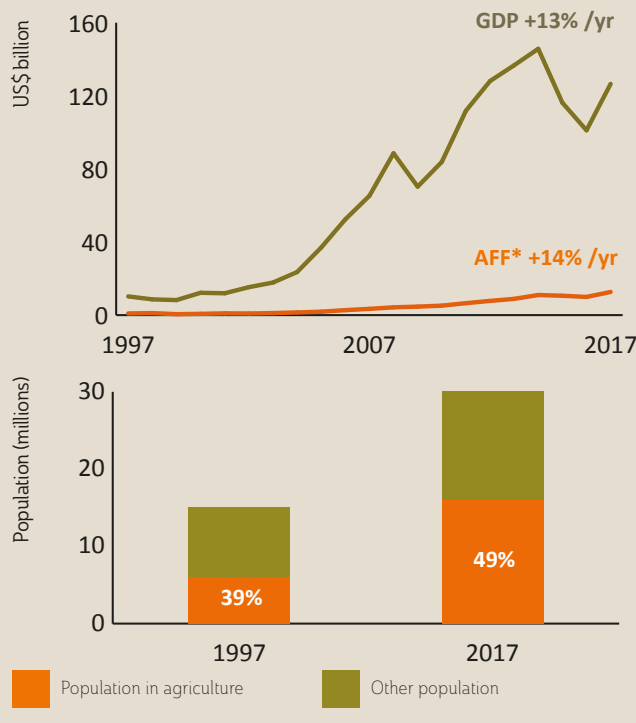




## MACROECONOMIC CONTEXT

From 2002 Angola enjoyed a decade of relative peace and political stability, and achieved the world's highest average annual real growth rate (13%).<sup>1</sup> But the decline in oil prices has derailed economic performance: GDP growth slowed to 1.2% in 2018 and remains vulnerable to fluctuating oil prices.<sup>2</sup> The agricultural sector currently represents 10% of GDP.

Angola is classed by the World Bank as a lower-middle-income country and has a medium Human Development Index (ranked 147 of 189 countries).



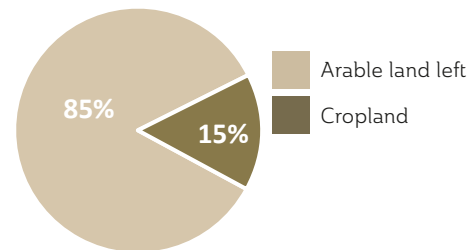
## FOOD PRODUCTION

### Top 10 horticultural crops (000 tons, 2017)

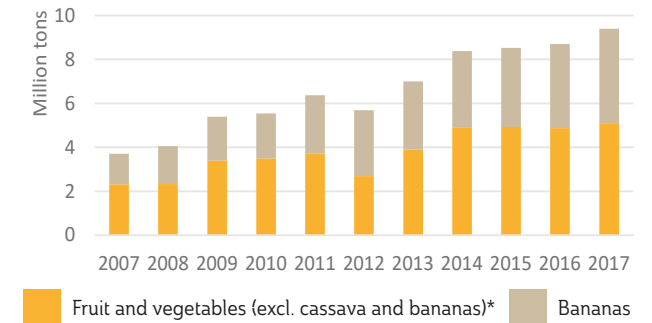
1	Cassava	11,748	6	Beans	375
2	Bananas	4,302	7	Other veg.	359
3	Sweet potatoes	1,858	8	Brassicas	353
4	Potatoes	807	9	Other citrus	284
5	Pineapples	727	10	Groundnuts	245

### Angola's comparative advantages

- Only 8 to 10 million ha of the total available 58 million ha is cultivated and 0.4% of renewable water resources are used, offering potential for large-scale irrigation.<sup>3</sup>
- Tempered by sea and altitude, Angola's climate offers a wide range of opportunities for horticulture. For example, conditions in the Huambo region are very favourable for potatoes, enabling three crops a year.
- Modern supermarket chains are gaining market share.
- Angola's Commercial Agricultural Development Project launched in 2018 aims to increase producers' incomes. Government programmes are focusing on clearing land mines, developing family farming and commercial agriculture, and constructing and rehabilitating irrigation projects.<sup>4</sup>



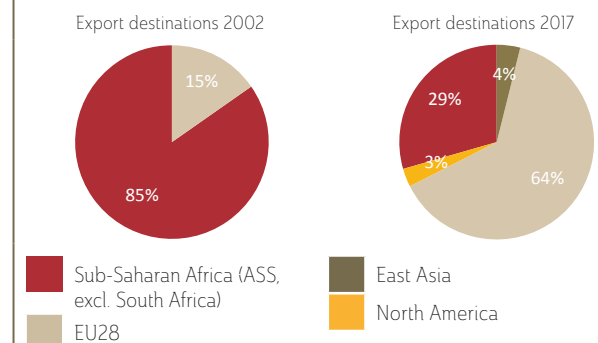
### Trends in fruit and vegetable production



## TRADE

Angola currently has a negative physical trade balance for fruit and vegetables, but the trend is positive, mainly due to a decline in imports. In 2017 it imported 185,580 tons more than it exported.

Trade is beginning to grow, with exports to the EU28 representing 64% of the quantity and 71% of the value of all exports in 2017. The main crops exported in 2017 are bananas, mangoes and fruit juices. Banana exports outweigh other exports also in 2018.



\* AFF: Gross Output Agriculture, Forestry and Fishing

\* Cassava is excluded from the production trends graph due to erroneous source data.

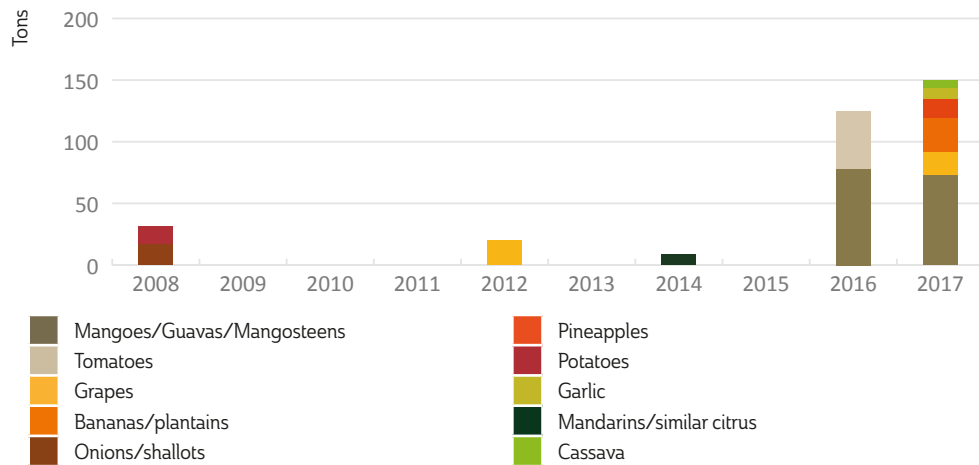




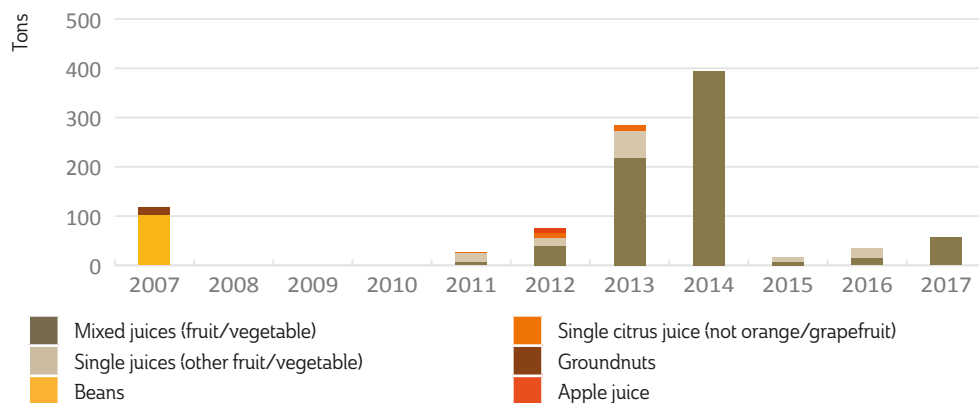
EXPORTS OF FRUITS, NUTS AND VEGETABLES: REGIONAL AND EUROPEAN MARKETS (BY VOLUME)

EXPORTS TO ASS

FRESH fruits, nuts and vegetables

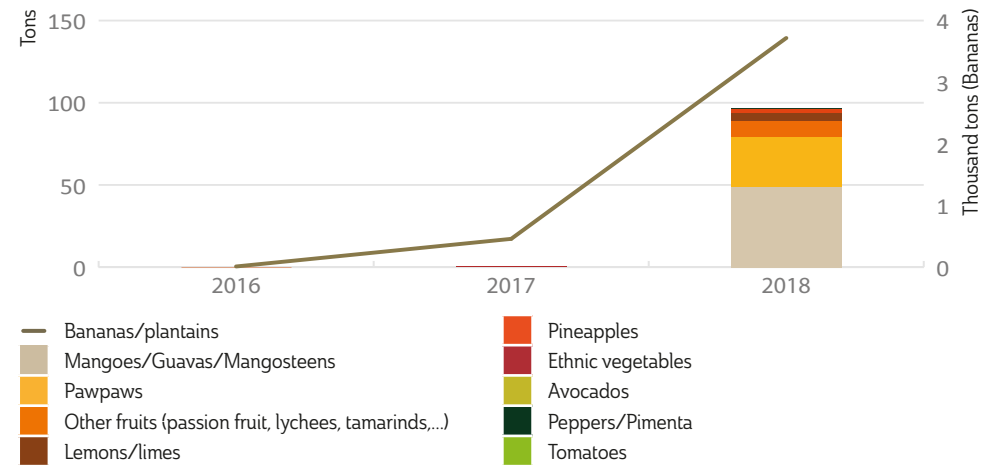


PROCESSED fruits, nuts and vegetables

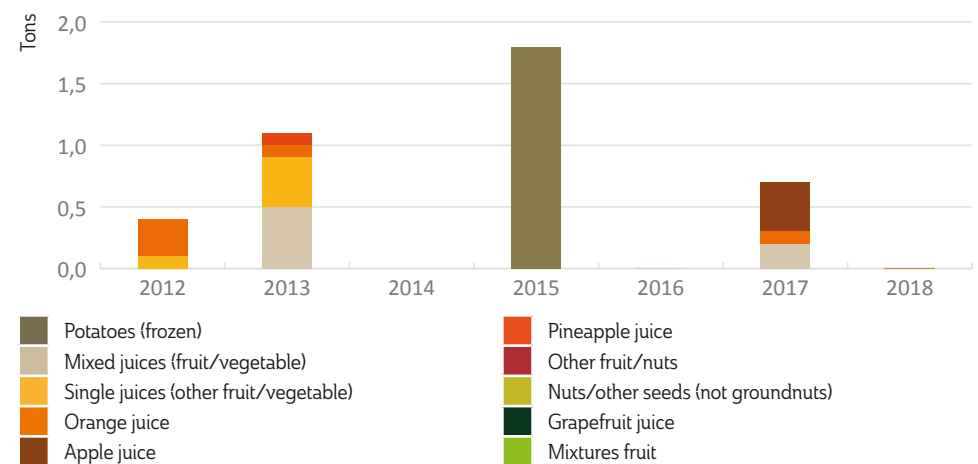


EXPORTS TO EU28

FRESH fruits, nuts and vegetables



PROCESSED fruits, nuts and vegetables





## FOCUS ON THE MARKET

### Local supply

Fruit and vegetable production is mainly for the domestic market, with minimal exports. Family farms comprise 97% of the agricultural labour force, producing 75% of the volume.

Horticultural production is concentrated in Huila, Huambo, Benguela, Kuanza Sul and Bié. Production mainly consists of bananas, potatoes, lemons and pineapples.

There is very little processing, only for traditional foodstuffs and for local consumption (e.g. cassava).

### Local demand

Consumption of fresh products is estimated at 150 kg/person/year (excluding cassava) – on average more than half of this is sweet potato and potato.

Increasing incomes due to oil exports mean there is growing local demand for greater variety and quality of fresh food products.

### Key facts

Prior to the 1975–2002 civil war, Angola was a major exporter of coffee, sisal, sugarcane, banana and cotton, and was self-sufficient in all food crops except wheat. The civil war disrupted agricultural production and displaced millions of people. Angola currently imports more than half of its food, with some estimates putting the figure as high as 90%.<sup>3</sup>

Exports are mainly sweet banana, currently at low volume but with potential (see Box). China's increasing consumption of bananas offers big market potential.

Imports of fresh fruit and vegetables are mainly from South Africa, Europe and Congo, and of processed products from Europe and Brazil.

Since 2002 the importance of the informal retail market has declined, especially in urban centres such as Luanda, where formal retail is developing rapidly. The government is trying to formalise retail by establishing specific areas for open markets.

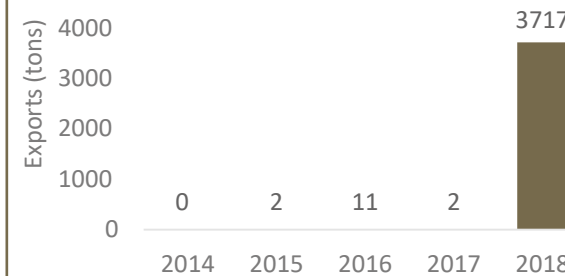
Although the local fruit processing industry is poor, a new factory is producing tomato pulp/concentrate and orange concentrate for local and regional markets, with local supply of fresh products.

## EU MARKET AND SPS ISSUES

Very few interceptions have been recorded in the past due to minimal exports, but caution will be needed regarding fruitflies (*Bactrocera*) on mangoes, and bollworm (*Helicoverpa armigera*) on peppers.



### One to watch: banana



The banana crop is taking off to become a farm crop. For the first time in 2018 Angola was listed among exporters of banana to the EU28 (3,700 tonnes).<sup>5</sup>

For example, in that year 120 tons per week were exported to Portugal by the Novagrolider company in Caxito, a significant increase on 2017 (when just 1,000 tons in total were exported).<sup>6</sup>

	National	Regional	EU	World
<b>Potential</b>	Sweet potatoes ; Lemons ; Pineapples	Sweet potatoes ; Lemons ; Pineapples ; Fruit Juices	Mangoes ; Peppers ; Mandarins/limes ; Organic bananas	Bananas
<b>Developing</b>	Bananas ; Cassava (processed) ; Tomato pulp ; Orange concentrate	Bananas ; Tomato pulp ; Orange concentrate ; Mangoes	Bananas	
<b>Mature</b>				



## Notes

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- <sup>1</sup> World Bank (2019) *The World Bank in Angola: Overview*. [www.worldbank.org/en/country/angola/overview](http://www.worldbank.org/en/country/angola/overview)
- <sup>2</sup> *African Economic Outlook* (n.d.) Angola. [www.africaneconomicoutlook.org/angola/](http://www.africaneconomicoutlook.org/angola/)
- <sup>3</sup> Dijkhoorn, Y. and Wijnands, J.H.M. (2012) *Business Opportunities for Horticulture and Potatoes in Angola*. LEI, Stichting Dienst Landbouwkundig Onderzoek. <http://edepot.wur.nl/244965>
- <sup>4</sup> Campos, Z. (2016) Why it's critical to cultivate agriculture in Angola. *HuffPost*, 4 August. [www.huffpost.com/entry/why-its-critical-to-culti\\_b\\_9643300](http://www.huffpost.com/entry/why-its-critical-to-culti_b_9643300)
- <sup>5</sup> CIRAD (2019) Banana supply to the European Union in 2018. *Fruitrop*, 22 February. [www.fruitrop.com/en/Articles-by-subject/Review-and-Forecasts/2019/Banana-supply-to-the-European-Union-in-2018](http://www.fruitrop.com/en/Articles-by-subject/Review-and-Forecasts/2019/Banana-supply-to-the-European-Union-in-2018)
- <sup>6</sup> Fresh Plaza (2018) Bengo: Angola exporting over 100 tons of bananas weekly. *Fresh Plaza*, 19 June. [www.freshplaza.com/article/2196714/angola-bengo-exporting-over-100-tons-of-bananas-weekly/](http://www.freshplaza.com/article/2196714/angola-bengo-exporting-over-100-tons-of-bananas-weekly/)

Local research: ClassM

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CIA World Factbook: <https://www.cia.gov/the-world-factbook/>  
Human Development Index 2018 – a composite index of life expectancy, education and per capita income indicators: [http://hdr.undp.org/sites/default/files/2018\\_human\\_development\\_statistical\\_update.pdf](http://hdr.undp.org/sites/default/files/2018_human_development_statistical_update.pdf)  
AFF as percentage of GDP (AFF = Gross Output Agriculture, Forestry and Fishing): <https://data.worldbank.org/indicator/nv.agr.totl.zs>  
Population: <https://data.worldbank.org/country/>  
Population employed in agriculture: <https://data.worldbank.org/indicator/sp.rur.totl.zs>  
Food production: <http://www.fao.org/faostat/en/>  
Trends in fruit and vegetable production: <http://www.fao.org/faostat/en/>  
Cropland and arable land left: World Bank  
Total exports (quantity and value): IFPRI  
Global imports and exports, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: IFPRI  
Regional imports and exports, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: IFPRI  
Exports to EU28, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: <https://ec.europa.eu/eurostat>  
Focus on the EU market: [https://ec.europa.eu/food/plant/plant\\_health\\_biosecurity/europhyt\\_en](https://ec.europa.eu/food/plant/plant_health_biosecurity/europhyt_en)