



BUSINESS FOR DEVELOPMENT: IMPLICATIONS FOR EXPORT STRATEGY-MAKERS

ANGOLA

THE FISHING INDUSTRY IN ANGOLA

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1. INTRODUCTION

The 1600 Km long coastline of Angola, particularly to the South of Namibe and Benguela, is rich in fishing resources. The meeting of the cold Benguela current and the warm Agulhas current creates favourable conditions for planktons, which attract sardine and horse mackerel the two principal commercial species account for about 90 percent of the catch. Other species include tuna and shell fish, whose commercial potential the government is now beginning to develop. The fishing industry is based mainly in the South-western ports of Namibe, Tombwa and Lucira and the port of Lobito in Benguela province.

2. EXPLORATION

The commercial exploration of fishing resources in Angola started around the 50s and aimed at feeding the fish meal industry. In 1973 Angola was the third leading world exporter of fish meal and internally this product stood at the fourth place in trade balance next to coffee, diamond and iron. The captures were quite significant and reached 835,510 tonnes in 1972. At that time the fleet was composed of small vessels of 40-50 TAB and fishing was undertaken with great intensity and dynamic in the provinces of Namibe and Benguela, capturing mainly horse-mackerel and sardines. So, before independence, the industry was relatively well endowed with fish processing capacity for canning, freezing, drying and salting, and the production of fish meal and fish oil. In the early 1970, most of the commercial catch was estimated at 700,800 boats but many of these vessels departed following the outbreak of 1975-1976 war.

With the independence, industrial plants were abandoned and often sabotaged by their Portuguese owners and the situation was exacerbated by the exodus of managers, technicians, and trained seamen, fishermen. So the captures decreased significantly and the national fleet captures did not stuck out from 76.000 tonnes. At that times the rehabilitation of industrial processing capacity was slow reflecting the shortages of skills, limited foreign exchange, and delays in the delivery of equipment and spare parts, as well as excessive centralization and control by the government. Later on, in 1987 Angola chose to resort to foreign fleet and the national fleet was strengthened by new vessels. Consequently, there was an increased in the effort of fishing and an increase trend in the capture was registered. So, in 1989 the total captures reached more or less 323000 tonnes, with the contribution of the national fleet of 104500 tonnes. In the five-year period 1995-1999 the fishing sector registered a considerable increase at the level of national fleet captures of fishing products, moving from 116871 tonnes to 161000 tonnes as a consequence of small investments made under the programme called "the private sector and fishing".

3. THE PRIVATE SECTOR

It is important to point out that in the light of the privatization programme and with the adoption of the new law on foreign investment in 1985 the private sector flourished and started to play a significant role in the fishing sector. That can be explained by the level of capture, that means in 1975 the state companies captured 20.600 tonnes and in 1999 they captured only 1140 tonnes while the private sector and joint companies moved from 60233 tonnes in 1995 to 132000 tonnes in 1999, undermining the remains 28.000 tonnes to artisanal fishing.

4. THE POLICY OF THE SECTOR

Delays in the re-equipment of the national fleet and in the delivery of new vessels ordered impeded the recovery of domestic fishing output. In the recent years, the Angolan fleet has landed considerable quantity of fish between 116871 and 161000 tonnes annually, significantly below output levels in the late colonial period. However, domestic fish supplies have been supplemented by foreign fishing fleets operating under licence in Angolan water, which land a portion of their catch in Angolan ports in payment of fishing fees. This payment in kind rather than in foreign exchange increases domestic fish supplies for local consumption.

Several agreements with foreign fleets have been revised in order to incorporate the higher operating capacity of the domestic Angolan fleet due to the arrival of purchased new boats.

The present organization of the fishing industry is under review and the Ministry of fishing has been evaluating the possibility of privatizing some state companies and implementing the global position system to allow the location of fish by satellite so as to facilitate the capture. Further broad policy objectives include higher production and better distribution facilities in order to increase domestic fish consumption, and the reinvestment of a higher proportion of foreign exchange earnings generated by the industry in modern installations and equipment. In addition to the continuous support for industrial fishing, the government has been giving greater priority to the development of artisanal fishing, particularly in the South West region. This region has the richest fishing areas and considerable international assistance, mainly from EU, has already been received to restore the capacity of the national fishing fleet and to rehabilitate fish processing activities. The Ministry of fishing is now incorporating individual investment projects in a Master Plan. This plan identifies the delays in the supplies of spare parts and vital equipment as major obstacles to rehabilitation, together with shortages in trained staff and skilled manpower, especially in the fishing fleet. Inland fisheries are also receiving attention and merit support in view of their potential as an easily accessible protein source for the rural population.

In the medium-term, the Ministry intends to promote the development of higher value species, such as shellfish. There is also some concern to avoid increases in the quotas allowed to foreign fleets on the grounds that fish stocks may be excessively depleted. There are also unconfirmed allegations that the fishing methods utilized by foreign fleets are reducing plankton supplies thus threatening the sustainability of this valuable natural resource. Properly managed, the expansion of Angola's fishing industry would provide increased supplies of protein for domestic consumption and an important source of export earning. The reform carried out by the Government forecast to bring this objective closer by giving a greater role to the private sector, improvement of human resources, mobilisation of foreign investments etc which would relax the main constraint to the rehabilitation of the industry.

5. STRATEGY

The strategy and implementation measures of the sector aim at strengthening appropriate mechanisms that will improve resources management, the renewal of national fleet by the procurement of new fleet and recuperation of old vessels and equipment, rehabilitation of channel of distribution and conservation of fishing resources, installation of huge freezing compound, purchase of freezing trucks, granting credits to private sector, subsidize the sector.

Angola is supporting the development of the fish sector, promote exports, comply with SPS standards. But the effective implementation of SPS standard continues to be hampered by the lack of adequate financial institutional and technical capacities.

6. MARKET ACCESS FOR FISHING PRODUCTS

Angola is still experiencing serious difficulties in exporting to some markets mainly EU due to the high tariff and complying with SPS requirements. Angola as Least Developing Country is of opinion that something should be done to remove these barriers and supports the idea that EU should grant to our country assistance to comply with sanitary and phytosanitary standards. In this order of idea EU should consider providing technical assistance, adequate technology and infrastructure in fulfilling the SPS requirements following the identification of specific problems which hamper Angola to export. So EU shall provide with relevant technology and non-commercial terms preferably free of charge keeping in view the development, financial and trade needs of Angola. It is only under these conditions that Angola will be able to increase captures, improve quality and promote export fish products in EU.

7. CONCLUSION

The main objective of Angola is to consolidate export after several years of war, conquer the traditional and privileged place in the international trade and diversify the cooperation with his partners.

Angola is working actively to create an environment for increased trade and investment. Privatization effort is ongoing in this sector. Following the adoption of new foreign investment law and the establishment of a new agency to promote and facilitate foreign investments, it is hoped that the country will be able to attract new investments and develop this sector, which is important for the development of Angola.