



BDA

ANGOLAN DEVELOPMENT BANK

A Vision for the Future



Financing the Industrialisation Effort in Angola: Challenges and Opportunities



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1. 2013-2017 Government Strategic Programme

2. Financing the Industry by 2014

3. BDA Contribution to Financing the Industrial Sector

Industrialisation in Angola

The Industrial Sector plays a critical role in driving economic growth in Angola. However, a number of industries are still at their early stage of development. Therefore, this has been the Angolan government's key priority areas of focus.

Industrial Sector Objective:

Foster manufacturing industry development, namely in the context of the food and national economic diversification cluster, ensure a sustainable foundation, contribute to employment generation, harness agricultural and mineral raw materials, roll out activities nationwide, ensure trade balance and generate savings in hard currency.

Some priorities to meet the objectives

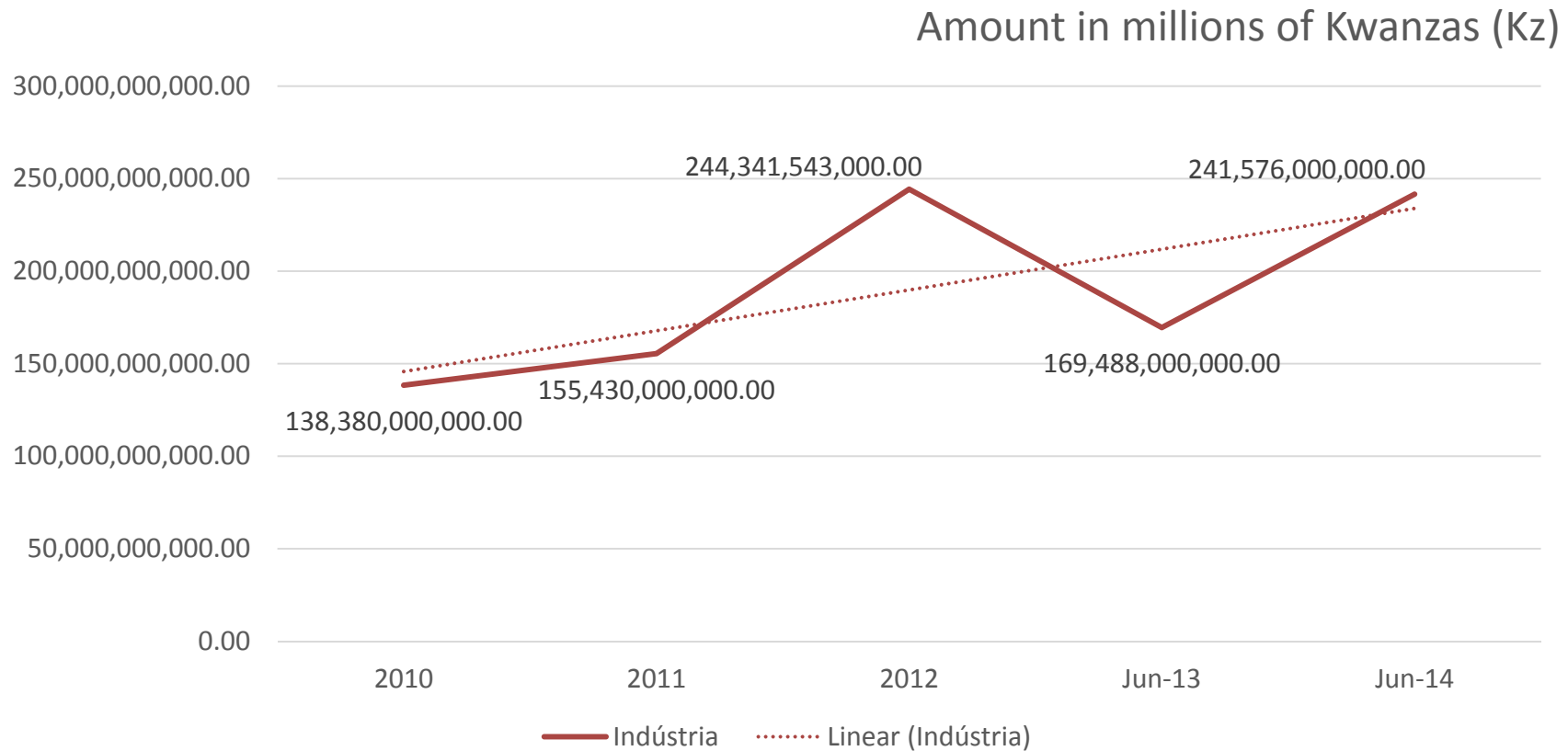
1. Develop a comprehensive “Angolan Industrialisation Programme” with well-defined strategies to achieve the objectives assigned to the Ministry of Industry;
2. Set up technology and training institutions and centres as well as industrial innovation and skills development centres;
3. Support the competitive import substitution and foster exports;
4. Put in place an environment of sustainability and equal industrial development in the country;
5. Continue the **industrial production recovery process by putting in place mechanisms, especially financial mechanisms**, and setting up industrial areas which will host new industrial businesses and facilitate existing ones;

The Industrial Sector has traditionally been dominated by private sector initiatives. Therefore, according to the **PND** (National Development Plan), the funding requirements for investment projects which have been identified for geology and mining, manufacturing industry, agriculture and fisheries sectors, covering the period of 2013-2017, total **USD 31,2 billion**, of which **USD 23,9 billion** are required for **industrial investment**.

Developments in the Area of Credit to the Industry by 2014



29 Financial Institutions in operation



BDA's Role in the Industrialisation Effort in Angola



OBJECTIVE

To be a financial and development institution and a major source of funding of medium and long term private investments in the non-oil sector by national citizens.

MISSION

To contribute toward fast-tracking the balanced and sustainable development of the Republic of Angola, by providing job and income creation opportunities, modernizing economic and social structures and scaling up the country's competitiveness.

VISION

To be a distinct bank in the market, focused on funding for Angola's development.

Based on the 2013-2017 National Development Plan (PND), BDA outlined the following objective:

- **To finance leveraging investments in the productive chains of industrial production of consumer goods and intermediate products to meet domestic demand and exports.**

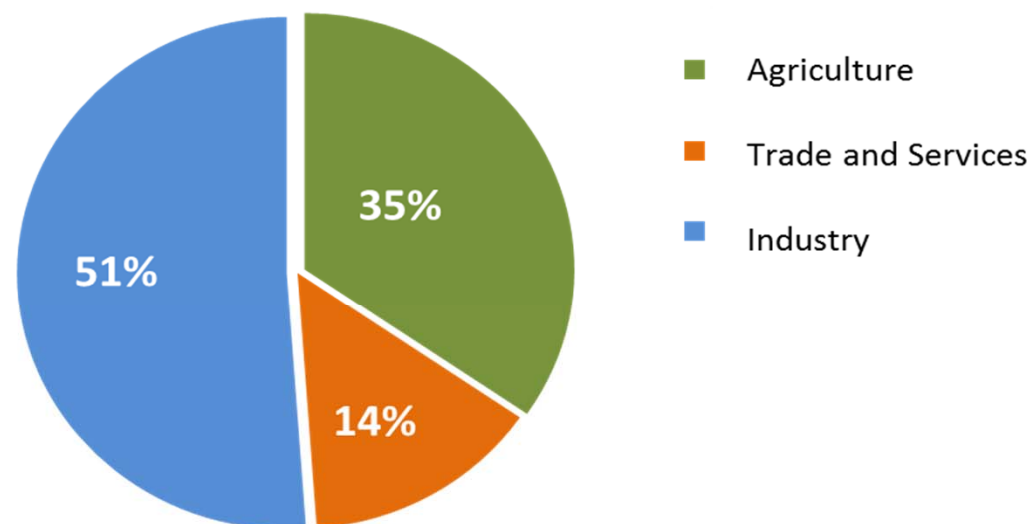
Developments in the Structure of BDA Credit Portfolio



Funded Projects by Sector

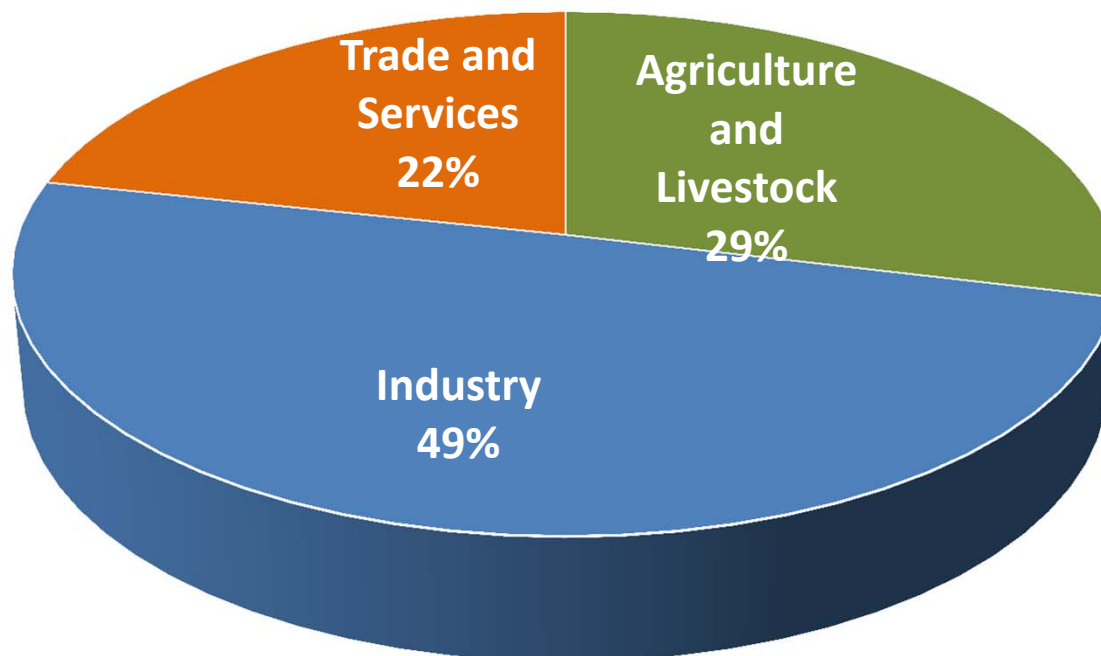
Sector	Projects/	Amount (Kz)
Agriculture	544	43,003,266,988.00
Trade and Services	189	17,765,854,687.00
Industry	130	63,601,202,378.00
Total	863	124,370,324,053.00

Financing/Sector

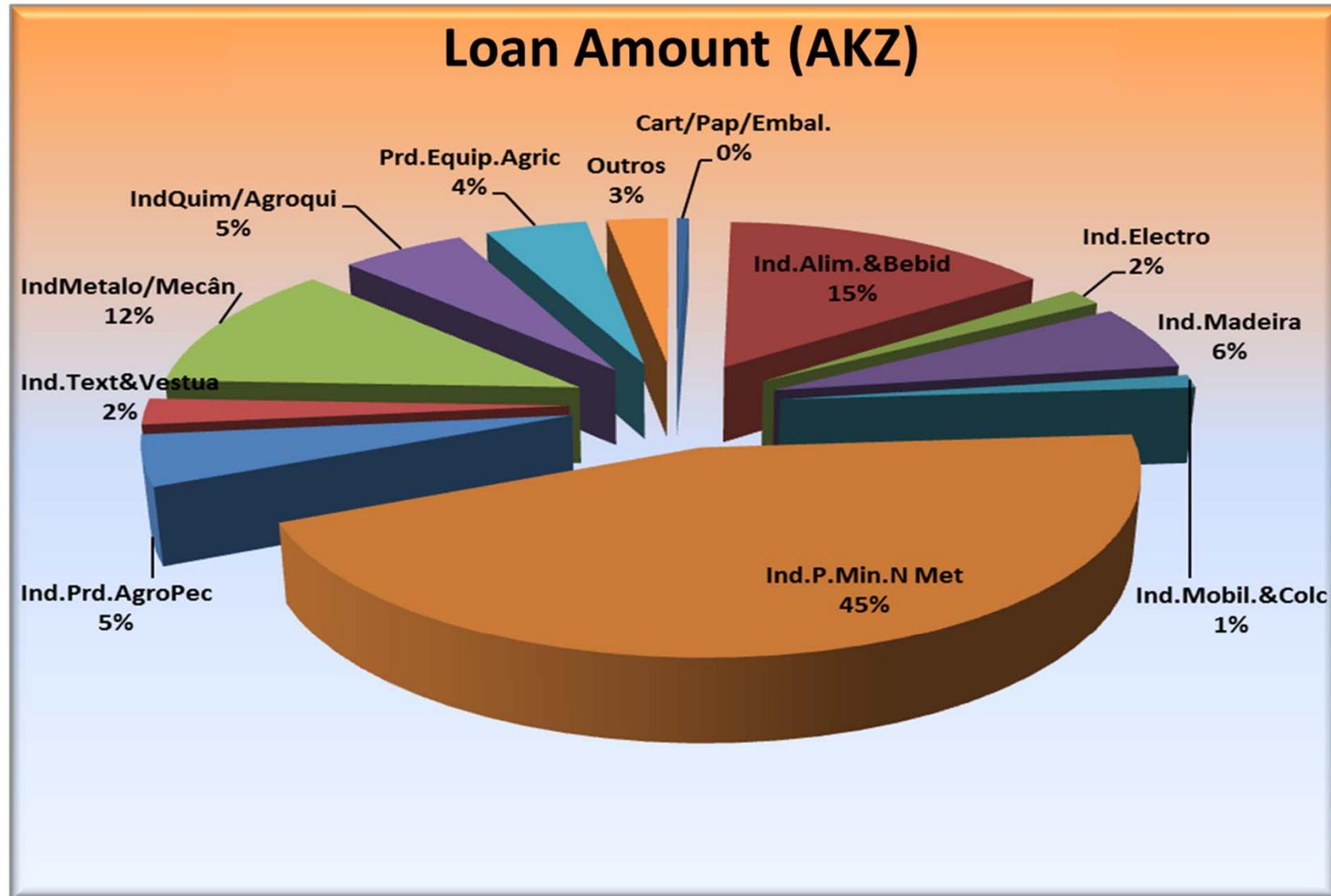


Developments in the Structure of BDA Credit Portfolio

AMOUNT OF FUNDING



Funding by Type of Industry



Challenges

- Macroeconomic environment
- Constraints
 1. Poor knowledge of business and lack of technical and managerial experience by entrepreneurs;
 2. Challenges in project follow-up, monitoring and oversight;
 3. Low financial capacity by entrepreneurs and lack of assets that could provide real guarantees for securities;
 4. Limited qualified human resources and challenges faced by expatriate experts in acquiring work visas;
 5. Limited waiting and capital refund timeframes in the face of logistic and bureaucratic challenges relevant to project implementation.
 6. Financial lapses experienced at project implementation stage due to failures occurring in project design.
- Human resources – Training/Capacity building (limited and poor);
- Infrastructure (thin on the ground and poor)

Opportunities

- Country at an early stage of industrialisation;
- Political and social stability in place;
- Public infrastructure development programmes (implemented and under implementation), such as:
 - ✓ Road and railway networks;
 - ✓ Port structures;
 - ✓ Power stations;
 - ✓ Industrial hubs (under structuring);
 - ✓ Some financial resources have been made available for sustainable investment based on the use of state of the art technology;
 - ✓ Market (national and regional).

THANK YOU!



BANCO DE DESENVOLVIMENTO DE ANGOLA

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