



The information contained in this sheet has been compiled by Jaume Portell, journalist specialising in economics and international relations, in an activity 85% co-financed by ERDF funds in the framework of the [AfricanTech](#) project (1/MAC/1/1.3/0088) within the INTERREG VI D MAC 2021-2027 initiative.

ANGOLA

Macroeconomic situation:

The country's growth keeps pace with oil prices. In 2023, it increased by 0.9%, below the 3% rise of the previous year, according to the 2024 African Economic Outlook, which cites "the fall in production and prices, high external debt amortizations and a 60% devaluation of the local currency" as the main causes of this data. The rise in oil prices after the Russian invasion in Ukraine benefited Angola, which saw a significant growth in 2022, reaching a GDP of \$106.8 billion. However, after the slowdown of the following year, this figure remains well below the GDP of 2011, when the production boom – along with the high prices – boosted this figure to \$140 billion.

Debt and currency:

Angola, one of Africa's major oil producers, has accumulated a debt stock whose annual service already consumes 33% of its exports. Creditors are mostly from the private sector (72%); its largest bilateral partner, China, also holds 8% of Angolan debt; among multilateral partners, the most prominent is the IMF (8%). High interest rates (its bonds traded in international markets pay an interest rate of between 8% and 9% annually) have turned interest payments into one of the government's main expenses. In 2024, Angola spent more on debt interests than on paying state workers, and by 2025 debt payments will exceed \$13 billion. The dollar outflow structurally weakens the kwanza, which is the local currency, whose loss of purchasing power after devaluation affects imported goods. Food – much of it imported – is one of the drivers of the local inflation rate.

Imports and exports:

According to the International Monetary Fund, more than 80% of Angola's exports in 2022 were linked to oil. The IMF projections suggest that by 2028 this

dependence will have hardly been reduced. Some of this oil ends up in our country: Spain imported about 4 million tonnes of Angolan crude oil in 2024. Most Angolan exports end up in China (40%), which is also the country of origin for a quarter of Angola's imports. Almost 40% of imports are linked to food (wheat, rice, chicken) and energy. Despite producing more than one million barrels of oil per day, Angola spent more than \$3.4 billion on petrol imports in 2023. The launch of the Lobito refinery in 2026, with technical and financial support from China, should reduce this dependency.

Energy and electricity:

With a supply of 630,000 TJ, Angola is one of the top 15 countries on the continent in terms of energy consumption. Since 2015, oil has lost some value in the energy mix and biofuels have moved into first place, with 45% of supply. Oil ranks second with 40%.

Since the end of the civil war (1975-2002) at the beginning of the century, Angola has increased its electricity generation ninefold, reaching nearly 18 TWh in 2023. 74% of this electricity comes from hydroelectric sources, with the rest of the generation split between gas and other fossil fuels.

Defence:

Annual defence spending was \$1.639 billion in 2023, according to SIPRI, a Swedish institute specialising in defence trade. This figure represents 5.53% of government spending. At the height of the civil war, the share of defence expenditure reached more than 20% of the budget. Since 2000, Russia has been Angola's main supplier.

Demographics:

Internal displacement from rural areas to cities has been among the most remarkable on the continent. In 1990, 6 in 10 Angolans lived in rural areas. Today, it is barely 3 in 10. A proper name explains this distribution: Luanda. The country's capital is already home to a quarter of the population, and the UN projections suggest it will exceed 12 million inhabitants by 2030. 70% of the country lives in urban areas, and this gap will remain or widen in the coming years. Between 1990 and 2022, Angola has grown from 11.8 million to 36.6 million inhabitants. Life expectancy has increased from 42 years in 1990 to 62 years today, and half of the population is under 16.

Technological innovation:

Internet use in Angola has grown in a decade from a marginal phenomenon (3% of the population in 2010) to a 39% of the population in 2022, representing a thirteen-fold increase.