EDITORIAL

A NEW COUNTRY

DOUBLE-DIGIT economic growth, 1st Africa's oil producer, emerging tourism destination, dynamic and safe country; political, military and economic stability: Angola is going through the most prosperous moment of its history. War belongs to the past. During the past eight years, the country got reorganised to start its process of reconstruction.

Welcome to the first edition of Angola News. This monthly newsletter is dedicated to Angola and provides information on its development. The publication covers a wide range of topics within business sectors like: Law, Tax, Projects, Banking, Investment, International Relations, Economy, Tourism...Every issue brings essential reading to business-people, investors, expatriates and professional service providers.

H.E. Rui Jorge Carneiro Mangueira
Ambassador of the Republic of Angola to the UAE

THE COUNTRY

ANGOLA

Capital city: Luanda
Geographic situation: Western coast of Southern Africa
Area: 1,246,700 km²
Main ports: Luanda, Lobito, Namibe and Cabinda
Borders: Congo Brazzaville, the Democratic Republic of the Congo (ex-Zaire), Zambia and Namibia
History: Angola was a Portuguese colony till 11 November 1975, when it won its independence
Population: 17.5 million
Currency: Kwanza (Kz)
Official language: Portuguese
National languages: Kikongo, Kimbundo, tchokwe, Umbundo, Mbunda, Kwanyama
Religion: Predominantly Christian

CONTENTS

Page 1
Editorial
A new country
Contact details
Embassy of the Republic of Angola in the UAE
The Country
Angola

Page 2
Key figures
Angola in numbers
Quotes from
Dr. Aguinaldo Jaime, President of National Private Investment Agency (ANIP)
Angolan international relations
Angolan President visited Brazil and Ghana

Page 3
Zoom
The province of Luanda
Note
Industrial tax exemption regime
Investment
Opportunities

Page 4
Projects
Railway connecting Luanda, Ndalatando and Malanje
Contracts
Angola and South Korea sign deal on technology
Angola and Czech company sign a MoU
Economy
Angola's economy to become Africa's fifth by 2014

CONTACT DETAILS

For further information, contact:
Embassy of the Republic of Angola,
Address: P.O. Box 36532, Abu Dhabi, UAE
Phone: +971 2 447 7042
Fax: +971 2 447 7043
Email: info@adangola.ae
Website: www.adangola.ae
THE VISIT of President José Eduardo dos Santos to Brazil will boost the co-operation ties in various domains, consolidate the friendship between the two countries and provide the reinforcement of political concert and solidarity.

"The visit of President José Eduardo dos Santos is very important, as friends have the need to improve and update their relationship. I think that being President Luís Inácio Lula da Silva in the end of his mandate it is necessary to re-launch all co-operation accords with the privileged partners of the Brazilian state", he said. He said that the technical co-operation Brazil has been offering to Angola is taking place in various sectors, such as agriculture, sports, environment education, public health, science and technology.

President José Eduardo dos Santos ended, on June 24th, his official 3-day visit to Brazil, and signed a financial co-operation protocol with Luis Inácio Lula da Silva, and a joint declaration for the establishment of a strategic partnership.

NOTE: INDUSTRIAL TAX EXEMPTION REGIME

Vary in accordance with the province in which the investment is made. Investors will be free from paying tax on the capital invested, for a period of:
- 15 YEARS EXEMPTION, for the provinces of Huambo, Bié, Zaire.
- 12 YEARS EXEMPTION, for the provinces of Kwanza Norte, Bengo, Ólver, Lundas and inland municipalities of Benguela, Cabinda and Huila.
- 8 YEARS EXEMPTION, for the provinces of Benguela, Cabinda, and in the municipality of Lobito.

DR. AGUINALDO Jaime has been the President of the federal National Private Investment Agency (ANIP) since the beginning of the year. ANIP is the gateway for all investments projects in Angola.

“We have vast resources, and not just petroleum and diamonds. We have gold, copper, granite, marble, and rich agricultural land. In the past, we were great exporters of sugar and coffee. Now we have great hydroelectric potential”. “Every day, we receive five investments projects”. “The flow of investors is huge and the majority of them are foreign”.

“There is no law requiring that foreign investors make partnerships with Angolan companies but ANIP can encourage this”.

“Public investment is important for the process of rebuilding and modernizing our basic infrastructure. Private investment has to complement what the public sector can do”.

KEY FIGURES ANGOLA IN NUMBERS

- 1 Africa’s 3rd oil producer
- 13.20% GDP real growth rate in 2009
- 30 years of oil reserves
- 500 000 barrels to be refined daily internally by 2014

THE PROVINCE OF LUANDA

Luanda is the capital and largest city of Angola. Located on Angola’s coast with the Atlantic Ocean, Luanda is both Angola’s chief seaport and administrative center and has a population of 5 million (2008). It is also the capital city of Luanda Province. The city is currently undergoing a major reconstruction, with many large developments taking place that will alter the cityscape significantly.

Population

The inhabitants of Luanda are primarily members of African ethnic groups, including the Ovimbundu, Kimbundu and Bakongo. The official and most widely used language is Portuguese. There is a small population of European origin, especially Portuguese. The population of Luanda has exploded in recent years, due in large part to war-time migration to the city, which is safe compared to the rest of the country. Around one-third of Angolans live in Luanda.

Industry

Manufacturing includes processed foods, beverages, textiles, cement and other building materials, plastic products, metalware, cigarettes, shoes and clothes. Petroleum (found in nearby off-shore deposits) is refined in the city. Luanda has an excellent natural harbour. The chief exports are coffee, cotton, sugar, diamonds, iron, and salt. The city also has a thriving building industry, an effect of the nationwide economic boom experienced since 2002, when political stability returned with the end of the civil war.

Economic growth is largely supported by oil extraction activities, although massive diversification is taking place. Large investment (Domestic and International), along with strong economic growth, has dramatically increased construction of all economic sectors in the city of Luanda.

Transport

Major road rehabilitation, including road widening, application of asphalt, and re-routing efforts are all currently undertaken. Luanda One highway provides speedy access to Cacuaco, Samba, and the Kilamba Kiais district of Luanda to the new airport of Luanda. The other highway connects the city center of Luanda to Viana.

Reconstruction

Angola, which is forecast to be one of the world’s fastest growing economies, has been undergoing a massive national reconstruction. The central government allocates funds to all regions of the country. Major reconstruction in Luanda has been in nearly all aspects of society like social housing.

INVESTMENT OPPORTUNITIES

- PETROLEUM: It’s a recent industry with advanced technology which reaches high levels of profitability.
- DIAMONDS: Luanda is one of the most important diamond areas in the world.
- BUSINESS: The air traffic of nationals and foreigners is intense.
- CATTLE-RAISING: Big natural resources. The production of milk and its products give life to this sector.
- FORESTS: Forests are rich in tropical wood.
- CROPPING: Excellent quality product which benefits from the climate.
- FISHING: Angola has a long coast rich in crustaceans and fishes. It has a dynamic industry with developing infrastructures.
- BUILDING: CONSTRUCTION AND PUBLIC WORKS: Angola is an entire country to rebuild.
- AGRICULTURE: Thanks to good geohydrographic distribution and a varied ecological picture, Angola has a large production of tropical and sub-tropical cultivation.
- COMMERCE AND INDUSTRY: These sectors need to be adapted to the international standards.
**RAILWAY CONNECTING LUANDA, NDALATANDO AND MALANJE READY IN JULY**

The resumption of the railroad linking Luanda, Ndalatando and Malanje is set for July after the rehabilitation of about 400km of stretch, announced on June 22nd the chairperson of the Board of directors of Luanda Railway (CFL), Osvaldo Lobo do Nascimento.

Speaking to journalists, after the experimental trip between “Quilometro 30” (Luanda) and Dondo, Northern Kwanza Norte province, made on June 21st, the official said that if there is no any obstacle the train will reach Malanje in the second half of July.

Osvaldo Nascimento explained that under the programme of rehabilitation and modernization of Luanda Railway, the line has already been assembled as far as Malange and the stations repaired. Started in 2005, the rehabilitation of Luanda, Ndalatando and Malanje railway allowed the reconstruction of 600 hydraulic passages, 16 stations and 40 bridges and culverts, in addition to deforestation and reduction of the slopes.

The Luanda Railway (CFL) was inaugurated in 1909 with a total extension of 479 km.

---

**ANGOLA AND SOUTH KOREA SIGN A DEAL ON TECHNOLOGY**

**ANGOLA AND SOUTH KOREA** formalised on June 20th in Luanda, an agreement in telecommunication and information technology, aiming at training Angolans and share knowledge.

The agreement was signed by Telecommunication and Information Technology Minister, José Carvalho da Rocha, and South Korean Commission Chairperson, Choi See Joong.

José Carvalho da Rocha said that telecommunications and information technology represent an important factor for reconstruction and development of Angola. According to Choi See Joong, this memorandum is part of preparation programme for digital system to be implemented in Angola in 2012.

---

**ANGOLA AND CZECH COMPANY SIGN US$ 300 MILLION HOUSING DEAL**

**THE ANGOLAN GOVERNMENT** and a Czech housing company signed on May 6th a US$300 million deal under which the company will build 8,000 houses for low and middle income citizens.

The memorandum of understanding (MoU) signed between the National Institute of Housing and the private Czech company, Flexibuild LDA, aims at meeting the Angolan government’s target of building one million houses by 2012.

Flexibuild chairperson, Valentim Girstl said that the project will be delivered by 2012 and executed in the provinces of Kwanza Sul, Bengo and Benguela. He added that his intention is not only to build houses in Angola but to open doors to other Czech companies to invest in the country.

---

**ANGOLA’S ECONOMY TO BECOME AFRICA’S FIFTH IN GROWTH BY 2014**

“WOULD THIS wish be attained, Angolan economy will overtake the economies of Morocco and Libya, only becoming second to South Africa, Egypt and Algeria”, said the economist Alves da Rocha while speaking on “Angola’s strategic position in Africa” under the Forum on Strategy and Competitiveness held on June 24th in Luanda.

According to Alves da Rocha who is also a university lecturer, the project is based on the satisfactory evolution recorded over the last few years on the National Gross Income, on the dynamics of the economy and on inhabitants’ purchasing power.

He added that this position could also be attained through a consolidated business strategy, major openness of the national economy to foreign investment and a major competitiveness of companies and in other sectors of activity.

According to data released by the international magazine Economist Intelligent, in 2007 and 2008, Angola’s economy was consecutively Africa’s seventh, from among 48 countries, only second to South Africa, Nigeria and Egypt. In those years under analysis, he noted that Angola presented Gross National Income values that enabled it occupy that position that, to him, constitutes a challenge for local and foreign investors. According to him, attaining that position means there is a space in Africa that can be conquered more and more, judging from Angola’s economic potential of over the last years, which requires more investment and entrepreneurial attitude.

He also stated that the magazine’s research show that Angola is in a position to becoming a regional power in Africa, mentioning to that matter the country’s military might, armed forces’ equipment and its political influence.

In 2008, the Angolan economy was the first from within the Economic Community of East African States (ECCAS), followed by those of Cameroon, Gabon, DR Congo, Chad and Rwanda.

As to the Southern Africa Development Community (SADC), the source said, Angola in 2008 was second major economy, after South Africa, Tanzania, Botswana, Zambia and Namibia.