

AFRICA RISK CONSULTING

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Angola Summary 23 May 2025

President João Lourenço (2017-present) makes a state visit to India from 1 to 4 May to mark the 40th anniversary of diplomatic relations and sign wide-ranging agreements, the most significant of which is a \$200m defence line of credit to support the modernisation of Angola's armed forces. International Monetary Fund (IMF) downgrades Angola's economic growth prospects for 2025 from 3% to 2.4%, warning of risks to the country's budget following a post-financing assessment mission to Angola. The trial of Generals Manuel Vieira Dias Júnior and Leopoldino do Nascimento on charges including embezzlement, fraud, money laundering and influence peddling resumes briefly on the 12 May for its sixth session. A second important corruption trial against former Banco Espírito Santo Angola (BESA) chairman Álvaro Sobrinho and four other former managers of the group is also taking place.

Lourenço makes state visit to India, agrees defence line of credit

President **João Lourenço** (2017-date) made a state visit to **India** from 1 to 4 May at the invitation of the his counterpart **Droupadi Murmu** (2022-present), to mark the 40th anniversary of diplomatic relations and sign wide-ranging agreements.¹ Lourenço's visit marked the first visit to India by an Angolan head of state in 38 years.²

India is the second largest buyer of Angola's oil and gas output, after **China**, and Angola's second largest trading partner. The visit is a consequence of the importance of Angola's oil to India, and of India's diplomatic outreach across Africa in recent years, including extending credit lines worth over \$12 billion to African countries.³ India's secretary for economic relations **Dammu Ravi** confirmed that bilateral trade between India and Angola is worth \$4.2 billion, of which 90% - or \$3.5 billion - is trade in oil and gas.⁴

The new agreements signed will increase Indian trade with Angola. Indian exports to Angola are currently worth about \$700m, consisting of pharmaceuticals, vaccines, automobile components, engineering products, plastics and refined oil.⁵ However, the largest and most significant agreement is for a \$200m defence line of credit to support the modernisation of Angola's armed forces, as announced by India's prime minister **Narendra Modi** (2014-present).⁶ Ravi added:

*"[Angola] will be sourcing defence equipment from India. Already they are in touch with the private companies and also public sector companies for various items to be sourced from India"*⁷

Discussions also covered collaboration in the repair, overhaul, and supply of defence platforms, and training for Angolan military personnel.⁸ Pharmaceuticals are another important plank in India-Angola trade, and Lourenço told the **Angola India Business Forum** that Angola aims to establish partnerships with India for the installation of medicine production units in the country.⁹ India is well

¹ Business World, 3 May 2025

² Thai News Service, 7 May 2025

³ Thai News Service, 7 May 2025

⁴ Business World, 3 May 2025

⁵ Business World, 3 May 2025

⁶ Business World, 3 May 2025

⁷ Business World, 3 May 2025

⁸ Business World, 3 May 2025

⁹ Angola Press News Agency, 4 May 2025

placed to support Angola in this, since it produces 20% of the global pharma supply chain, and about 60% of the world's vaccines.¹⁰

Other agreements signed focused on expanding their energy partnership and enhancing cooperation in digital public infrastructure, space technology and capacity building.¹¹ Discussions were also held on critical minerals and fertilisers. India currently imports iron, steel, copper, aluminium and lead from Angola and exports primary and semi-finished iron and steel.¹² Angola hosts at least 34 of the 54 critical minerals identified by the **European Union (EU)** and is increasing exploration, production and downstream projects.¹³

Angola's minerals were also on the agenda, with diamond trading currently at the forefront. Indian diamond companies have been long established in Angola's \$1.5 billion industry, including globally dominant diamond trading and cutting multinationals, **Rosy Blue** and the **KGK Group**.¹⁴ Angola's diamond hub, being built in **Saurimo (Lunda Sul Province)**, and the giant **Luele** mine, which opened in November 2023, are expected to bring in more Indian cutters, as Angola attempts to develop a cutting industry and benefit an increasingly large diamond output.¹⁵ Angola aims to increase annual diamond production to 17.53 million carats by 2027 to become the world's third largest rough producer.¹⁶

Modi invited Angola to participate in three India-based multilateral initiatives, the **Coalition for Disaster Resilient Infrastructure**, the **Big Cat Alliance** and the **Global Biofuels Alliance**, and welcomed Angola's decision to join the **International Solar Alliance**, established by India and **France**.¹⁷ The India-Angola agreements are a new era in south-south alliances for Angola, and a move away from dependency on older frameworks of economic relationships.

IMF undertakes Post-Financing Assessment Mission to Angola.

The **International Monetary Fund (IMF)** has downgraded Angola's economic growth prospects for 2025 from 3% to 2.4% and warned of risks to the country's budget, following a post-financing assessment mission to Angola between 6 and 12 May.¹⁸

Post-financing assessment missions follow IMF loans to a country and aim to assess the country's policies, whether the country's economy is stable and sustainable and whether the country has the capacity to repay the fund.¹⁹ As of 1 May, Angola owes the IMF \$2.8 billion.²⁰

Economic growth was robust in 2024, reaching 4.4%, due to an increase oil production and growth in the rest of the economy, but the IMF warned that the outlook for the future has deteriorated due to the fall in oil prices and restrictive external financing conditions, generating risks. This led the IMF to downgrade its growth projections, which it stated "*also poses risks to fiscal performance.*"²¹ On the upside, inflation is still expected to continue to decline gradually from an average of 28.2% in 2024 to 22% in 2025.

The IMF's director of the African department, **Abebe Aemro Selassie**, met Lourenço at the end of the mission, to discuss ways to contain the risks to maintain macroeconomic stability and debt

¹⁰ Forbes, 24 Nov 2024

¹¹ Business World, 3 May 2025

¹² Angola Press News Agency, 1 Apr 2025

¹³ African Business, 25 Mar 2025

¹⁴ ARC diamond industry source, 20 May 2025

¹⁵ ARC diamond industry source, 20 May 2025

¹⁶ ARC diamond industry source, 20 May 2025

¹⁷ Business World, 3 May 2025

¹⁸ CE Noticias Financieras English, 14 May 2025

¹⁹ CE Noticias Financieras English, 14 May 2025

²⁰ IMF.org, consulted 22 May

²¹ CE Noticias Financieras English, 14 May 2025

sustainability.²² He added that the IMF shares the president's priorities of putting public finances on a sustainable path, while protecting the most vulnerable and maintaining growth:

"The reforms the government has been pursuing in recent years have been gaining traction, as evidenced by the country's improving attractiveness to private investment."²³

The IMF team expressed its confidence in Angola's capacity to contain emerging risks and identify essential mitigation measures, while protecting the most vulnerable and growth dynamics.²⁴ However, the IMF's optimism is not entirely shared by **United States**-headquartered **Fitch Solutions** which foresees rising social stability risks in Angola. Fitch noted that lower oil prices will exacerbate the hit to government revenue, and the government will take advantage of lower energy costs to reduce fuel subsidies, one of the major policy planks proposed by the IMF during its staff monitoring programme.²⁵ Fitch believes this will increase social discontent as domestic inflation will remain elevated at an average of 20%.²⁶

Fitch added that societal risks are already heightened due to discontent over economic measures, such as fuel subsidy cuts and other austerity measures, which have already triggered protests. Unemployment and inequality remaining high, especially among the youth and there is a potential for increased social unrest if the population does not see improvements in living standards.²⁷

Angola borrowed \$3.7 billion from the IMF in December 2018 for a three year period, to support the country's economic reform programme.²⁸ By 2021, Angola remained heavily dependent on oil, with only a partial rebound in international prices. These oil price and pandemic shocks led to a fifth straight year of recession and hardship in Angola.²⁹ Four years on, and the outlook for most of the population has not improved, suggesting the programme has not been effective and exacerbated political tensions in Angola.

Corruption trials inch forward.

The trial of Generals **Manuel Vieira Dias Júnior** and **Leopoldino do Nascimento** on charges of embezzlement, fraud, document forgery, criminal association, abuse of power, money laundering and influence peddling resumed on the 12 May for a sixth session amid only trial delays.³⁰ The supreme court is still working through the preliminary and technical issues posed by the trial and halted the hearing on 30 April due to the absence of any representative of co-defendant **China International Fund Angola (CIF Angola)**, which has been delaying the trial.³¹ As a result, none of the 38 witnesses to be called by the court have been heard.

At the end of April, the public prosecutor's office agreed to request more information from the industry and commerce ministry, the trustee of the assets, and from the **Instituto de Gestão de Activos e Participações do Estado (IGAPE)** (state institute for shareholding management), which is responsible for the CIF group's assets sales, to decide whether they could represent CIF as the current owners, although they were not owners in the period when the alleged crimes took place. The state presently holds 60% of CIF's shareholding.³²

By 12 May, when the trial resumed, there was no consensus on this issue, so the hearing was suspended again. The supreme court had to provide the final decision on whether the state could

²² IMF Press Release, 13 May 2025

²³ IMF Press Release, 13 May 2025

²⁴ IMF Press Release, 13 May 2025

²⁵ Business Monitor Online, 22 Apr 2025

²⁶ Business Monitor Online, 22 Apr 2025

²⁷ Business Monitor Online, 22 Apr 2025

²⁸ IMF, 7 Dec 2018

²⁹ IMF Staff Report, 19 Jan 2021

³⁰ Jornal de Angola, 12 May 2025

³¹ BBC Monitoring Africa – Political, 14 May 2025

³² Verangola, 30 Apr 2025

represent CIF as defendant, so it would be possible to proceed with the trial.³³ On 13 May, the supreme court decreed that the trial could proceed in CIF Angola's absence and rescheduled the hearing for 29 May.³⁴ The defense may still challenge the supreme court on this ruling.³⁵

A second important corruption trial taking place is that of banker **Álvaro Sobrinho**, the former chairman of major Portuguese-Angolan bank **Banco Espírito Santo Angola (BESA)**. Portugal's **Banco Espírito Santo (BES)**, of which Sobrinho was also a director of, owned 55% of BESA. Four other former managers of the group are also on trial including former **Grupo Espírito Santo (GES)** chairman **Ricardo Salgado** and his right hand man, **Amílcar Morais Pires**, who replaced Sobrinho as chairman of BESA in 2012.³⁶ BES manager **Rui Silveira** and major BESA investor **Hélder Bataglia**, who is the link between BES and Angola, are the two remaining defendants. Bataglia, who is resident in Angola, is to be tried in absentia at his own request.³⁷ The trial began in **Lisbon** (Portugal) on 5 May.³⁸

The defendants are being tried on charges of money laundering, breach of trust and aggravated fraud, for granting about €4.8 billion in loans (\$5.18 billion) between 2007 and 2012.³⁹ BESA allegedly diverted funds from BES' credit lines and overdrafts. BES had not only an equity stake in BESA but a loan exposure of around €3 billion (\$4 billion).⁴⁰ The crash of BES and BESA was caused in the main by unsecured loans given to the Angolan elite. An Angolan businesswoman with connections to the presidential circle at the time is aware of the prevailing culture and said:

"No-one expected to have to repay these loans."⁴¹

High levels of corruption in Angola and Portugal were just the start of the issues, with a 2006 internal report to GES noting:

"Financial control and management was awful with no clear lines of responsibility, no coordination between group companies, with a very complex company structure and 193 companies involved."⁴²

Angolan financial newspaper *Expansão* queried why no legal proceeding exist with the office of the attorney general in Angola when billions of euros were embezzled. Portuguese authorities believe the collapse of BES and GES caused total losses of €18 billion euros. (\$20.4 billion)⁴³ Part of this loss was recorded in Angola and was paid by state funds, with the Angolan regulator **Banco Nacional de Angola** (central bank) taking no measures against BESA.⁴⁴ The Portuguese public prosecutor's office believes that the defendants gained about €5 billion euros. (\$6 billion).⁴⁵

Former president **Jose Eduardo dos Santos'** (1979-2017) daughter **Isabel dos Santos**, alleged to be a 20% shareholder in BESA and in its successor in Angola, **Banco Económico**, has not yet been mentioned in the trial.⁴⁶ However, *Expansão* believes that Dias, Nascimento and **Manuel Vicente**, all already under investigation in Angola, were likely in control of Banco Económico.⁴⁷

³³ Verangola 30 April

³⁴ BBC Monitoring Africa – Political, 14 May 2025

³⁵ Jornal de Angola, 12 May 2025

³⁶ Jornal de Negócios, 9 May 2025

³⁷ Lusa, 27 Mar 2025

³⁸ Jornal de Negócios, 9 May 2025

³⁹ Jornal de Negócios, 9 May 2025

⁴⁰ Lusa, 9 May 2023

⁴¹ ARC Angolan senior business source, May 2025

⁴² Essential Business, 9 Sep 2024

⁴³ Expansão, 12 Maio 2025

⁴⁴ Expansão, 12 Maio 2025

⁴⁵ Expansão, 12 Maio 2025

⁴⁶ Forbes, 9 Aug 2014

⁴⁷ Expansão, 12 Maio 2025

The trial will continue until 15 July, with 17 further sessions already scheduled, and will resume on 15 September, until the end of the year.⁴⁸ It is likely to reveal even more about the network of corruption in Angola, and how tightly this was tied to four people closest to the former president dos Santos (1979-2017), namely his daughter Isabel dos Santos, Dias, Nascimento and Vicente.⁴⁹

Planner

2020-2025 **(Angola) World Bank** to provide funding to increase economic diversification for five years;

Jun 2023-Jun 2025 Luanda **(Angola)** Angola extends its mandate as member of the Executive Council of the **United Nations Human Settlements Programme (UN-HABITAT)**;

23 May 2025 **(Brazil)** President **Joao Lourenço** to begin state visit to Brazil

23-27 Jun 2025 Luanda **(Angola) United States-Africa Business Summit**

Q2-Q3 2025 Cabinda **(Angola) United Kingdom-based Gemcorp's Cabinda Refinery** to begin production

Sept 2025 **(Angola)** Annual Oil and Gas Fair

Sept 2025 **(Angola) Sonangol** to announce partner that will operate the **Lobito** refinery

1 -3 Oct 2025 Cape Town **(South Africa) Invest in African Energy 2025**

Oct 2025 Luanda **(Angola) 3rd Summit on Infrastructure Financing in Africa**

Dec 2025 Cabinda **(Angola)** Start of operations at deep-water port **Porto do Caio** expected

2025 Luanda **(Angola)** Privatisation of telecommunications company **UNITEL** and sale of government stakes in **Banco de Fomento Angola (BFA)** and **Standard Bank Ltd**

2025 Luanda **(Angola)** Angolan to issue **Eurobonds** of at least \$1 billion

2025 **(Angola)** Angola to begin exporting green hydrogen energy to **Germany**;

2025 Luanda **(Angola)** Completion of Angola's sole purpose-built gold refinery at **Viana** is expected;

2026 Moxico **(Angola)** The **Luau Hybrid Photovoltaic Plant** in Moxico, and associated distribution and electrification network, comes online;

2023-2026 **(Angola) Programa de Privatizações (PROPRIV)** (privatisation programme) extended to manage government divestment of 138 companies;

Chronology

19 May 2025 Maputo **(Mozambique) Club of Mozambique.** President **Daniel Chapo** concludes his first official visit to **Angola**, signing five cooperation agreements focused on transport, culture, social action and tourism;

19 May 2025 Luanda **(Angola) Jornal de Angola.** The first congress of opposition party **PRA-JA Servir Angola** takes place in Luanda, with two candidates running for party leadership, **Abel Chivukuvuku** and **Francisco Canga**;

17 May 2025 Luanda **(Angola) Jornal de Angola.** Angola announces it has set up the **Observatório Nacional Contra o Terrorismo** (national counterterrorism observatory) reporting directly to the president and coordinated by interior minister **Manuel Homem**;

16 May 2025 Luanda **(Angola) AP News.** **Gabon's** former president **Ali Bongo Ondimba**, accompanied by his family, arrives in Luanda after negotiations between President **João Lourenço** in

⁴⁸ Lusa, 27 Mar 2025

⁴⁹ Expansão, 12 Maio 2025

his capacity as **African Union** chairman and Gabon's President **Brice Oligui Nguema** to secure their departure from Gabon;

16 May 2025 **Luanda (Angola)** *Angop*. President **João Lourenço**, and **Adalberto Costa Junior**, leader of the main opposition party **União Nacional para a Independência Total de Angola (UNITA)**, meet to discuss proposed changes to the electoral legislative reform package sent to the national assembly for debate and ratification;

16 May 2025 **Luanda (Angola)** *Jornal de Angola*. Angola is invited to join **Niger**-based **African Solidarity Fund (ASF)**, a multilateral financial institution which facilitates access to credit for states and public and private companies;

14 May 2025 **Washington (United States)** *Access Newswire*. **Menomadin & Mitrelli Group's** founder and president **Haim Taib** announces, in partnership with Angola sovereign wealth fund, the launch of a \$1 billion **Lobito Corridor Impact Development (LCID) Platform**;

14 May 2025 **Luanda (Angola)** *Jornal de Angola*. President **João Lourenço**, as **African Union** chair, holds a meeting with representatives of African multilateral financial institutions;

14 May 2025 **Luanda (Angola)** *Proactive Investors*. **Canadian** company **Sintana Energy Inc** announces a deal to open new exploration opportunities in Angola, giving it an indirect stake of 5% net interest in the **KON-16** block in the onshore **Kwanza Basin**;

14 May 2025 **Luanda (Angola)** *Proactive Investors*. **United Kingdom**-headquartered oil company **Corcel PLC** announces it has acquired an additional 30% gross (27% net) interest in **Block KON-16** in the onshore **Kwanza Basin**, taking its stake to 85% gross;

14 May 2025 **Luanda (Angola)** *BBC Monitoring*. Opposition party **União Nacional para a Independência Total de Angola (UNITA)** issues a statement accusing the police of dispersing its vigil to celebrate **Legislators Day** on 11 May in **Caxito (Bengo Province)**, using excessive force, leaving 21 party members injured, and four others missing;

12 May 2025 **Luanda (Angola)** *MenaFM*. **Brazil** says it expects to announce a partnership roadmap for agribusiness during President **João Lourenço's** visit to Brazil, which could reshape Angola's food production and offer Brazilian companies a profitable way to expand abroad;

12 May 2025 **Luanda (Angola)** *Jornal de Angola*. President **João Lourenço** makes a state visit to **Gabon**;

10 May 2025 **Luanda (Angola)** *Jornal de Angola*. **United Nations Industrial Development Organization (UNIDO)** deputy director general **Fatou Haidara** says the **Lobito Corridor** is an extremely important project that will contribute, in the short, medium and long term, to the economic development of the southern and central regions and the continent in general;

8 May 2025 **Luanda (Angola)** *Jornal de Angola*. **Namibia's** President **Netumbo Nandi-Ndaitwah** makes state visit to Angola to discuss strengthening cooperation between the two countries in oil and agriculture;

8 May 2025 **Luanda (Angola)** *Jornal de Angola*. **United Kingdom**-headquartered demining group **Mines Action Group** expresses an interest in integrating the **Lobito Corridor** project into its demining activities in Angola to facilitate trade, tourism and agriculture;

8 May 2025 **Luanda (Angola)** *Jornal de Angola*. Major **Chinese** telecommunications company **Huawei** says it hopes to make Angola its main technological hub in **Southern Africa**, including knowledge transfer, higher education and scientific research, as well as commercial investment;

8 May 2025 **Luanda (Angola)** *Business Monitor Online*. **United States**-headquartered **Fitch Solutions** says it holds a positive outlook on Angola's mining sector as the mining regulatory environment has become increasingly favourable to foreign miners and investors as government seeks to stimulate the industry's development;

8 May 2025 **Luanda (Angola)** *CAJ News*. France-headquartered **TotalEnergies** contracts **United States**-headquartered **3D at Depth** to carry out subsea metrology and advanced underwater measurement solutions at the **Girassol** oil field in 1,350 meter water depth;

7 May 2025 **Luanda (Angola)** *Jornal de Angola*. President **João Lourenço** reshuffles his senior generals and admirals, notably appointing **Orlando Paulo Jorge Bernardo** as 2nd general commander of the national police and **Bravo Pereira Mendes** as a new chief fire commissioner;

7 May 2025 **Luanda (Angola)** *Jornal de Angola*. Angola rises two places in the **United Nations Human Development Index (UNHDI)** ranking from 150th to 148th;

7 May 2025 **Luanda (Angola)** *Jornal de Angola*. State minister and chief of staff for military affairs in the president's office **Francisco Furtado** says Angola continues to consider **Russia** a strategic partner;

6 May 2025 **Luanda (Angola)** *Jornal de Angola*. **United Kingdom** trade envoy **Calvin Bailey** and a delegation of over 20 UK businesses visit Angola to look at investment opportunities in Angola's rapidly expanding infrastructure, agriculture and financial services sectors;

5 May 2025 **Luanda (Angola)** *BBC Monitoring*. Angola launches a project aimed at combating illegal financial flows and tax, which the **United Nations** is implementing with funding from **Japan**, to help the country recover illegal funds;

5 May 2025 **Luanda (Angola)** *M2 Presswire*. In response to the massive cholera epidemic underway, **World Health Organization (WHO)** is supporting Angola to strengthen its public health emergency operations centres;

5 May 2025 **Luanda (Angola)** *BBC Monitoring*. Angola announces it has demined more than 14 million square metres of land in **Malange** and **Lunda** provinces in northern Angola, allowing it to transmit electricity to eastern Angola;

30 Apr 2025 **Luanda (Angola)** *CE Noticias Financieras*. **Banco Nacional de Angola (BNA)** (central bank) gives consent for near-bankrupt **Angolan Banco Sol's** recapitalisation and restructuring plan (PRR) for the 2025-2027, as put forward by the new board of directors;

30 Apr 2025 **Luanda (Angola)** *China Business News*. **China's CAMC Engineering** announces it has signed a cooperation memorandum of understanding with the Angolan sovereign wealth fund and will collaborate with the fund in areas such as industrial planning, investment and financing, project construction, and operations;

28 Apr 2025 **Luanda (Angola)** *Angola Press News Agency*. President **João Lourenço** makes an official visit to Egypt and agrees to a new bilateral cooperation agreement in the field of public works;

25 Apr 2025 **Luanda (Angola)** *Economist Intelligence Unit (EIU)*. **Economist Intelligence Unit's (EIU) 2024 Democracy Index** ranks Angola 107th out of 167 countries and territories, unchanged from the previous year's index, although Angola's overall score has worsened to 4.05, remaining slightly above the average of 4 for **Sub-Saharan Africa**.

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