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## Angola

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### **Bromangol Loss of Food Inspection Contract Could Reduce Food Prices**

**Report Categories:**

Agricultural Situation

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**Report Highlights:**

On November 9, 2017, Angolan President, João Lourenço, issued an order to end the contract between Angolan Customs and the commercial company Bromangol for the operation of analytical laboratories to inspect all food imports. Bromangol was perceived by some importers as a monopoly in the inspection of imported food. The contract's cancellation could reduce costs for food imports.

**Background:**

Bromangol, a private, accredited laboratory, was created in 2008 by the son of former President José Eduardo dos Santos. On December 31, 2011, Bromangol responded to and won a public tender by Angolan Customs to analyze imported food products in 2012. The legislation of 2012 stated that all food goods entering Angola must be inspected by Bromangol in order to clear Customs. Bromangol held that contract until November 9, 2017 when President João Lourenço cancelled the contract.

In the past, Bromangol has been criticized for their prices and the mandatory inspection of all containers. Some importers commented that Bromangol was charging inspection costs from \$1,500 up to \$4,000 per container. Normal costs start at approximately \$300 per container.

### **Cancellation of Contract:**

Since taking office, the newly elected President João Lourenço has been taking measures to stop corruption and monopolies at all levels in the government and modernize and diversify the largely oil-dependent economy. On November 9, 2017 the President canceled Bromangol's contract for import inspections to allow for the entry of new operators and increase market competition. The President's measure also noted the need to modernization Angola's state-run laboratories.

In the wake of the cancellation, one laboratory reported that customs is issuing a list of goods to be analyzed every week and each importer can decide which lab to use. Customs then issues a directive that gives the chosen lab 48 hours to collect the samples. Importers may choose any lab to work with while Customs creates a working group to define new regulations for the designation and operation of laboratories for food inspection.

The President's decision was applauded by the business community as the cancellation of Bromangol's contract should increase competition and reduce costs for importers short term. Angola relies on imports for over half of its food supply.