

The Canmaker

Angola plant to exceed expectations

FRIDAY, 09 SEPTEMBER 2011



Angolata, the beverage canmaking plant in Angola completed this year by South Africa's Nampak, could lead to other expansion opportunities in the country.

Charles Bromley, who leads Nampak's metal and glass packaging business, told a financial meeting this week that the plant will use up almost all of its 1 billion cans a year capacity if next year it secures volume – up to 400m cans a year – from Refriango, the leading domestic soft drinks manufacturer.

The plant still has to overcome some "regulatory challenges" but these will be resolved in January 2012 with the introduction of new tariff legislation.

Construction of the plant near Luanda started in 2008 after SABMiller awarded Nampak Bevcan a contract to supply cans to Coca-Cola Bottlers Luanda, in which SABMiller has a 45 percent share. At the time, the Angolan market was the world's biggest without its own canmaking plant. Progress with the project was slowed in obtaining Council of Ministers approval for the project but production started in March 2011.

The plant now also supplies about a quarter of its capacity to brewer Cuca, which has a 90 percent share of the beer and soft drinks market in Angola.

Part government owned, the Angolata plant output is expected to exceed its original plans. "The learning curve is going well, and plant output expectations are anticipated to exceed prior predictions," said Bromley in his presentation. Current line speed is 1,800 cans per minute, "but we expect to lift this to 2,000cpm."

He said that Nampak was looking at other expansion opportunities in Angola to leverage off the base, whether by acquisition or further green-field investment.