



INVEST IN ANGOLA

**INTERNATIONAL BUSINESS FORUM TO
ATTRACT POLISH AND UKRAINIAN
INVESTORS, BUSINESSMEN AND
EXPERTS TO ANGOLA**



27TH JUNE - 12TH JULY 2022.

ANGOLA



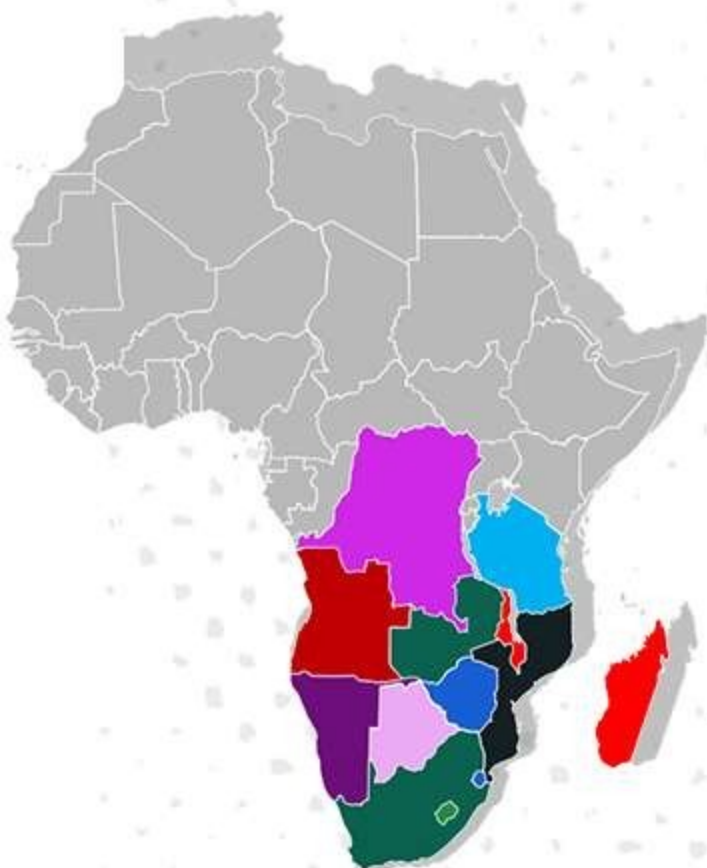
Angola is a country on the west coast of Africa, whose main territory is limited to the north and northeast by the Democratic Republic of Congo, to the east of Zambia, to the south of Namibia and to the west of the Atlantic Ocean. It also includes the enclave of Cabinda, through which it borders the Republic of Congo to the north. It is the seventh largest country on the African continent.
















In Angola there are two seasons – summer and winter or “dry season”, climatological conditions are rainy seasons, corresponding to the hottest period that occurs between the months of September and May, and the winter or Dry season, which runs from May to September, during which temperatures are lower. On average, temperatures in the country vary between a maximum of 27 °C and a minimum of 17 °C.

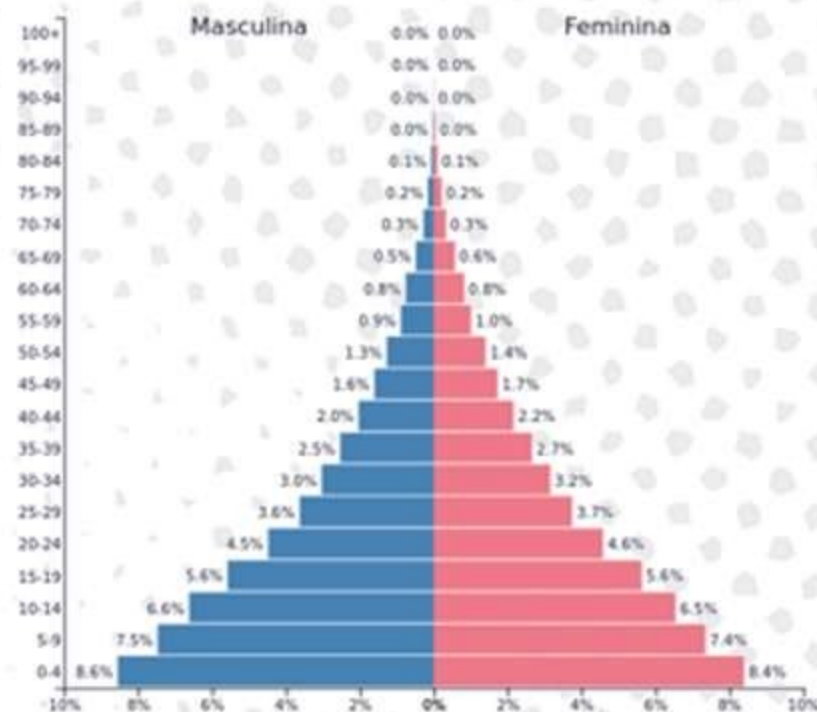
According to the population projections of the National Statistics Institute (INE) for 2022, the population of Angola amounts to around 33 million inhabitants, mostly young (65% of the total population is under 25 years of age).

Projections for the next 30 years point to a growth of over 100%, with the total population reaching around 67.9 million inhabitants in 2050.

REGIONAL INTEGRATION EFFORTS WILL RESULT IN AN INCREASE IN THE FLOW OF FI TO AFRICA AND CONSEQUENTLY ANGOLA, MOTIVATED BY THE EFFECTS OF THE ZCLCA* ...



Countries	Population	Annual GDP	GDP per capita
 South Africa	59,622,000	\$335,344M	\$5,625
 Angola	32,866,268	\$58,376M	\$1,776
 Botswana	2,351,625	\$15,064M	\$6,406
 Lesotho	2,142,252	\$1,875M	\$875
 Madagascar	27,691,019	\$13,056M	\$471
 Malawi	19,129,955	\$12,182M	\$637
 Mauritius	1,265,740	\$10,921M	\$8,628
 Mozambique	31,255,435	\$14,019M	\$449
 Namíbia	2,504,000	\$10,710M	\$4,276
 Democratic Republic of Congo	89,561,000	\$48,707M	\$544
 Seychelles	98,462	\$1,138M	\$11,558
 Eswatini	1,160,164	\$3,973M	\$3,424
 Tanzania	59,734,213	\$64,403M	\$1,078
 Zambia	18,383,956	\$19,319M	\$1,051
 Zimbabwe	14.862.927	\$18,051M	\$1,215
TOTAL: SADC	362,629,016	\$627,139M	\$1,729



OPPORTUNITIES:

Impact of pandemic on transport costs
 Young and growing population (mostly female active) Community market / border market (~120M) / Lobito corridor

MORE OPPORTUNITIES FOR FOREIGN AND LOCAL INVESTORS TO SET UP A JOINT VENTURE TO EXPLORE AND BOOST SECTORS WITH GREAT POTENTIAL

1

KNOWLEDGE SHARING

Industrial units /
Agro-industrial and fisheries
assets



Investor Profile and
Characteristics

*Any type of investor

(financial, strategic or individual) with knowledge in the sector and/or interest in investing in the national economy.



Motivation

Promote the rehabilitation of vacant/non-operational assets and begin to exploit them with attractive potential for profitability.

Maintain jobs and create jobs both in the metropolis of Luanda and in other provinces.

Increase the domestic production of essential products (and others) in order to reduce the weight of imports in Angolan GDP

NATURAL RESOURCES



Angola is rich in mineral resources. Lloyds Bank estimates that in its subsoil there are 35 of the 45 most important mineral resources in world trade, among which; petroleum, natural gas, diamonds, phosphates, bauxite, iron, copper, magnesium, manganese, uranium, zinc, gold and ornamental stones.

It is along the coasts of Cabinda and Zaire, in the north of the country, in which the main oil basins are located.

Existing oil reserves are around 8 billion barrels and production has increased sharply since 1980. Diamond reserves are considered the most important in the world and are found in the provinces of Lunda Norte and Lunda Sul.

NATURAL RESOURCES



Angola has a large amount of arable land, therefore is a high potential for agriculture and livestock. It also has wild fauna and forests, some of which are rare in the world.

WHY INVEST IN ANGOLA?

KEY INDICATORS – TURNING POINT

TOP HIGHLIGHTS



About 3 Million Hectares of Arable Soil



1,650 KM from Atlantic Coast



Diversity of Mineral Resources



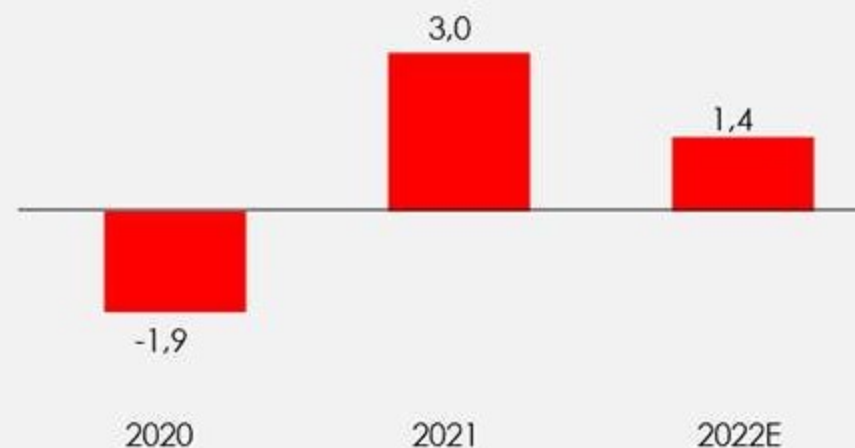
Mostly Young Population

Real GDP growth (%)

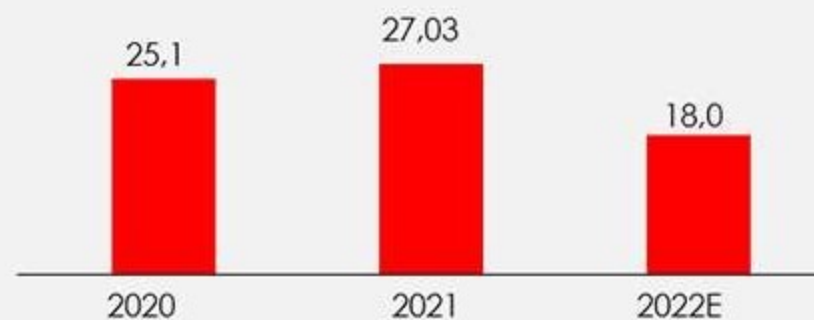


Source: INE; OGE 2021

Overall Fiscal Balance (% GDP)



Inflation (Homologous Change %)



Source: INE; OGE 2021

Net Foreign Direct Investment (% of GDP)



Fonte: BNA

OPPORTUNITIES

SET OF COMPETITIVE ADVANTAGES FOR PRIVATE INVESTMENT

Strategic location, on the Atlantic coast of Africa

Integration of SADC (Southern African Development Community) and ECCAS (Economic Community of Central African States), with all the advantages

Preferential access to regional markets

Regulatory framework favorable to foreign direct investment

Young population, where about two thirds are under the age of 24

Appreciable improvement in infrastructure, such as roads, airports, as well as railway and port

Moment of great dynamism currently experienced through the introduction of reforms that aim, not only to improve the business environment, but also to encourage formality of these businesses

Recent implementation of programs to improve the business environment and business competitiveness, namely the PRODESI program and the new private investment

Available natural resources both in terms of agriculture, fisheries, forests and minerals

INVESTOR RIGHTS

Transfers abroad of the corresponding value:

- Dividends resulting from profits obtained by the investor;
- The amount of the settlement of investments;
- Royalties or other income from the renumbering of indirect investments associated with technology transfer.

Legal Guarantees In the event of a dispute, the investor may ...

- Access to Angolan courts, which recognize equal rights for all investors;
- Use alternative means of resolving disputes in relation to private investment - i.e. negotiation, conciliation and mediation

OPPORTUNITIES FOR INVESTMENT

1.

Its privileged location, vast and valuable resources, and also ongoing process of regional integration, make Angola a welcoming market for investors at a global level, with a high potential to take advantage of consumer markets that are expected to grow more accessible and competitive.

2.

At the regional level, Angola is one of the 16 member states of the Southern African Development Community 10 (SADC), an economic and political bloc that aims to facilitate investment and trade between its members, which are: Angola, South Africa, Botswana, Democratic Republic of Congo, Cameroon, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Eswatini (Swaziland), Tanzania, Zambia and Zimbabwe

3.

In terms of continental economic integration, Angola's participation in the **Free Trade Agreement** concluded **between 54 African Union countries** and which aims to create, by 2028, a common market and the free movement of people, goods and services. **This Agreement will allow the creation of the largest free trade area in the world and of course, increase business opportunities and increase partnerships.**

OPPORTUNITIES

INDUSTRIAL INFRASTRUCTURES



Much has been invested in the creation of industrial infrastructures with a view to promoting better conditions for investment and for the implementation of industries in strategic regions of the country. Three types of infrastructure stand out:

- **Industrial Development Hubs (PDI)**
- **Rural Industrial Parks (PIR)**
- **Special Economic Zone (ZEE) / Free Zones.**

The construction and management of PDI and PIR is open to the private sector, who is responsible for the infrastructure of the land and subsequent concession to the companies that aim to install themselves.

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OPPORTUNITIES

INDUSTRIAL INFRASTRUCTURES

ZONAS FRANCAS – ZONA ECONOMICA ESPECIAL



In 2009, Luanda-Bengo ZEE was created with the aim of promoting the development of the national economy.

With more than 178,000 hectares, the ZEE integrates 21 flexible reserves:

- **7 Industrial Reserves**
- **6 Agricultural Reserves**
- **8 Mining Reserves**

These reserves are distributed among the municipalities of Luanda:

OPPORTUNITIES

INDUSTRIAL INFRASTRUCTURES

ZONAS FRANCAS – ZONA ECONOMICA ESPECIAL



Much has been invested in the creation of industrial ▪ Cacuaco (20,000 hectares)

▪ **Icolo and Bengo (30,000 hectares)**

They are also distributed among the municipalities of Bengo (120,000 hectares):

▪ **Dande**

▪ **Ambriz**

Only about 8,300 ha are equipped with the necessary infrastructure for the installation of Industrial Units in different sectors. In the case of Agriculture and Livestock, this value rises to 9,000 ha.

In the Luanda-Bengo ZEE there are about 170 companies installed, whose factories (some not yet operational) are linked to the food industry, beverages, metallurgy, civil construction materials, plastics, vehicle assembly, paints, varnishes and carpentry. Within the scope of the Privatization Program, the short-term sale of most of the existing units is planned.

OPPORTUNITIES

INDUSTRIAL INFRASTRUCTURES

IDIIA – Angola’s Institute for Industrial Development and Technological Innovation has the sole purpose to manage the entire process, from the creation of the Hub to the monitoring of the companies installed in that location.

There is a wide opening for the Hubs to develop through private initiative, with private investors being responsible for the construction of the infrastructures of each Hub, which, in turn, proceed to the lease and/or sale of the surface rights of the lots to others private investors wishing to install their industrial units at that location.



OPPORTUNITIES

INDUSTRIAL INFRASTRUCTURES



THERE ARE THREE INDUSTRIAL DEVELOPMENT HUBS IN OPERATION:

- **Industrial Development Hub of Viana** (Luanda Province), with an infrastructure area of 2,700 ha, with 815 lots for the installation of companies. Currently, more than half of the lots already have companies installed, under construction or with approvals to start construction soon. There are lots granted, but without companies in operation or in the process of being installed in the short term, thus not complying with the rules provided for in the contract, so the PDI management entity started a reversal process. The reversed lots will later be placed on the market for new concessions.
- **Industrial Development Hub of Catumbela (Benguela)**, with a total infrastructure area of around 1,000 ha (with the possibility of expansion), with approximately 130 companies installed, in installation or in the construction phase.

OPPORTUNITIES INDUSTRIAL INFRASTRUCTURES



- **Industrial Development Hub of Fútila** (Cabinda), with 11 companies installed or in the initial phase of construction of their facilities. The Fútila PDI has a total area of 2,345 hectares, but, in a first phase, only 900 hectares are allocated to the Pole for the installation of companies. In this Pole, on average, each lot has an approximate area of five hectares. While the PDI of Viana and Catumbela have a management company, which is managed by a Board of Directors, the PDI of Fútila is still at the Installation Committee stage.

PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION



The Angolan Executive has implemented a strategy to boost the economy in which the State assumes a regulatory and catalytic role in a favorable business environment, developing measures that allow a growth model based on the private sector

PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION

The National Development Plan (PDN) 2018-202230 is a medium-term planning instrument with a view to promoting the socio-economic and territorial development of Angola, and includes programs, priority actions and goals to be achieved in 2022 to achieve the strategic objectives outlined by the Executive.



PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION

Support for Production, Substitution of Imports and Diversification of Exports (PRODESI). This program has the

Promote the production of priority sectors and basic food basket in order to progressively conquer increasing shares in the domestic market and contribute to the diversification of the structure of the economy and exports; increase exports of priority products and sectors, in terms of diversity and quantity; and attract FDI to increase diversified productive investment in the Angolan economy.



PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION

In this sense, it promotes the increase in exports through a set of sectors identified as priorities due to their **export potential**, with emphasis on the industrial sector: Food and Agribusiness, Mineral Resources, Oil and Natural Gas, Forestry, Textiles, Clothing and Footwear.

Within these lines, 54 products with export potential were identified, namely: bulk sugar, regular rice, beef jerky, wheat flour, beans, cassava, bombó fuba, maize grain, maize flour, milk, spaghetti pasta, soy cooking oil, palm oil, blue soap, common salt, eggs, chicken meat, goat meat, pork, sweet potato, reindeer potato, tomato, onion, garlic, carrot, pepper, cabbage, lettuce, banana, mango, pineapple, tilapia, Cunene horse mackerel, sardinella aurita (lambula), sardinella, pallet, sunflower cooking oil, peanut oil, honey, construction steel rod, cement, clinker, glue cements, mortar, plaster, plaster, tempered and laminated glass, glass packaging, construction paint and napkins.

PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION

A Credit Support Project (PAC) was established with the primary objective of facilitating access to financing for private investment projects implemented in the productive sectors and clusters defined within the scope of PRODESI.

– The PAC applies to investment projects that contribute, directly or indirectly, to the internal production of 54 goods previously identified in PRODESI.

The beneficiary entities of the PAC are the following:

- Microenterprises³³ and family cooperatives;
- Cooperative companies that are in their first year of activity, or that are already in
been in operation for over a year. There are two types of financing:
 - Subsidy for micro-enterprises, through resources from the General State Budget;
 - Commercial credit, through financing to companies with resources from financial institutions.



PROGRAMS AND PUBLIC POLICIES FOR ECONOMIC GROWTH AND DIVERSIFICATION

**AMONG THE VARIOUS BENEFITS THAT COMPANIES CAN
ACCESS, THE FOLLOWING STAND OUT:**

- Public guarantee required by financial institutions to grant financing, which will be the responsibility of the Credit Guarantee Fund (FGC);
- Reduction of interest rates on bank credit;
- Reduction in insurance and leasing charges;
- Extending the maturity and grace periods of financing suitable for each investment project;
- Incentives provided for in the Private Investment Law, linked to development zones priorities

Investors wishing to obtain bank credit should contact the banks that signed the PAC access memoranda. As for access to subsidies for micro-enterprises and family cooperatives, these will be granted by the various existing sectoral funds.



FISCAL BENEFITS

AMONG THE VARIOUS BENEFITS THAT COMPANIES CAN ACCESS, THE FOLLOWING STAND OUT:

The Tax Benefits Code identifies the benefits attributed to any investment, in accordance with its framework in sectors of activity and development zones defined by the government as priorities, as well as in accordance with the value of the investment and the jobs created.

Although awaiting publication in the Diário da República, the Tax Benefits Code approved by the National Assembly in 2022 establishes a wide range of benefits in terms of exemption or reduction, in terms of Inheritance and Donation Tax, Industrial Tax, Tax on the Application of Capital, Stamp Duty and Urban Property Tax; the Code also provides for different time horizons for the benefits, depending on the investment

The tax benefits granted under the Contractual Regime are defined between the investor and the government of Angola. The maximum ceilings for reductions or exemptions in the case of the latter investment regime will also be defined by this Code.



TAX INCENTIVES AND OTHER FACILITIES



TAX

- **Reduction or exemption from tax rates**
- **Tax Credit**
- **Deductions to the tax base**
- **Accelerated amortizations**



CONSTOMS

Exemption from the payment of customs duties on the importation of goods and equipment necessary for the implementation of the project



EASE

Exemption from the payment of fees and fees due for any requested service, including customs, by a non-business public environment, only for projects included in the Special Regime



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ANGOLA

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INVEST IN ANGOLA 2022

EMBAIXADA DE ANGOLA
NA POLÓNIA

