





## FINANCIAL SUPERVISORY AUTHORITIES:

**ARSEG - Angolan Agency for Regulation and Supervision of Insurance – Presidential decree n.º 141/13, 27 Set**

**Law nº 1/00**, 03 Feb - General of the Insurance Activity; Executive **Decree No. 5/03**, 24 Jan - Approves the regulation on the rules and procedures of the application for authorization for the establishment and operation of insurers

**CMC - Capital Markets Committee – Presidential decree n.º 54/13, 06 Jun**

CMC's activity is regulated by **Law 22/15**, 31 August 2015 (CodVM - Securities Code) and by **Law 12/15**, 17 Jun (LBIF - Basic Law of Institutions Financial) and it's statutes.

**BNA – National Bank of Angola - autonomous**

Law of the National Bank of Angola No. **16/10**, 15 July; **Law 12/15**, 17 Jun (LBIF - Basic Law of Institutions Financial).



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**MAIN OBJECTIVE OF THE SUPERVISORY AUTHORITIES:  
MAINTAIN STABILITY AND CONFIDENCE IN THE  
FINANCIAL SYSTEM**

**Prudential**

Control and prevention  
of risks to the financial  
system

**Conduct**

Conduct of financial  
institutions in providing  
financial products and  
services



## DEPARTMENTS OF SUPERVISION OF THE FINANCIAL SYSTEM AT BNA

1

**DSB – Bank Supervision  
Department**

2

**DSN – Non - Bank Supervision  
Department**

3

**DSC – Conduct Supervision  
Department**

4

**DRO – Department of regulation  
and Organization of the Financial  
System**



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# **DSB – Bank Supervision Department**



## GENERAL ATTRIBUTIONS

### GENERAL ATTRIBUTION



#### MISSION

Ensure stability and confidence in the National Financial System



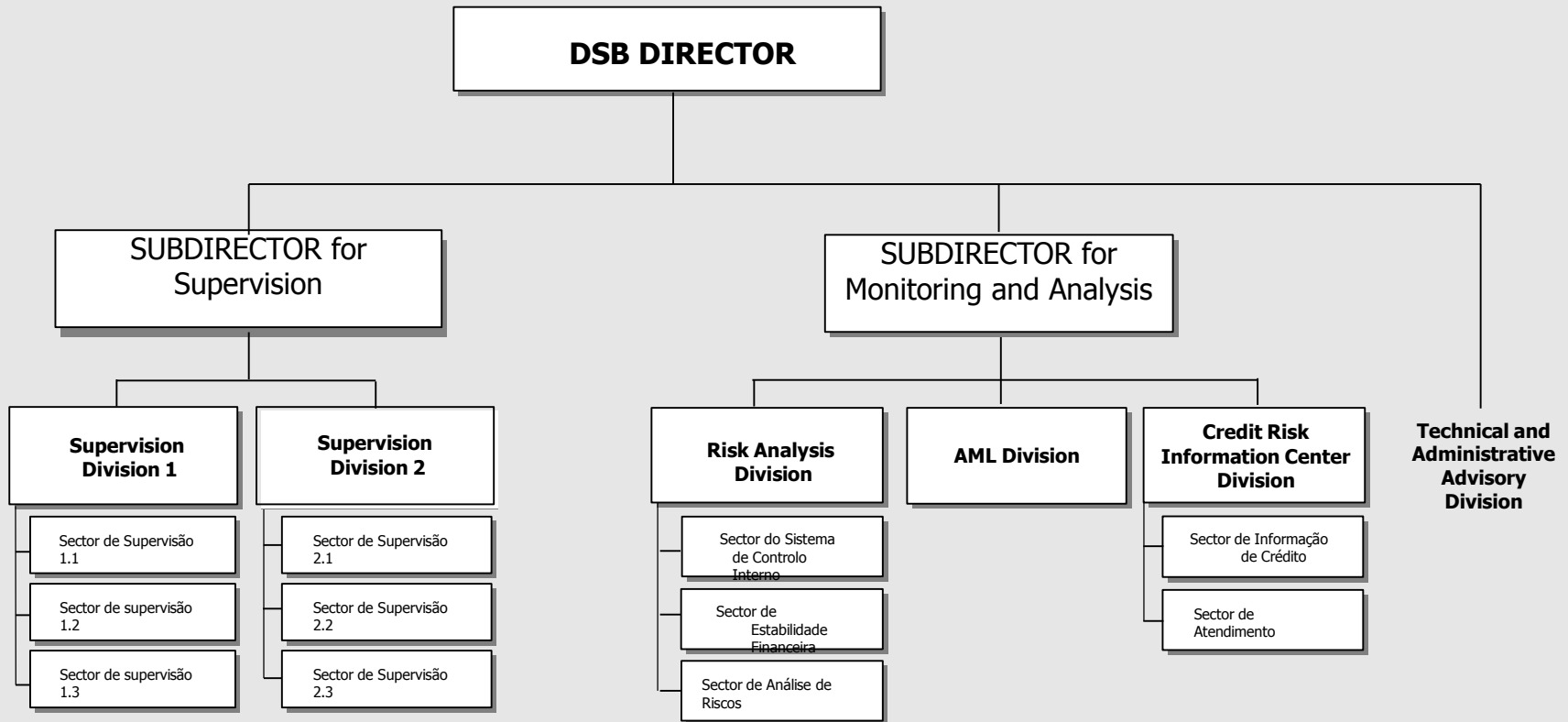
#### FUNCTIONS

- On-and-offsite supervision;
- Manage the information from the financial system supervised by BNA;
- Participate in the analysis of the corrective action and reorganization processes to be applied to financial institutions under its supervision;
- Analyze the Internal Control System, Operational Risk, Credit Risk and Liquidity of Financial Institutions supervised by the BNA;;
- Ensure the operation of the Credit Information and Risk Center.



## BANKING SUPERVISION STRUCTURE

According to the Administrative Organization Manual (MOA) approved by Order No. 63/2018, of June 26, DSB is composed by 6 (six) divisions and 11 (eleven) sectors.





## **SUPERVISORY SUPPORT TOOLS :**

- ❑ **SSIF** – Software of Supervision of Financial Institutions
- ❑ **MAIF** – Financial Institutions Assessment Manual
- ❑ **AMC** – Continuous Monitoring Software
- ❑ **CIRC** – Credit Risk Information Central

**In AMC - Each risk category is assessed in terms of:**



➤ Risk factor  
➤ Effective Controls → Classification Mark





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# **DSN – Non - Bank Supervision Department**



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# **DSC – Conduct Supervision Department**



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DSC arose from the need to create organizational and functional conditions for the supervision of the conduct of financial institutions in the provision of financial products and services.



## **MISSION**

Ensure rigorousness and transparency of financial institutions supervised by the BNA in the relationship with consumers of financial products and services.

- ❑ To monitor and promote the transparent and efficient functioning of banking and non-banking financial institutions, regulating aspects that play a fundamental role in the day to day of clients ;
- ❑ Encourage the training of consumers to make financially responsible decisions, with individual benefits and benefits for the economy in general;
- ❑ Stimulate competition among financial institutions in order to increase the diversified and competitive supply of products and services;
- ❑ Ensure transparency and greater equity in contractual relations between the client and financial institutions and appropriate conduct by them.



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# **DRO - Regulation and Organization of the Financial System Department**



## MISSION

The mission of the DRO results from the combined provisions of **number 1 of article 21 of Law no. 16/2010**, 15 July - Law of the National Bank of Angola and **article 64 of Law no. 12/15**, 17 June - Basic Law of Financial Institutions.

- Ensure the organization and regulation of the Financial System in the field of prudential and behavioral supervision.



## GENERAL ATTRIBUTIONS



- To conduct studies and lead the preparation of proposals for norms;
- To represent the Central Bank in meetings, committees and in technical committees, at national and international level, involving matters related to the area of financial regulation, when superiorly authorized;
- Authorizing new financial institutions;
- Registering new financial institutions, members of the Management and Supervisory Bodies;



## SUPERVISED INSTITUTIONS

DSB and DSN use risk-based approach for on-site and off-site supervision

### BANKS

(Law n.º 12/15, 17 June)

<b>BANKS IN OPERATION</b>	
<b>DESCRIPTION</b>	<b>QTY</b>
Public Banks,	3
Local Private Banks	20
Foreign Banks Branches	6
<b>TOTAL</b>	<b>29</b>

### NON - BANKS

(Law n.º 12/15, 17 June )

<b>NON BANKS IN OPERATION</b>	
<b>DESCRIPTION</b>	<b>QTY</b>
Exchange Bureau	69
Microcredit agencies	10
Money transfers	12
Credit Cooperatives	2
<b>TOTAL</b>	<b>93</b>



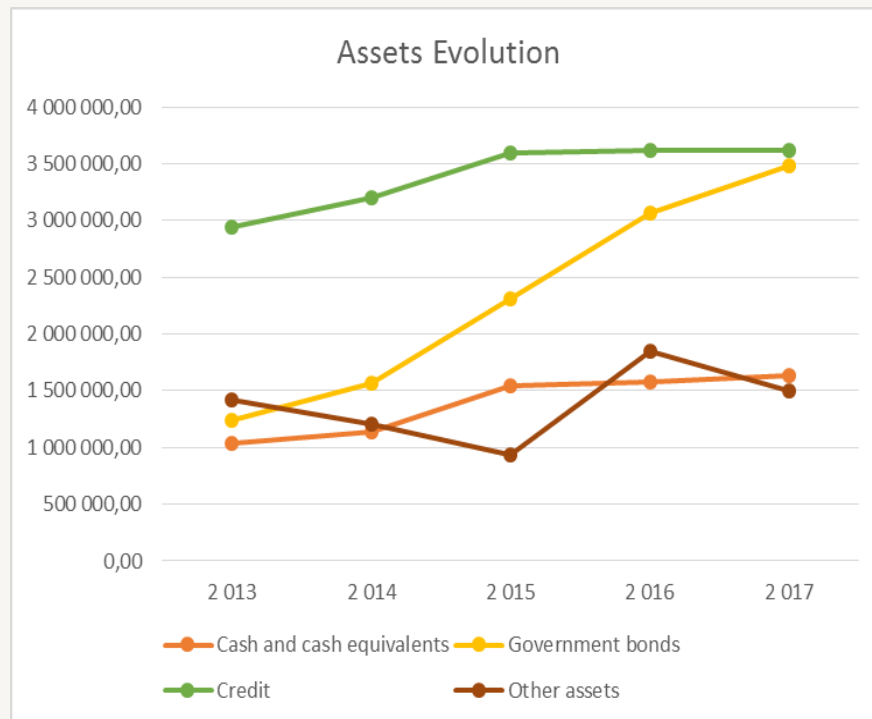


## Patrimonial structure of the Banking System in December 2017

amounts in million Kwanza

DESCRIPTION	2013	2014	2015	2016	2017
<b>TOTAL ASSETS</b>	<b>6 646 769,24</b>	<b>7 128 512,76</b>	<b>8 386 468,20</b>	<b>10 109 696,74</b>	<b>10 226 255,35</b>
Cash and cash equivalents	1 039 173,56	1 141 434,16	1 545 453,84	1 577 818,16	1 634 917,36
Government bonds	1 244 630,94	1 570 712,14	2 315 953,28	3 064 154,01	3 477 964,25
Credit	2 943 625,37	3 205 508,63	3 593 271,80	3 619 771,36	3 617 223,23
Other assets	1 419 339,37	1 210 857,83	931 789,28	1 847 953,21	1 496 150,51
<b>TOTAL LIABILITY</b>	<b>5 921 392,86</b>	<b>6 413 150,86</b>	<b>7 508 419,65</b>	<b>8 993 372,80</b>	<b>8 925 861,10</b>
Deposits	4 647 789,35	5 350 991,35	6 094 302,21	7 024 224,38	7 334 634,68
Other liabilities	1 273 603,51	1 062 159,51	1 414 117,44	1 969 148,42	1 591 226,42
<b>EQUITY</b>	<b>634 160,73</b>	<b>670 752,77</b>	<b>739 346,54</b>	<b>895 862,78</b>	<b>1 091 279,33</b>
<b>RESULTS</b>	<b>91 215,65</b>	<b>44 609,13</b>	<b>138 702,01</b>	<b>220 461,15</b>	<b>209 114,92</b>

USD 1 = Kz 254,54



Credit stagnation due to oil crisis (increased rate of default) and the shift in banks investment strategy into more secure assets



## □ Indicators of the Banking System in December 2017

Indicators	2013	2014	2015	2016	2017
<b>CAPITAL ADEQUACY</b>					
Fixed Assets over Regulatory Capital	35,26%	38,48%	37,02%	36,42%	43,61%
Capital ratio	19,40%	19,83%	19,79%	19,74%	18,79%
<b>CREDIT QUALITY</b>					
Non performing loan over Total Credit	11,18%	14,53%	16,68%	25,37%	33,22%
Non performing loan over Total Assets	4,96%	6,54%	7,41%	10,72%	12,75%
Total Credit over Total Assets	44,29%	44,97%	42,85%	35,80%	35,37%
<b>PROFITABILITY</b>					
ROA	1,38%	0,63%	1,67%	2,21%	2,07%
ROE	10,54%	4,88%	12,76%	15,69%	14,17%
<b>LIQUIDITY</b>					
Liquidity Local Currency				18,80%	20,16%
Liquidity Foreign Currency				21,64%	20,63%



## CHALLENGES AND PERSPECTIVES

Among the several challenges faced by the supervision at BNA, the following stand out:

- ❑ Full Implementation of the Financial Institutions Evaluation Model (MAIF);
- ❑ Full adoption of international accounting standards (IAS / IFRS) by the Financial Institutions
- ❑ Alignment of norms, processes and methodologies to internationally accepted practices;
- ❑ Aligning local regulatory framework and supervisory procedures with those of the European Union, in cases of abroad based subsidiaries, in order to obtain the recognition of Equivalent Supervision;
- ❑ Alignment of the regulatory framework and oversight processes for SADC – Regional development community;
- ❑ Increased Stability and Risk Reduction;
- ❑ Tighter controls on companies considered to represent systemic risk (systemically important financial institutions - SIFI) in any sector that occurs both nationally and internationally;
- ❑ Resolution, recovery and requirements planning, allowing for troubled financial institutions to be restructured or dissolved without having a negative impact on the financial system;

Thank you very much

