural Gas (LNG) project, with an initial cost estimated at Usd 4 billion, the Minister said the signing of an investment contract in December 2007, paved the way for the start of implementation of a project that will lead to the creation of the Petrochemical industry growth point in northern Zaire province.

He said this will also lead to the reduction in the emission of carbon dioxide, through the downscaling of natural gas burns. According to the official, the demand for crude oil has been rising beyond expectations, due to a great development in some regions of the world, particularly in Asia.

However, the source added, Angola has been focusing its productive activity on a responsible management of its oil resources available and preservation and restoring of reserves.

The Minister underlined that the country's petroleum company, Sonangol, continues carrying out actions in the field of research and award of new blocks, having so far floated public tenders, including the participation of national firms.

Desidério Costa said as well that the awards involved the Central Block of Cabinda zone, Kwanza onshore zone blocks, shallow waters block 9, deep waters blocks 19, 20 and 21 and ultra-deep waters blocks 46, 47 and 48. As a result of the rise in the country's oil production, Angola has been playing a more and more relevant role within the context of the petroleum producing and exporting countries, he added. That's the reason why the Government of Angola has decided to join the Organisation of Petroleum Exporting Countries (OPEC) as a full right member as from January 2007.

"The coherent and positive management of what we have just mentioned will only be possible with human resources at the height of such challenges", he stressed.

Source: ANGOP

Banking and Insurance Sectors

Mechanism to bank credits access have been simplified



Angola Reserve Bank governor, Amadeu Maurício

Access to bank credit in the country is becoming easier and easier, thanks to a changing relationship between customers and banks.

This was said Friday in Luanda by the Angola Reserve Bank (BNA) governor, Amadeu Maurício.

This change in the access to credit to businesses and individuals, he said, is owed, on the one hand, to the aggressive competition among the banks that operate on the Angolan market, by making the terms easier and less bureaucratic and, on the other, the fact that the financial institutions know their customers better.

According to Amadeu Maurício, who was speaking alongside the ceremony of formal recognition of the Restrict Granting Accord, signed between BNA and the US Agency for International Development (USAID), the banks require the customers to have the capacity to refund the money they owe.

To the BNA governor, as the national economy grows, businesses tend to obtain profits from their activity and become capable of meeting their liabilities.

He stated as well that the Reserve Bank has been making a history in the commercial banks/customers relationship, which will lead to alterations to limitations that are currently imposed.

On the other hand, he said BNA will create a risk central – a system of information that might be shared by local banks, under a project that will be implemented soon. To this end, World Bank officials recently visited the country, having, as their first task, diagnosed the institutional reality of the country's banking activity, he said.

As a result of the diagnose, he added, there will be need for changes to the legal structure, towards a set of norms that will legitimate the exchange of certain information among banks.

The accord signed between BNA and USAID is estimated at Usd 1.2 million and is intended to promote the expansion of the financial sector, especially the banking one, and facilitate the access to credit. The accord is the first of its kind signed between Angola and the US.

The amount to be financed by USAID, will be used to cover expenditures associated with the projects of reform of the banking sector, aiming at the creation of an institutional framework intended to make access to credit easier.

The activities to be implemented in six months period are aimed at practical and structural measures to overcome the actual limitations, thus contributing to the strengthening of the national financial system that is fundamental for the country's economic growth.

Amadeu Mauricio signed the accord for BNA, while Susan K. Brems, signed for the USAID.

The signing was witnessed by the US ambassador in Angola, Dan Mozena who, on the occasion, said that the economic reforms and the access to credit are necessary for the country's sustained development. The US diplomat also spoke of the need for policies to improve the macro-economic environment and increase commercial bank credits to small and medium size firms as those that produce more jobs.

Source: Angop

Portugal's BPI to sale part of its Angola operations

Banco BPI posted a better-than-expected 15 percent rise in 2007 net profits but said it might raise capital and sell part of its Angolan operations. "We have beaten our forecasted results for 2006 and 2007," BPI's Chief Executive Officer Fernando Ulrich told journalists at a news conference. Net profit at Portugal's largest listed bank rose to 355.1 million euros versus a forecast of 322.1 million in a Reuter's survey of seven analysts. Full-year net interest income was up 14 percent to 661.9 million euros.

BPI said it would pay a dividend for 2007 of 0.187 euros per share. BPI is the first major Portuguese bank to report its results. Its shares trade at around nine times 2008 earnings, below larger rivals Millennium BCP and Banco Espirito Santo. Ulrich said the bank was in a "comfortable position" in terms of liquidity to face the recent credit crisis but added the bank may ask shareholders at a meeting in April to carry out a capital increase. "We do not exclude a capital increase," said Ulrich. "Today I can tell you that we may carry out a capital increase. It is natural that this can be studied at the shareholder meeting."

To shore up BPI's Tier-1 capital ratio which fell to 6.2 percent in 2007 from 7.4 percent in 2006, Ulrich said the bank could sell part of its Angolan operations and a 35 percent stake in Allianz Portugal to insurer Allianz.

BPI owns Angola's leading private bank Banco Fomento de Angola (BFA). According to recent newspaper reports, pressure has been mounting on the Portuguese bank to sell 49 percent of BFA to the Angolan government.

"BPI has many advantages in opening up the capital of BFA," he said. BFA's 2007 net profit reached 73.8 million euros, or 38 percent of BPI's total profit. Shares in BPI closed up 1.3 percent euros but are down 28 percent since the start of the year.

Source: Reuters

BDA extends funding to cattle and poultry breeding



Headquarters of Angola Development Bank

The State-owned Angola Development Bank (BDA) will start financing projects on cultivation of cassava and breeding of poultry and cattle (cows, goats and pigs) this year. Amândio Esteves, BDA Administrator disclosed to the press, at the end of a workshop on Credit Processing, which is an issue that BDA is committed to improving this year, for a better participation in the restructuring of the country's productive chain.

The incentive of BDA to the breeding of bovines will comprise the provinces of Kwanza Norte, Huila, Cunene and Kwanza Sul.

The provinces of Lunda Norte, Lunda Sul, Malanje, Moxico and Kuando Kubango will be supported in the breeding of caprine creatures, whereas the financing for the cultivation of cassava will mainly go to the provinces of the north and east of the country.

The official also assured that the bank will keep its existing financing to the cultivation of corn, beans, cotton and building material. "We'll extend the experience to the whole country. Our aim is to increase the (productive) capacity of the country" he mentioned.

Source: Angop

BIC Banc provides \$1,3 billion credit to clients

BIC Banc provided USD 1,343 billions in credits during 2007, in the same year in which deposits incremented to USD 2,114 billion. According to the CEO, Fernando Telles, BIC goals for 2008 economic year will be of growing deposits to 85% and incrementing credit lines to 100%.

Source: J. de Angola

Cash withdrawal transactions reached \$ 250 Million

Cash withdrawal monthly transactions (ATMs) in 2007 reached USD 250 million, compared to USD 100 million registered in 2006 in Angola. The data was released by the Interbank Service Company (Empresa Interbancária de Serviços), which manages the system. After beginning 2007 with 500 transactions per month, the network experienced an enormous growth to approximately 2,000,000 transactions. The launching of Visa credit card and the rise in the number of automatic terminals at business establishments, from 600 in 2006 to 1,400 in 2007, also contributed to this increase. The number of ATMs more than tripled, with 150 ATMs in 2006, and the network now with 500 throughout the country.

Source: Reuters

Logistics and Infrastructures

Angola reaffirms engagement in infrastructure construction



Angola Prime Minister, Fernando da Piedade D. dos Santos

The Angolan Prime Minister, Fernando da Piedade Dias dos Santos, reaffirmed in Benguela the Government's engagement in the construction and rehabilitation of roads in the country to promote production and favour trade.

Fernando da Piedade Dias dos Santos was speaking to the population of central Benguela province's district of Caimbambo, after inaugurating the Emergency Flood Alert System in the locality of Etepa, as part of the natural calamity prevention programme estimated at Usd 970,000.

According to the prime minister, the population must work and release its goods to get the commodities it needs in exchange and also supply its contribution to the State, thus encouraging the government to create better living conditions.

The prime minister's delegation drove 320 kilometres from Benguela city to Etepa and learned of the rehabilitation of the road leading to Caimbambo.

Fernando da Piedade expressed satisfaction at the pace of the works of province's Infrastructures Integrated Project that includes the construction and repair of the residual and fluvial waters drainage systems and bridges.

He was informed about the rehabilitation and expansion of the Lobito/Benguela road whose works started in 2005 and are expected complete in the first quarter of this year.

The premier also learned that the works of the bridge over Catumbela River in the Benguela/Lobito road that started in May 2007, will be ready in January 2009.

Source: Angop

Rehabilitations of Luanda railway still in progress



Luanda railway rehabilitation works

Luanda Railway (CFL) that is being rehabilitated since October 2003 will start functioning in August this year, with the conclusion of the ongoing repair works, Angop learned Monday in Luanda.

Speaking to Angop, in Luanda, the CFL rehabilitation project director, Paulo Cuanza, said the repair of the stations of Bungo and the construction of Musseque and Viana ones, as well as of eight fresh sub-stations up to Baia, is in the final stage.

The official stated that the Cazenga workshop is complete by 80 percent and the repair of 12 kilometres of the railway between Viana and Baia, plus the ground levelling of the area where the Musseque/Bengo railroad will be implemented.

According to the source, also undergoing repair is the Luanda Porto railroad that will connect with the general system, as well the CFL building and two passages. Paulo Cuanza said as well that the construction of the Boavista passage, of 235 meters long and six of height, has been completed.

The source added that the success of the project will depend on the conclusion of Baia/Malange railroad, being

carried out by the National Reconstruction Office.

The Luanda Railway is being repaired by the Chinese firm MEC-TEC, since October 2003. 14 kilometres of the Musseque/Viana railraod have already been repaired.

Source: Angop

Luanda bay project comprises USD 2,13 billion investment

The rehabilitation project of Luanda Marginal Avenue is expected to cost an estimated USD 2.13 billion. It will create approximately 2,000 jobs during the construction phase and another 1,200 permanent jobs upon completion. The project is being supervised by ANIP (National Agency for Private Investment), Angola Reserve Bank, as well as the ministries of Public Works, Urbanization and Environment, and the Provincial Government of Luanda.

The program began in November 2007, and is focused on building public and private infrastructure along 4 de Fevereiro Avenue, which covers a large part of the bay. The project will include the construction of new parking-lots; public leisure areas; two office buildings for trade and accommodation as well as a hotel and convention centre, among other infrastructures.

Source: ANIP

Secil signs investment agreement for new cement plant

Secil (Companhia de Cimentos do Lobito) recently signed an agreement with ANIP to build cement and clinker plant in Benguela province. With investments of approximately USD 91 million, the new plant will be completed in 2010 and have an installed capacity of 600,000 metric tons of cement per year. The project will create 314 direct jobs and 1,000 indirect jobs.

Source: ANIP

Fishing industry receives 400 vessels

In 2008, Angola's Institute of Fisheries and Aquaculture will distribute 400 ocean fishing vessels and 2,000 canoes for inland fishing (1,000 with motors) throughout the country. The inland vessels will permit fishing in deeper rivers, lakes, and lagoons.

The 400 ocean vessels will be sourced from Spain, South Africa, and China, while 1,500 of the canoes will be made in Luanda and 500 in China.

Estimates for ocean fishing in 2008 call for approximately 120,000 metric tons, compared to 100,000 in 2007. Thanks to improvements in the data system and the fleet, the results of inland fishing should reach 50,000 metric tons, compared to 30,000 in 2007.

Source: ANIP

New Nocal brewery to start in June/08

The construction of Angola's Nocal Brewery began four months ago, at the locality of Bom Jesus, and will begin operating in June 2008. A total of USD 200 million is being invested by Brewery International Holding (BIH), a company associated with Nocal. The new brewery, Noca II, will provide 300 jobs for people and produce about 120 hectoliters of beer per month. The brewery is located near the Kwanza River and will facilitate the supply of water to the brewing process. Ingredients such as malt, hop, rice and maize will be imported, and sugar will be obtained locally.

Source: ANIP

Five new hotels have been inaugurated in 2007

In 2007, five new hotels were opened in Angola and an additional 12 are under construction.

The hotels constructed include:

- Roma, in Huambo Province, with 127 rooms and an investment of USD 4 million
- Mulemba Waxa Ngola tourist village in Luanda, with 91 rooms and an investment of USD 15 million
- Hotel Palanca in Malanje Province with an investment of USD 5.75 million
- Hotel Praia Morena in Benguela
- The Basargad in Bengo Province

Future hotel projects include the 238-room Sava-Sivol in Luanda and the Sismotel chain, with 240-room hotels, being built in six provincial capitals.

Source: Angola Press Agency

Angola Telecom tests optic fibre communication system

Angola's telecommunication company, "Angola Telecom", tested in Malange province, a new optic fibre audio-visual communication system.

The test took place on the occasion of the closing of the second broad meeting of the board of the firm Mercury Serviço Telecom, that is carrying out the installation of the system since 2007.

On the occasion, the acting provincial director, Gaspar de Neto, expressed satisfaction at the test of the system that will enable a visual contact between telephone users. Gaspar Neto considered installation system as very important, as per the new challenges in the modern and globalized world of communications.

He stated that MS Telecom might facilitate the evolution of several undertakings and expand the satellite communication network, internet and fixed telephone in the region.

The official also stated that the emergence of investments in the information and telecommunication sector will lead to the creation of businesses with varied competitiveness among business people. MS Telecom is a subsidiary of the Angolan National Oil Company (Sonangol).

Source: Angola Press Agency

USD 1.9 million have been invested in disasters prevention

At least USD 1.9 million has been used in the implementation of the Emergency Alert System for floods in Angola's central Benguela province. The information was released by the commander of the National Fire Services, Eugénio Laborinho, during the ceremony of inauguration of the first calamity alert system.

The system, inaugurated by Prime Minister Fernando da Piedade Dias dos Santos, is equipped with sensors that permit to detect the elevation of the levels of water in the hydro-graphic basins of the Kuporolo, Catumbela and Cavaco rivers.

Being implemented through United Nations Development Programme (UNDP) assistance, the system will be also installed in other provinces where rivers are likely to overflow and cause human and material damage. In future the project will include other investments to services such as weather forecast, navigational aid and

agriculture. The warning information will be channelled to the National Civil Protection Centre, in Luanda and to units abroad, through satellite and internet.

Source: Angop

Alvarion and Bridgewater announce joint WiMAX deployment in Angola

Alvarion, a wireless broadband network solutions, and Bridgewater Systems, a developer of policy management software for fixed, mobile and converged networks, have announced they are providing MSTelcom with advanced WiMAX solutions to support IP services to be offered in key locations throughout Northern Angola.

This deployment project is planned to support MSTelcom's current services that include national satellite coverage, broadband services, terrestrial links, Internet access, national and international connectivity (telephony), and radio tracking systems.

Bridgewater's proven AAA Service Controller is provided as part of Alvarion's Open WiMAX architecture, enabling MSTelcom to provide robust authentication and authorization for high speed internet and VoIP WiMAX services based on IEEE 802.16e Mobile WiMAX technology. The new network enables MSTelcom to optimize services used as the preferred last mile solution for residential and SOHO markets. In addition, they can maintain continuous technological evolution and enforce the building of a rural satellite-based network for telephony connectivity.

Angelo Gama, CTO of MSTelcom, said: "With a wide range of offered services and growing customer base, we need a reliable and cost effective solution. Bridgewater's powerful AAA Service Controller together with Alvarion's unique Mobile WiMAX technology provides a winning combination for enabling us to offer broadband wireless to our customers, while optimizing our current and future services."

Source: Datamonitor

Information Royal Netherlands Embassy in Luanda

The Department for Consular Affairs is opened for the public from **09:00** to **12:00** from Monday to Friday.

Consular Affairs provide the following services:

- Visa applications
- Legalization of documents
- Passport applications
- Consular declarations
- Residence visa's (MVV)
- Other consular related issues

To contact the consular department by phone:

From Monday to Thursday from **8:00** to **16:30**

Friday from **08:00** to **13:30**

Tel.: (+244) 222 310686/222 311239/222 311269 or 222 311511

Fax: (+244) 222 310966

E-mail: lua@minbuza.nl

www.angola.nlembassy.org

Useful Websites

Official Republic of Angola website:

www.angola.org

Royal Netherlands Embassy in Angola:
www.angola.nlembassy.org

AngolaPress
www.angolapress-angop.ao

Dutch Webpage with Practical Links:
www.angola.startpagina.nl

Exchange Rates

Below the estimated exchange rate for the Angolan Currency Kwanza (KZ), according to the National Reserve Bank (BNA):

- KZ 75,223 to the US Dollar (USD)
 - KZ 108,991 to the Euro (EUR)
 - Not Available S. African Rand (ZAR)
 - KZ 146,527 to the British Pound (GBP)
-

For comments, suggestions and remarks on this Newsletter, or any other business, please contact the Commercial Team at the Netherlands Embassy in Luanda:

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www.angola.nlembassy.org

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Thank you.

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