



India in Angola Economic News



October - December 2020



*TOGETHER IN PARTNERSHIP -
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TOGETHER IN BUSINESS
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EMBASSY OF INDIA
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From the Ambassador's Desk

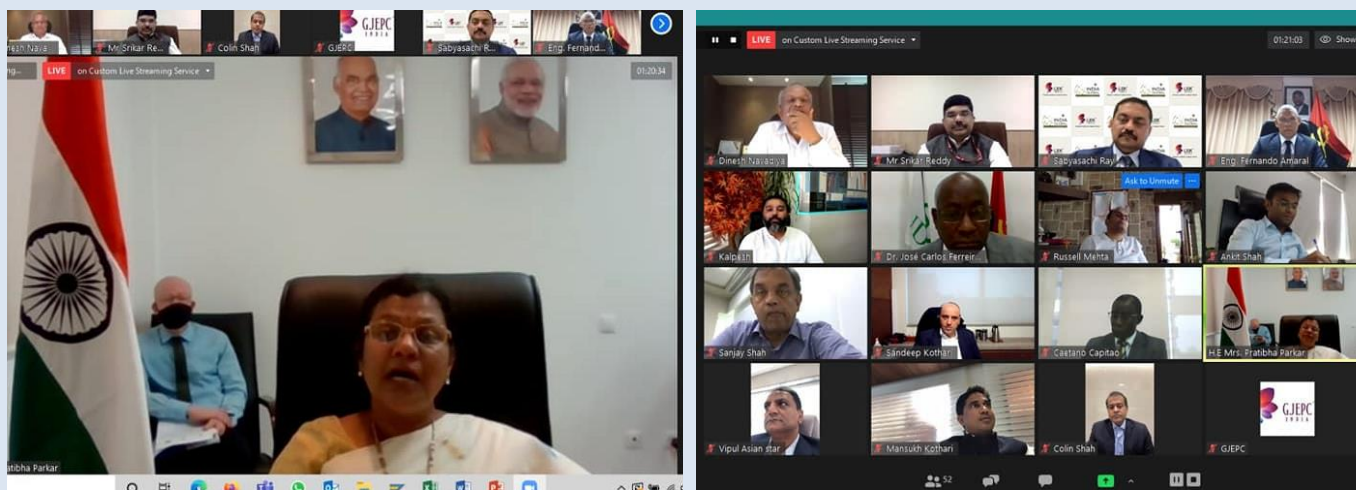


Dear readers,

I am happy to present the second edition of our economic newsletter '**Together in Partnership - Together in Business**'. We are pleased to inform you that during the months of October to December we organized several business events in partnership with various stakeholders from both India and Angola. The prominent event which received wide audience and publicity both in Indian and Angolan media was the 'Global Connect event' dedicated to the gems and jewellery industry. The virtual webinar which was attended by both Indian and Angolan businessmen was organized in cooperation with Gems and Jewellery Export Promotion Council of India and Angola India Chamber of Commerce. We also participated in a host of virtual meetings that were organised during the last two months to tap into each other's strengths, natural resources and bring about their awareness to the business community. Participation of Angolan ministers in virtual business meetings organized by CII underlined the interests and keenness of the Angolan side to widen the economic engagement with India. This will definitely lead to mutually beneficial new initiatives. We will also introduce you to the business opportunities available in the provinces of Angola. This month we are providing facts on Lunda Norte and Lunda Sul. Your suggestions, comments and feedback are welcome. I request you to share this newsletter with your colleagues and acquaintances. Each newsletter will also be posted on our website (www.indembangola.gov.in) Facebook page (@indiainangola2019) Twitter (@IndiainAngola) and Instagram (@india_in_angola). Wishing all readers Merry Christmas and a Happy and healthy year ahead.

Yours Sincerely,
Pratibha Parkar
28th December, 2020

India Global Connect



Despite being the third largest producer of diamonds in Africa, Angola has only explored 40 per cent of its diamond-rich territory, and has faced difficulty in attracting foreign investment. In a first ever event for enhancing diamond trade between Angola and India, the Embassy of India in cooperation with the Gems and Jewellery Export Promotion Council of India (GJEPC) and Angola India Chamber of Commerce jointly organised the India Global Connect on 3rd December. The meeting saw participation of government/commerce chambers delegates from India (Joint Secretary, Department of Commerce, Government of India; Chairman, Vice Chairman and Executive Director of GJEPC) and Angola (Endiama, Sodiam and President Angola India Chamber of Commerce) and prominent private players on both sides viz. Kapu Gems, KGK Diamonds, RosyBlue, Tiku Gems, KBS Diamonds, Ankit Gems, Vasupati Jewellers. Ambassador Parkar informed the audience that Angola wanted to shed its overdependence on oil exports and was keen on diversifying its export basket to other segments. She added that the country is looking at foreign direct investment from Indian companies to help realise the mining potential. Fernando Amaral of Sodiam (Angolan National Diamond Trading Company) stated that diamonds are an important source of avenue for Angola and its people, and with the new diamond policy it would like to sell through sights, tenders and spots and is looking to sign contracts. Angola is hoping to increase diamond production from about 9 million carats per year to 15 million carats by 2022. He invited Indian companies to invest in Angola and cut and polish diamonds locally. GJEPC Chairman Colin Shah stated that "Angola could look at the prospect of selling its rough through SNZs (special notified zones) in India, and have an agreement between GJEPC and Sodiam for boosting Indo-Angola trade ties. He stated Angola's proposal for India to invest on diamond mining and processing as a lucrative offer and called on Indian companies to look at it seriously. **Gems and jewellery sector provides a good opportunity to further strengthen the trade between India and Angola. The meeting acted as an ice-breaker and Angola Invited Indian companies to invest in diamond mining and processing. The meeting was covered prominently by both Indian and Angolan media.**

Economic Trends & Developments

Reduction in Import tax

The government announced reduction in the import tax on personal use goods from 25 to 16 percent with effect from 2021. The measure aims to improve and simplify the import regime of goods considered for personal use. On this basis, it was proposed in the GSB Law of 2021 to waive the clearance procedure and payment of customs duties for goods shipped by the post office through courier or express cargo operators. The measure also covers goods contained in the personal luggage of travelers, provided they meet the requirements of the concept of goods for personal use and do not exceed the limit per traveler or consignment, the value of 880. 000.00 (eight hundred and eighty thousand Kwanzas) as opposed to the two hundred and thirty-two thousand three hundred and twenty Kwanzas (232,320.00) currently in force. This proposal takes place under the terms of the Customs Tariff approved by Presidential Legislative Decree No. 10/19 of 29 November. The goods that do not meet the requirements of the concept of goods for personal use or whose value is between 880,001.00 (eight hundred and eighty thousand and one Kwanzas) and 1,320,000.00 (one million three hundred and twenty thousand Kwanzas), will be subject to the simplified clearance procedure.

Angola joins FTAA on January 1, 2021

With the entry into force of the agreement creating the African Continental Free Trade Area (ACFA), scheduled for 1 January 2021, the Angolan government has accelerated the process of ratification of the Agreement and deposited the document in the African Union on 4th November. The process of finalization of the tariff offer and the list of commitments for trade and services and technical assistance activities with specialized areas of the African Union Commission is likely to be completed soon. This would boost intra-continental exchanges of Angola.

Electronic Private Investment Processing System

A tool to streamline and ease the investment processing system in the country SETIP has been introduced. It is an electronic tool that serves to automate the process of processing private investment proposals and the interaction between investors and public administration bodies with influence on the private investment procedure. Through this platform the investor can, submit the investment proposals online from anywhere in the world; and access the services provided by AIPEX, the country's premier export and investment promotion agency.

Economic Trends & Developments

Foreign investors can now repatriate dividends

The National Bank of Angola (BNA) announced that foreign investors in Angola can now repatriate the dividends lawfully obtained from operations in the country, by complying with specific regulations. The regulations shall apply to all foreign investment made, with the exception of investments in the Petroleum sector. It is supported by the communication of 23 December 2019, Notice No. 15/2019, of the National Bank of Angola (BNA) on the new regulations applicable to investment by foreign exchange non-residents in Angola and clarifies that foreign non-resident foreign exchange investors wishing to invest in Angola must open a bank account with a commercial bank in the country, to which they may transfer funds in foreign currency from abroad.

Angola Diamond Exchange 2021

Angola's diamond industry, which emerged a century ago under Portuguese colonial rule, is moving towards liberalization. The government of Angola has identified key steps towards launching of its own diamond exchange in Luanda, which it has announced will be opened by the end of 2021. The country is setting up a gemological academy, a technological research centre, within the same free-trade zone as the Angolan Diamond Bourse (ADB). Angola, the world's fifth diamond producer by value and sixth by volume, has already appointed an adviser for the creation of a diamond hub to streamline sales and marketing of the rough the country produces. The National diamond company (Endiama) is seeking international partners in an attempt to place Angola among the world's top-three diamond producers. The country's total output in 2019 was 9.1 million carats, a figure the government expects to increase to almost 15 million carats by 2022.

Special Notified Zone

Angola has created a Special Economic Zone (SEZ) with the objective of carrying out an expansion and modernization of the Angolan economy. The Luanda-Bengo Special Economic Zone (SEZ), a physically demarcated space endowed with fiscal benefits and competitive advantages, is equipped with infrastructures suitable for national and foreign companies and is fostering domestic production, job creation, competitiveness and innovation. The SEZ is owned by the Angolan State, and comprises of twenty one (21) flexible reserves, seven (7) Industrial Reserves, six (6) Agricultural Reserves, and eight (8) Mine Reserves, distributed among the municipalities of Viana (8000 hectares), Cacucaco (20000 hectares) and Icolo e Bengo (30000 hectares), in the province of Luanda, and in the municipalities of Dande and Ambriz (120,000 hectares) in the province of Bengo.

Economic Highlights



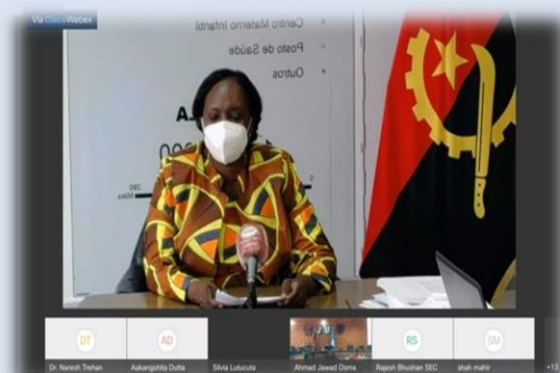
The Peninsula Foundation organised an interactive lecture on India-Angola relations on 4th December. Ambassador Pratibha Parkar provided an overview on our bilateral relationship, and took Questions on the future direction of the relationship.



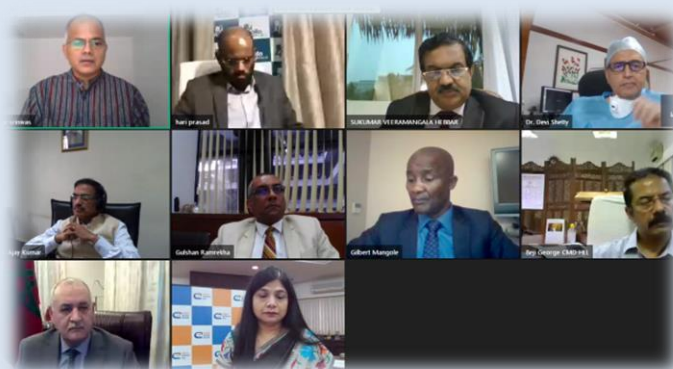
Ambassador Parkar hosted the Indian and Angolan business community members and discussed the challenges faced by the business community, their solutions and assured support to the community with the aim towards strengthen B2B ties and to take forward the Indian and Angolan businesses together. The events were organized in small groups on 11th and 15th December. Besides the Indian and Angolan members of the India Angola Chamber of Commerce, the events saw the participation, inter-alia, of Mr Nazim Charania, President of the India Angola Chamber of Commerce; Mr Vicente F Soares, President of the Chamber of Commerce & Industry, Mr. Kitoko Maiawangua, President of the Angola Health Association; Dr. Lello Francisco, Member of the Board of AIPEX; Mr Gentil Viana, President Rede Camponesa S.A.; Ms Francisco Fortes, President of the Assembly of the Federation of Woman Entrepreneurs

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Economic Highlights



In her special address at the Asia Health 2020, organised by the Ministry of Health and Family Welfare of India and Confederation of Indian Industry, H.E. Ms. Silvia Paula Valentim Lutucuta, Minister of Health of Angola, highlighted developments in the Healthcare sector in Angola, the need for innovative health solutions, role of technology and the available opportunities for cooperation in this sector.



Ministry of Health of Angola participated at the, the India-Africa Dialogue on Prospects in healthcare organised by EXIM Bank, On 2nd December. The Angolan delegates included Dr. Luz Macituambi, Director of the Office of the Secretary of State for Public Health and Dr. Juklio Fernandes, Director of Foreign Affairs, at the Ministry of Health.



Ambassador Pratibha Parkar highlighted immense potential for businesses to contribute towards the growing economic and trade relations between India and Angola and invited Indian companies and exporters to Angola, during the virtual webinar on 'Opportunities for Business & Investment in Angola & scope for India', The webinar was organised by the Indo-African Chamber of Commerce and Industry on Trade Organisation, Mumbai on 30th September.

Promoting Trade and Investment



Ambassador met Mr. Antonio Henriques da Silva, President of the board of Directors of the Angola Private Investment and Export Promotion Agency (AIPEX) on 6th November and discussed proposals towards providing hand holding to Indian companies and ideas on increasing trade and investment between India and Angola.

Ambassador met Ms Lucia Stanislas, President of India-Angola Women Business Chamber Council on 5th November, towards exploring potential opportunities of collaboration between young entrepreneurs in India and Angola and discussed ideas towards empowerment for rural women along with the best practices emanating from India.



On 26th November, the Embassy of India along with Goa Shipyard Ltd and National Building Construction Company had a virtual meeting with the Ministry of Defence of Angola wherein GSL and NBCC showcased their products, know-how and technical prowess.

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Angola – the place for your future business



Lunda Norte

A province located in the northeast of the country.

Capital : Dundo-Chitato, in the municipality of Chitato.

Founded : 4 July 1978 (42 years)

Governor : Mr. Ernesto Mwangala (since 2008)

Population : Around 1 million

Area : 103,760 sq km.

Industrial Advantage : Hub of Diamonds (with first reserves discovered in 1912)

Hub of Mining Activity : Extraction of diamonds and gold, with operations at the Luó diamond mine, the Lucapa diamond mine and the Cachimo and Cambulo mines.

Lunda Sul

A province in the far east of Angola.

Capital : Saurimo

Governor : Daniel Felix Neto (since 2018)

Area: 77 637 Km²; altitude of 1,096 meters above sea level;

Population: 400 000 inhabitants; density of 5.1 inhabitants / km²;

Agricultural Production : Agricultural rice, manioc, corn, horticulture; Avocado, Peanut, Pineapple, Sweet Potato, Cutelinho Beans, Guava, Cassava, Mango, Vegetables, Timber Resources, (Tropical Forest), Pine, other livestock;

Industrial Advantage :

Rich in Minerals such as Diamond, manganese and iron; The inauguration of Saurimo diamond pole in 2021 is likely to change the landscape of investment in the area and make it a new hub of diamond activity. Has a lot of Construction activity.

