

2 Angola Logistics Infrastructure

- [Oil resources](#)
- [Workers Education & Training](#)
- [Business Environment](#)
- [Logistics Infrastructure](#)
 - [Ports](#)
 - [Railways](#)
 - [Luanda Railway](#)
 - [Benguela Railway](#)
 - [Namibe Railway](#)
 - [WTO quote](#)
 - [Roads](#)
 - [Air Transport](#)

Angola is the third largest economy in sub-Saharan Africa.

Oil resources

Oil represents about 1/3 of Angola's GDP and over 95% of its exports and the sharp and prolonged decline in its price since mid-2014 has had a significant impact on Angola's economy. The World Bank points that the country continues to face massive developmental challenges, which include reducing its dependency on oil and diversifying the economy; rebuilding its infrastructure; and improving institutional capacity, governance, public financial management systems, human development indicators, and the living conditions of the population. Large pockets of the population still remain in poverty and without adequate access to basic services, and the country could benefit from more inclusive development policies.

The above are partial quotes of [World Bank 2017 economic overview report](#)

Workers Education & Training

One of the main issues raised by managers of private companies was labor education & training. With high rate of youth unemployment there are no problems of unskilled labor shortage but the lacking of education and training in Angola, being the third largest economy in sub-Saharan Africa, this issue is of pivotal importance.

See [UNESCO website and supporting data](#)

Absenteeism is also an issue often raised by local press associated to low quality of services. Incentives for transport, health costs or based on productivity probably easier to be introduced in private sector still a problem in the public institutions. And this is subject is important since large segments of the economy are managed by the Government companies.

Angola needs to increase investment in human capital, pursue economic diversification to reduce economic vulnerability in order to graduate to middle-income status by 2021 [AFRICAN ECONOMIC OUTLOOK](#)

Business Environment

[Santander Trade - Business Environment](#)

Government and business are inextricably linked in Angola. Political interference is reportedly prevalent in many areas of the business environment. The Government has signalled its intention to address this, and the push towards privatization of some of the larger state-owned business should help to curtail this interference.....

Angola currently ranks 181st out of 189 economies in the [World Ease of Doing Business Index.](#)"

[UK Government - Overseas Business Risk](#)

Logistics Infrastructure

According to World Bank Angola is one of the most challenging countries when it comes to trade facilitation in logistics see table below.

However, is acknowledged significant improvements made by Government investments in the infra-structure as well as permitting partial/total involvement of private operators with expertise to manage important sectors of its logistics structure.

Topics	DB 2018 Rank	DB 2018 DTF	DB 2017 DTF <i>info_outline</i>	Change in DTF (% points)
Overall	175	41.49	40.11	1.38
Starting a Business	134	80.09	79.67	0.42
Dealing with Construction Permits	80	68.80	66.51	2.29

Getting Electricity	165	44.08	40.84	3.24
Registering Property	172	40.86	40.64	0.22
Getting Credit	183	5.00	5.00	..
Protecting Minority Investors	81	55.00	55.00	..
Paying Taxes	103	69.54	69.98	0.44
Trading across Borders	180	25.28	17.22	8.06
Enforcing Contracts	186	26.26	26.26	..
Resolving Insolvency	168	0.00	0.00	..

Doing Business - Angola Getting Electricity

Ports

The ports of Angola received 5,735 million tons of cargo in 2016 down -2,802 million tons if compared with the previous year. Still, remains the main logistics structure for imports of cargo in Angola.

Luanda port is the main point of entry and the logistics Hub for reception and distribution not only to the northern eastern provinces as well nationwide. The port general cargo and containerized specialized berths are managed by concessionaries SOGESTE, SOPORT, TERMINAIS and TRANSCARGA and except for the later all are private port management companies allied with global shipping companies. Noted their ownership of port logistics equipment including dry ports and matured logistics Networks including private stevedoring & road transport companies.

Lobito port is the second most important port in Angola and its location is favourable for becoming in near future the main hub for receiving and distributing import commodities to the centre and eastern region of the country but also expected to be the hub for transit traffic to Zaire and Zambia. The port general cargo and containerized shipments management is provided by SOGESTER similarly with Luanda their logistics network incorporates dry port area and commercial contracts with private stevedoring and road transport companies.

Namibe port is the southern port of Angola important for fisheries and mineral exports as well as import cargoes with destination for inland Angola provinces in the south. The specialized port area for reception of general cargo and containers are managed by SOGESTER with the same logistics network as per the above ports.

Railways

Luanda Railway

This railway links the port area with Malange city but of poor logistics platforms to enable an important alternative to the road transport in near future.

Benguela Railway

After massive investment in the line which links the port of Lobito up to the border town of Luau and recently with RDC rail lines is creating expectations to become pivotal for the circulation of cargo and a good alternative to road transport (currently none existent a direct road link ex Lobito to Luau). However, still not proven its effectiveness and or safety and when combined with the lack of logistics platforms alongside the rail the expectations raised are not yet firm.

Namibe Railway

The competition from the Namibia port with a good supporting logistics network makes attractive for significant number of private operators to use the port of Walvis Bay thereafter by road to Angola. However, with a local fishery industry and mineral based industry (Granite...) and recent investments in port structures is creating a solid basis supporting exports.

WTO quote

Angola's rail network is still being refurbished. An ambitious plan has been adopted with a view to interconnecting the three existing networks, linking them up with neighbouring countries, merging the three existing state-owned companies, separating the rail transport management company from the infrastructure management company and putting the operation of lines out to concession. The plan is still awaiting implementation. [World Trade Organisation Angola](#)

Roads

Roads and bridges links are one of the main bottlenecks for the development of the road transport industry. The condition of the roads and bridges ranges between fair and bad therefore, increasing the freight cost and the difficulty in getting access of foreigner currency for imports of spare parts or replacement of the truck fleet, forces the companies with national coverage to concentrate their efforts in high profitable cargo such as fuel transportation, containerized cargo (specially reefers) in detriment to general dry cargo food products. Development of the road transport sector is hampered by ongoing infrastructure refurbishment work, and the sector is largely informal and domestic in nature. A modern regulatory framework has been adopted, involving the award of quota-free licences based on quality criteria, and road transport agreements are being negotiated with neighbouring countries. [World Trade Organisation Angola](#)

Air Transport

There is relatively little competition in the air transport sector. The dominant position of the national carrier TAAG will keep on going however this is not the issue of concern but **safety**.

Additional to the international and domestic airports located in Luanda Catumbela and Lubango there are throughout the country 17 airstrips rehabilitated though on 12 receive commercial domestic flights from TAAG.

Furthermore, a new international airport under construction 40 km southeast of Luanda is currently anticipated to be completed in the second half of 2018.

While bringing a foreigner cargo flight and crew to support humanitarian cargo flights does not appear to be problematic set up of logistics structures to accommodate transit cargo nearby the airstrips may become costly.

Other reading webs

[Google Search - Angola CCG 2017](#)

[PWC Global](#)