

India-Angola Relations

India and Angola have traditionally enjoyed friendly relations dating back to pre-independence era of Angola. India supported Angolan freedom struggle against the Portuguese colonial rule till the country attained independence in 1975. Later, India continued to support the MPLA (Popular Movement for the Liberation of Angola) which has remained at the helm of affairs of the country since Angola's independence. Angola and its leadership appreciate India's consistent support in the past and hope to derive benefits from the significant advances India has made in recent times in agriculture, industry and technology.

Political Relations

Late Prime Minister Rajiv Gandhi visited Angola in May 1986 and Mr. José Eduardo dos Santos, President of Angola since 1979, visited India in April 1987. After a gap of 19 years, Angolan Minister for External Relations, Mr. Joao Bernardo de Miranda visited India in May 2006 and had useful meetings with the Ministers of Commerce and Industry, Petroleum and then Minister of State for External Affairs Shri Anand Sharma. He also called on PM. A Protocol on Foreign Office Consultations was signed during the visit. The two sides also agreed, in principle, to sign Agreements for the Promotion and Protection of Investments and Creation of Bilateral Commission for Cultural, Technical, Scientific & Economic Cooperation. Prime Minister Dr. Manmohan Singh met with President Jose Eduardo dos Santos on the sidelines of the G-8 meeting at L'Aquila, Italy on July 10, 2009.

Shri Anand Sharma, then Minister of State for External Affairs, visited Angola from June 8 to 9, 2007 and had detailed discussions with the President of Angola, Ministers of External Relations, Petroleum and Geology & Mines, President of ENDIAMA and Secretary, Political Bureau of International Relations of the ruling MPLA Party (former Foreign Minister of Angola). Shri Jairam Ramesh, then Minister of State for Commerce, accompanied by a 10-member delegation, visited Angola from March 28 to April 1, 2008 and held discussions with Ministers of Geology & Mines, Oil, Vice Minister of External Relations, President of ENDIAMA, and the National Director of the Ministry of Commerce. Shri Murli Deora, then Minister of Petroleum and Natural Gas, accompanied by a delegation of oil and gas PSUs and others, visited Angola in January 2010, to enhance cooperation in the oil and gas sector between the two countries. In recent years, delegations from Reliance Industry Limited, HPCL Mumbai, Engineers India Ltd. and Mittal Investments UK Limited visited Luanda to explore cooperation in the oil and gas sector. Private sector Investments, trading and businesses from India need to be encouraged and promoted in Angola both in oil and non-oil sectors.

Notable visits from Angola to India were of: (i) Dr. Manuel Calado, President of ENDIAMA (October 2006 and April 2007); (ii) Mr. Aguinaldo Jaime, Assistant Minister in the Office of the Prime Minister of Angola; (iii) Mr. Paulo T. Jorge, Secretary, Political Bureau of International Relations of the ruling MPLA Party; (iv) Mr. Joaquim Duarte da Costa David, Minister of Industry; (v) Mr. Gilberto Buta Lutukuta, the then Minister of Agriculture; (vi) Vice Minister for Health (September 2001) and also to participate in a Conference on Avian and Pandemic Influenza held in New Delhi (December 2007); (vii) Minister for Planning and Chairman of the SADC Council of Ministers (July 2003), (viii) Mr. Abrahao Pio Dos Santos Gourgel, Vice Minister of Industry (August 2005); and two private visits of Mr. Jose Eduardo Zu Du P. dos Santos (son of the President of Angola) (May 2007 and February 2008); (ix) Mr. Jose Maria Botelho De Vasconcelos. Minister for Petroleum to attend

the Petrotech Conference in New Delhi (October 2010); (x) A delegation from Ministry of IT and Telecoms (e-governance) to assess the Pan Africa E-net Project (December 2010); (xi) Minister for Petroleum Jose Maria Botelho De Vasconcelos visited India to attend the Petrotech Conference in New Delhi (October 2010) (xii) Mr Georges R Chikoti, Minister of External Relations to attend India-LDC Ministerial Conference in New Delhi (February 2011). (xiii) In Oct 2015, Vice President of Angola, Manuel Vicente visited India to participate in the Third India Africa Summit. He was accompanied by a high level delegation comprising the Ministers of Foreign Affairs, Agriculture, Information Technology and Communications. (xiv) General Salviano de Jesus Sequeria 'Kianda', Secretary of State, Ministry of National Defense led a delegation to India to attend the DEFEXPO INDIA 2016 held in Goa from 28-31 March 2016 (xv) Minister for Former Combatants and Veterans of the Homeland General Cândido Pereira dos Santos Van-Dúnem visited India from 3-7 May 2016. He led an inter-ministerial delegation comprising representatives from departments of health and agriculture. During the visit he had meetings with Minister of State for External Affairs Dr. (Gen) V.K. Singh, Minister for Food Processing and Secretary (EWS) in the Ministry of Defence (xvi) Minister of Agriculture, Pedro Canga visited India from 24-30 May 2016. In his meeting with Indian Minister of Agriculture Sh. Radha Mohan Singh, the two sides discussed bilateral cooperation in agriculture. (xvii) Vice President led the Angolan delegation to the Third India Africa Forum Summit held in New Delhi from 26-29 Oct 2015 and included the Ministers of Foreign Affairs, Agriculture, Water and energy, Telecommunications and Information Technologies (xviii) Mr. Abrahão Gourgel, Minister of Economy was in India on a three day visit from June 13, 2017. He was accompanied by a high level delegation comprising Secretaries of State, Government of Angola in the areas of Agriculture, Industry, Geology & Mining and Transport sector and the Deputy Governors of Bengo, Huambo, Huila and Zaire provinces.

From the Indian side, notable visits were of: (i) Shri Eduardo Faleiro, then MOS for External Affairs (October 1986); (ii) Shri A. Shreedharan, then MOS for Commerce (1990); (iii) Shri Mahendra Prasad, Hon'ble Member of Parliament (Rajya Sabha) (September 2003); (iv) FICCI delegation (September, 2005); (v) Gems & Jewellery Export Promotion Council delegation (November, 2006); (vi) Delegation from Oil PSUs (September 2010); (vii) Delegation from MMTC Ltd (November 2010), (viii) Visit of Shri M.G. Vaidya, Chief Executive, State Bank of India (January 2011), and GAIL (India) delegation (May 2011). A number of private business delegations, including those organized by CII in November 2013 and FICCI in May 2014, have also visited Angola in the recent years resulting in a steady growth of bilateral economic and commercial relations. Minister for State (External Affairs) General (Dr) V.K. Singh (Retd) visited Luanda on 15 July 2015 as Special Envoy of the Prime Minister of India to hand over of invitations for the Third India Africa Forum Summit to take place in New Delhi on October 2015. During the visit he called on Vice President of Angola, Mr. Manuel Vicente and had meeting with Foreign Minister Mr. Georges Chikoti.

Economic and Commercial Relations

India's imports from Angola registered considerable growth from US\$ 4242.79 million (2009-2010) to US\$ 7157 million (2012-13). In 2015-2016, it declined to US \$ 2767 million owing to decline in oil prices. On the other hand, India's exports to Angola decreased from US\$ 675 million (2010-2011) to US\$ 223 million (2015-16) mainly due to general import curbs arising from the forex

problem. India has become 3rd largest trading partner sharing about 10% of Angola's external trade mainly on account of bulk crude oil purchase. China's oil imports from Angola, are however, four times that of India. The data for the years 2010-11 to 2015-16 are as follows:

India's Imports/Exports From/To Angola

(US\$ Millions)

| | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--------|---------|---------|---------|---------|---------|---------|
| Import | 5112 | 6625 | 7157 | 5992 | 4617 | 2767 |
| Export | 675 | 454 | 488 | 536 | 552 | 223 |
| Total | 5787 | 7079 | 7645 | 6528 | 5169 | 2990 |

Angola remained the second largest source of crude oil for India, after Nigeria, in the Sub-Saharan Africa. GAIL and other Indian companies had shown interest in imports of LNG from Angola. The principal items of Indian exports are tractors and transport vehicles, agricultural machinery and implements, food and meat products, pharmaceuticals and cosmetics, Tea, Rice (Basmati), Spirits & Beverages, finished leather; paper/wood products etc.

Government of India extended a line of credit of US\$ 40 million to Government of Angola for CFM Railway Rehabilitation Project, the first Government-to-Government initiative between the two countries and Rail India Technical and Economic Consultancy Services (RITES) Limited which started implementation of the project in 2005 handed over the project to Angolan Minister of Transport on August 28, 2007.

EXIM Bank of India extended three credit lines of US\$ 5, 10 and 13 million for agricultural equipment and Indian tractors. These LoC's have been utilized by Angola. Two additional lines of credits of amounts US\$ 30 and 15 million to construct a cotton spinning and ginning plant and an Industrial park was approved by EXIM bank in 2010. These projects are underway. Further, in June 2012, EXIM Bank of India extended a Line of Credit of US\$ 23 million to the Government of Angola for supply of tractors, implements and related spares.

The State Bank of India which opened its Representative Office in Luanda in April 2005 also extended a commercial line of credit of US\$ 5 million for supply of tractors from India.

As a goodwill gesture, Ministry of External Affairs, Government of India gifted 5 ambulances manufactured by M/s Mahindra & Mahindra to the Government of Angola which were handed over on December 6, 2005 to Mr. Andre Luis Brandao, then Minister of Transport in the presence of Dr. Sebastiao Sapuilo Veloso, then Minister of Health, on August 28, 2006.

Optimum utilization of ITEC scholarships slots happened in 2010 due to sustained efforts by the Mission leading to 60 Angolan officials being sent to India to attend various courses. However, generally, ITEC slots from Angola remain unutilized or highly under-utilized due to language issues. No slots were used in 2014-15. India is offering 30 ICCR scholarships to Angolan students for undergraduate/graduate courses. These scholarships are actively utilized every year.

IAFS Process: Angola is yet to join the Pan-Africa E-Connect Project offered under IAFS-I in 2010 though the relevant Angolan authorities have recently shown interest in the Project, by proposing a technical mission to India. Further, India had offered to set up a Food Processing Business Incubation Centre in Angola under IAFS-II decision in 2011. Only in September 2013, a Ministry of Food Processing Industries Delegation visited Luanda and held technical discussions on the Project, after Angola finally evinced interest in the project.

Indian Community & Investments:

Indian community in Angola is limited to around 500 persons, mainly in business and professionals in offshore oil fields. Earlier, a couple of years before, the number was nearly 3,000 with most engaged in catering, supermarkets, trading and other services; in industries dealing in plastics, metal, steel, garments, etc; Angola LNG project in Soyo Province and a cement plant in Sumbe, constructed by ETA Star Group. There are a large number of people of Indian-origin in Angola holding passports of different nationalities. They are estimated to be about 4000, most of them engaged in trading and construction business. Investments by Indian businessmen in Angola are basically discouraged by factors such as language barrier, distance, typical business ethics, and complicated procedures pertaining to business visas and issue of Work Permits. Of late, due to the declining foreign exchange reserves, the local authorities have imposed restrictions on the repatriation of dollars/foreign currency which has become another constraining factor.

Useful Resources:

Embassy of India, Luanda website:

<http://www.indembangola.org/>

Embassy of India, Luanda Facebook page:

<https://www.facebook.com/pages/Embassy-of-India-Luanda/209463462473631>

October 2017