



## TOURISM

### HEAD OF STATE OPENS WORLD TOURISM FORUM

Angola, | May 27, 2019

**It is the second time that a WTF meeting takes place in an African country**



The President of the Republic, João Lourenço, opened on Thursday morning, in Luanda, the World Tourism Forum (WTF). It is the second time that a WTF meeting takes place in an African country after Accra, the capital of Ghana. The forum has already been held in Turkey, the United Kingdom, Qatar, USA and the United Arab Emirates (Dubai).

Founded in 2015, the WTF brings together professionals who run the tourism industry with the international summits, and who each year builds bridges between the various countries in the world. The World Tourism Forum, according to its president, has an investment of USD 1 billion in Angola to help the development of the sector in the African country.

Angola will work with the WTF for a minimum of five years, with the aim of developing tourism, attracting investors and promoting the image of Angola. In addition to meeting in Luanda the leaders of the tourism industry around the world, WTF will address themes such as "Tourism in Africa", "Digital or Computerized Tourism", "The Role of Government in Business Travel", "Why invest in Angola ", and "The secret or the history of the success of the tourist destinations ", among other subjects.



The event, which bring together approximately 1,500 delegates, can bring investment opportunities in the sectors of construction, transport, energy and water and agriculture and provide job creation, as tourism is an investment industry for peace and as well as opportunities.

The World Tourism Forum is a global organization that holds tourism events in different parts of the world to further boost global tourism. It also pays particular attention to the relationship between local and global tourism trends as well as strategies for more sustainable tourism growth.

Angola has a largely untapped tourism potential. Endowed with a great natural beauty, the country has a variety of landscapes worthy of a postcard. There are many historical, cultural and traditional sites and monuments built during the colonial era. However, the natural zoological reserves are not yet part of an integrated tourist circuit and have yet to be developed.

It is necessary to underline the qualities of its people, warm and welcoming. A wide variety of cultural activities, dancing, cooking, fishing and sport hunting, water sports can enhance the stay. The capital, Luanda, is a port city that combines culture and seaside pleasures without forgetting the surrounding islands. The deep country is divided between coastal cities along the Atlantic and continental cities.



## Economics

### ANGOLA'S NATIONAL BANK REDUCES BNA RATE TO 15.5%

Luanda-Angola | May 27, 2019

**The Gross International Reserves (RIB) stood at USD 16.33 billion in April 2019, representing a degree of coverage of imports of goods and services of 8.97 months.**



The Monetary Policy Committee of Banco Nacional de Angola (CPM) met on 24 May 2019, and decided to reduce the BNA Rate to 15.50%. The CPM decided to keep unchanged the interest rate of the Permanent Liquidity Absorption Facility at 0% and the coefficients of the Mandatory Reserves in local currency at 17% and 15% in foreign currency.

These decisions were sustained by the fact that year-on-year inflation continued to fall, as well as by the evolution of the Monetary Base in national currency, the operational variable of monetary policy, which contracted by 0.54% over the last twelve months.

In April 2019, the National Consumer Price Index (NPI) showed a monthly variation of 1.05%, lower than that recorded in the previous month (1.09%) and a year-on-year variation of 17.36%, likewise lower than that recorded in the previous period (17.56%).

In turn, the monthly variation of the Wholesale Price Index (IPG) stood at 1.39%, higher than in the previous month (1.35%). The year-on-year variation was 17.17%, higher than in the previous period (17.13%). It should be noted that since mid-2018, the variation in the IPG of domestic products has been higher than that of imported products.



In April, the interbank money market traded a total flow of Kz 393.93 billion, representing an increase of Kz 115.61 billion (41.54%) compared to the previous period. LUIBOR in the overnight maturity stood at 15.73%, which represented a reduction from the level of March 2019 (15.76%).

The monetary aggregate M2 in local currency, which comprises all bank deposits in local currency and notes and coins held by the public, recorded a positive variation of Kz 11.37 billion in relation to the level observed in March 2019, rising from Kz 4.31 billion to Kz 4.32 billion in April 2019, which corresponds to an increase of 0.26%. In the last 12 months, this indicator varied negatively by 1.07%.

In April, the stock of credit in local currency registered a monthly expansion of 2.06%, compared to the relative stability recorded in March. In the last 12 months, it decreased around 1.41%.

In March and April 2019, BNA sold to the market a total amount of USD 1.56 billion through commercial banks, against USD 1.43 billion in the first two months of 2019. Compared to the homologous period, in which USD 1.64 billion were sold, there was a decrease of 5.03%.

In March, the goods account recorded a surplus of USD 2.07 billion, with total exports of USD 2.98 billion and imports of USD 909.01 million. Also, in April the account registered a surplus of USD 1.93 billion, with exports at USD 2.86 billion and imports at USD 923.64 million. Thus, in the two months analysed, the goods account showed the same performance, registering an increase of 108.83% compared to the previous two months (January and February).

The next ordinary meeting of the Monetary Policy Committee of Banco Nacional de Angola will take place on 26 July 2019.

## ECONOMICS

### ANGOLA'S ECONOMY EXPECTED TO RETURN TO GROWTH IN 2021

Luanda-Angola | May 24, 2019

**Angola's economy expected to return to growth in 2021, after two years of contraction**

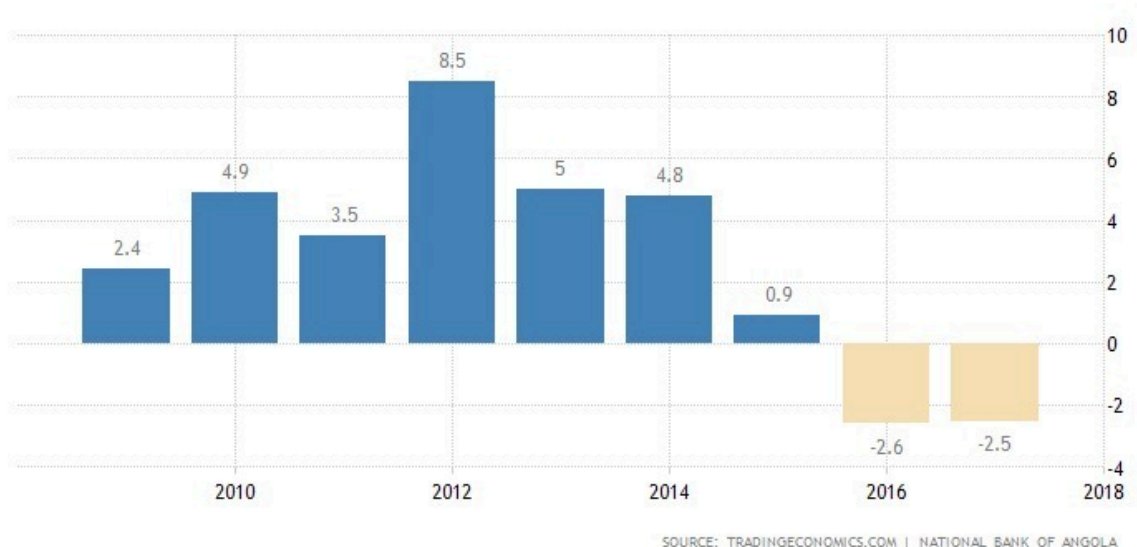


The Angolan economy will only grow again in 2021, according to forecasts by the Economist Intelligence Unit (EIU), which forecasts a positive rate of 4.2% for that year and falling again in the next two years, at an average of 3.45%.

After an economic contraction estimated at 0.9% in 2018, the EIU expects a contraction of 4.5% this year, which will increase by 30 basis points to minus 4.8% in 2020.

The summary with forecasts for Angola from 2019 to 2023 shows that oil production will tend to decline as the years go by, from 1.4 million barrels per day in 2019 to 1.3 million in 2020, 1.2 million in 2021 and 1.1 million in the last two years of the period considered.

The Angolan minister of Mineral Resources and Oil has recently called on oil companies operating in the country to cooperate in reversing the current drop in production.



Diamantino Azevedo asked those present at the meeting to ensure production remained at 1.49 million barrels per day, a target that is registered as the average production in the 2018-2022 National Development Plan and is also included in the proposal to review the General State Budget for 2019 as crucial for the formation of tax revenues.

In its latest report on Angola, the EIU notes that the decline in oil production will lead to a 12.6% drop in the country's exports in 2019, which will be further aggravated in 2020 as prices per barrel of oil are expected to remain low. "Exports are expected to rebound in 2021 due to higher prices per barrel but the expected drop in production will cause revenues to stagnate by 2023," the report said.

The document also outlines that imports will tend to decline in 2019, due to a fall in domestic demand and continued depreciation of the kwanza against the euro and the dollar, which will lead to a deterioration in the prices of imported products.

The current account surplus is expected to decline from an estimated 7.6% of gross domestic product (GDP) in 2018 to 2.7% in 2019, owing to falling oil prices, which will worsen to a deficit of 1.7% of GDP in 2020, as exports decline.

That balance should return to surpluses only in 2021, with a rate of 0.5% of GDP, as a result of the recovery of prices per barrel, but the drop in oil production is expected to drive a return to deficits, of -1.0% of GDP in 2022 and -1.5% in 2023.

**International****François Hollande attends the World Tourism Forum**

Luanda | May 23, 2019

**François Hollande praises Angolan president vision on tourism**

The former French President François Hollande on Thursday in Luanda praised the strategic vision of the Angolan Statesman João Lourenço in promoting tourism as a development factor. Hollande, who has been in Luanda for a few hours to attend the International Tourism Forum, spoke to the press at the end of an audience granted by the President of the Republic.

To the former French statesman, "President João Lourenço understood what tourism is about, not simply in the view of visiting people, but in what tourism can provide for the development of the arts, commerce and other sectors of the Angolan economy "He said he believed Angola's potential and the "great opportunities" of investment for nationals and foreigners. The 24th President of France stated that the business of his country can help develop tourism in Angola, given the capacity and experience it has in areas such as hotel. He also spoke of the possibility of promoting and motivating the internal capacity of the national business community.

François Hollande welcomed the growing pace of cooperation between the two countries. He also believes that the French President, Emmanuel Macron, will visit Angola next year, as part of strengthening bilateral cooperation in the economic, tourism and defence areas. François Gérard Georges Nicolas Hollande, born on August 12, 1954, served as French President from 2012 to 2017.

## INVESTMENTS

## RADISSON INCREASES ITS INVESTMENTS IN ANGOLA

Angola | May 24, 2019

The international hotel chain Radisson Hotel Group may build five three-star hotels in Angola over the next few years, the development department director for southern sub-Saharan Africa said on Thursday.



Erwan Garnier, quoted by Angolan state news agency Angop, said that Angola is included in a group of eight priority countries, in which the group intends to open 50 hotels from 2022 onward. The new hotels will join the more than 100 that the group has in 32 African countries, with the strategy for Angola focused on Luanda, “as it is the capital of the country,” and later expanding to other provinces such as Cabinda, Benguela and Namibe.

Meanwhile, the managers of international hotel chains Aleph Hospitality and Kasada Capital have asked for guarantees from the Angolan government to protect their business in the country. Bani Haddad, founder and managing director of Aleph Hospitality and Olivier Granet, chief executive and managing partner of Kasada Capital Management, said they are interested in making long-term sustainable investments (30 to 40 years), but need guarantees of security in the sector.

Aleph Hospitality, founded in 2015, is a hotel management company and Kasada Capital Management is a hospitality investment platform with applications and assets in sub-Saharan Africa.

## OIL & GAS

## ANGOLA OIL & GAS CONFERENCE MEETING

Luanda | February 25, 2019

**The first Angola Oil & Gas 2019 conference will be held June 4-6, 2019 at the Centro de Convenções Talatona (CCTA) in Luanda, Angola.**



Angola Oil & Gas 2019 will be the ultimate venue for the presentation of oil and gas projects, ongoing exploration activity, mergers and acquisitions and the presentation of companies operating in Africa's second largest oil producer, with 1.5 million barrels per day.

The conference will be the definitive platform for the government to disclose details about the 2019 oil and gas licensing round and to unveil new legislation for gas exploration and investment in marginal oil fields. Also a focal point of the program will be the creation of a new National Agency for Petroleum and Gas, which in 2019 will assume oil and gas licensing responsibilities.

The event will gather key governmental officials and C-level executives spanning the spectrum of the energy industry for a packed agenda of keynote presentations, moderated panel discussions, an exhibition, and networking gatherings. Angola Oil & Gas will put a premium on deal making and relationship brokering as Angola aims to attract investment in all segments of the petroleum industry. African ministers of petroleum will attend the event, as well as international investors and decision-makers.



# ANGOLA-HUNGARY NEWSLETTER

Newsletter of the Embassy of Angola in Hungary  
1124 BUDAPEST, SIRALY U. 3.

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“This is the time for global oil and gas investors, and Africa-focused companies, to take a fresh look at Angola,” said Africa Oil & Power CEO Guillaume Doane. “The petroleum industry is set to benefit from the impetus provided by a new political administration and favorable oil prices, as well as the increasing influence of local companies. Angola Oil & Gas 2019 will be the catalyst for economic activity and investment in Angola, a platform to showcase the country’s enormous potential, explain the projects and meet the key actors.”

A comprehensive report on the Angolan energy sector entitled Africa Energy Series Angola 2019 will also be produced in tandem with the conference. The book will be an official investment tool for the Angolan oil and gas industry and will feature interviews and resources on Angola’s most pressing energy issues and opportunities, including the acquisition of new licenses and new exploration of the offshore basins, strategies for reversing oil production declines, the potential for onshore oil and gas exploration, the emerging role of LNG, building a strong domestic sector and diversifying the economy through downstream efforts. The conference will feature discussion themes on the following:

- ✓ The investment climate in Angola under the new leadership of H.E. President Lourenço and the Minister of Mineral Resources and Petroleum, H.E. Diamantino Pedro Azevedo.
- ✓ The role of the new National Oil and Gas Agency and the privatization of some Sonangol subsidiaries.
- ✓ Acquisition of new licenses and continued exploration and development of the offshore basins.