



Invest in Angola

A growing hub in the sub-region

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14 February 2022



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The pillars of economic transformation



LEGAL FRAMEWORK

- Private Investment Law
- Competition Law
- Investor Gateway, a.k.a. JUI



POLITICAL WILL

- Fighting Corruption



ECONOMIC PROGRAMMES

PROPRIV - State Assets Privatisation Programme

PRODESI - Production Support Programme, Export Diversification and Import Substitution

The objective is to transform the economy into a **private-sector lead growth model** that is based on economic diversification and industrialisation.

Strengthening institutions and improving market conditions

Establishing pillars of **good governance**, focusing on anti-corruption and economic diversification



João Lourenço
President of Angola
United Nations, June 2021

Investment Law 10/21 sets out competitive conditions for investment

- Three investment regimes;
- Possibility of negotiating incentives;
- No minimum investment required;
- Foreign investors are not obligated to have a local partner



Application for Tourist and Work visas

- Simplification for 61 countries
- Application via digital platform
- Fast and efficient process
- To apply, visit www.smevisa.gov.ao



Reforms involve digital transformation and promote **e-governance** solutions to tackle bureaucracy and streamline process management



Impact of public reforms are restoring confidence



The **2022 General Elections** are the most captivating in three decades of democracy:

- **João Lourenço** re-elected president of MPLA
- For the first time, Angolans will be able to vote from abroad

Angola jumps six places on the 2021 Corruption Perception Index demonstrative of its commitment



It is one of the sub-Saharan African countries that made the most progress, moving up from 142nd place in 2020 to 136th in 2021, with 29 points

Fitch Ratings has **upgraded Angola's rating to 'B-'** from 'CCC' and the outlook is stable:



- The economy is forecast to grow by 2.1% this year, up from the modest 0.1% growth shown in 2021;
- The currency is also expected to appreciate by 15.1%.

Diversifying beyond the petroleum sector, Angola features on the **Top 10 Best African Countries to Invest in 2022**, according to Business Insider Africa.

Trading Economics has forecast that the country's GDP could cross \$100 billion in 2022, up from the current \$66.49 billion.

Other reforms that are showing results ...



Investor Gateway

Facilitation mechanism for project implementation

Digital platform for the processing of investment proposals

Efficient system for answering questions, and access to AIPEX and Public Administration services



New Investment Regime

New tactical baseline for negotiating terms and conditions as well as incentives

Facilities to negotiate benefits for qualitative and structuring investments

Maximizing social and economic impact.



Privileged Spaces

Free Trade Zones

Diversify industry, producing goods for export

Industrial clusters and SEZs free ports and the possibility of setting up free enterprises and export processing zones - entrepreneurship promotion, stimulation of SMEs



Import Substitution

The fusion of Industry and Commerce allows for greater cohesion and concertation between the two sectors

Increase in FDI in Agribusiness to guarantee our food security

Legal framework for private investment

The role of AIPEX

Investor's rights and judicial guarantees

Three investment regimes

Development zones



The role of AIPEx and how we support investors

Objectives

- Improve the business environment
- Promote competition and productivity
- Support national production, industrialisation, inclusive development and import substitution
- Promote export diversification and rising trade



Core Business

- Register and monitor the implementation of private investment proposals
- Coordinate institutional support for investors
- Promote the increase and diversification of the country's exports of goods and services
- Implement policies and programmes for import substitution and growth of export
- Ensure the development of the competitiveness of national companies, as well as their internationalisation into foreign markets

Investor's Rights



Transfers abroad of the corresponding value:

- Of the **dividends** resulting from the profits made by the investor;
- Of the **liquidation amount of the investments**;
- Of **royalties or other income** derived from the remuneration of indirect investments associated with technology transfer.

Jurisdictional Guarantees

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



Access Angolan courts, which recognise equal rights for all investors;



Use alternative means of dispute resolution in relation to private investment – i.e. negotiation, conciliation and mediation

Three investment regimes to structure benefits ...

Pre-declaration Regime

- Investment proposals framed within the non-priority sectors are included in this scheme;
- Tax benefits and incentives are granted automatically.

Special Regime

- Investment proposals framed within the priority sectors are included in this scheme;
- Incentives and benefits are granted automatically and graded according to the Development Zone where the project will be implemented.

Contractual Regime

- Projects with structural impact in the economic development of the country
- Allowing negotiation, between the Investor and the Angolan Government, for incentives and fiscal benefits.

Priority sectors that benefit from fiscal reduction

	Agriculture, Agro-industry and food		Education, technical and vocational training, higher education, scientific research / innovation
	Specialized Health Units and Medical Services		Basic sanitation, Collection and treatment of solid waste
	Forestry, reforestation, and industrial transformation of forest resources		Construction, public works, telecommunications and infrastructures, airport and railway
	Production and Distribution of electricity		Textile, Clothing and Footwear
			Hospitality, Tourism and Leisure

More incentives and benefits in the countryside

Including tax exemptions between 20 – 90%

ZONE A

Luanda and Huila municipalities,
Benguela and Lobito

ZONE B

Bengo, Bié, Kwanza Norte, Kwanza Sul,
Huambo, Namibe and the remaining
municipalities of Benguela and Huila

ZONE C

Cuando-Cubango, Cunene, Lunda-Norte,
Lunda-Sul, Malange, Moxico, Uíge e Zaire

ZONE D

Cabinda



Our objectives as a regional hub ...



To **harmonise and link operations** between industrial parks, free zones and other pertinent areas



To **leverage the benefits of free zones**, which hold ideal conditions and support services, therefore compensating for weaknesses in one's investment climate



To support **clustering collocation economies**, as well as investment attraction towards **regional industrialization**



To boost the **diversification** and **structural transformation** of Angola and its neighbouring African economies



To promote the use of **local input products** and **value-added processing /manufacturing** to claim **rules of origin**

Angola is a growing hub in the sub-region

Establishing industries and serving as the preferred gateway



- Privileged **geographic location** for trade, travel and tourism
- Access to **1.2 billion customers** via African Continental Free Trade Agreement (AfCFTA)
- Renovation and expansion of the **railway networks**
- Investment in **trade corridors** with infrastructure and technology to improve movement of goods and people
- Transmission capacity through submarine fiber-optic cables (WACS, Monet & SACS) and IP Transit

All of the above generate countless business opportunities for investors in downstream and support services



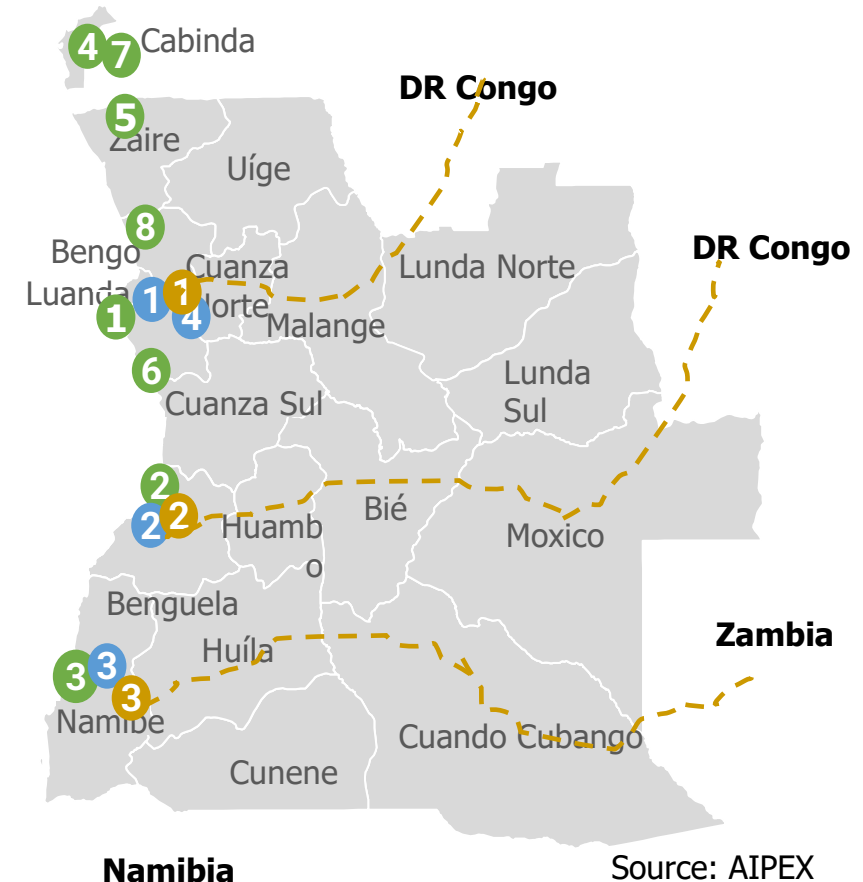
Int'l Airports



Sea Ports



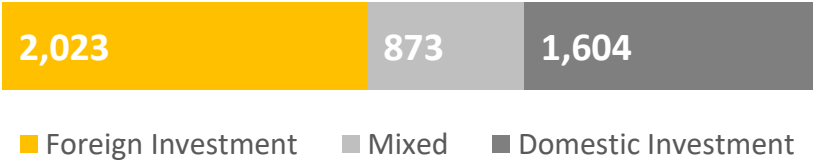
Rail Network



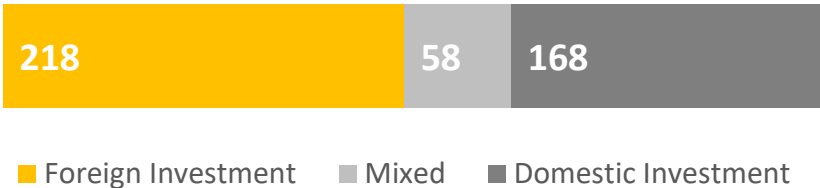
Foreign Direct Investment between 2018 – 2021

Outlook on Foreign Investment

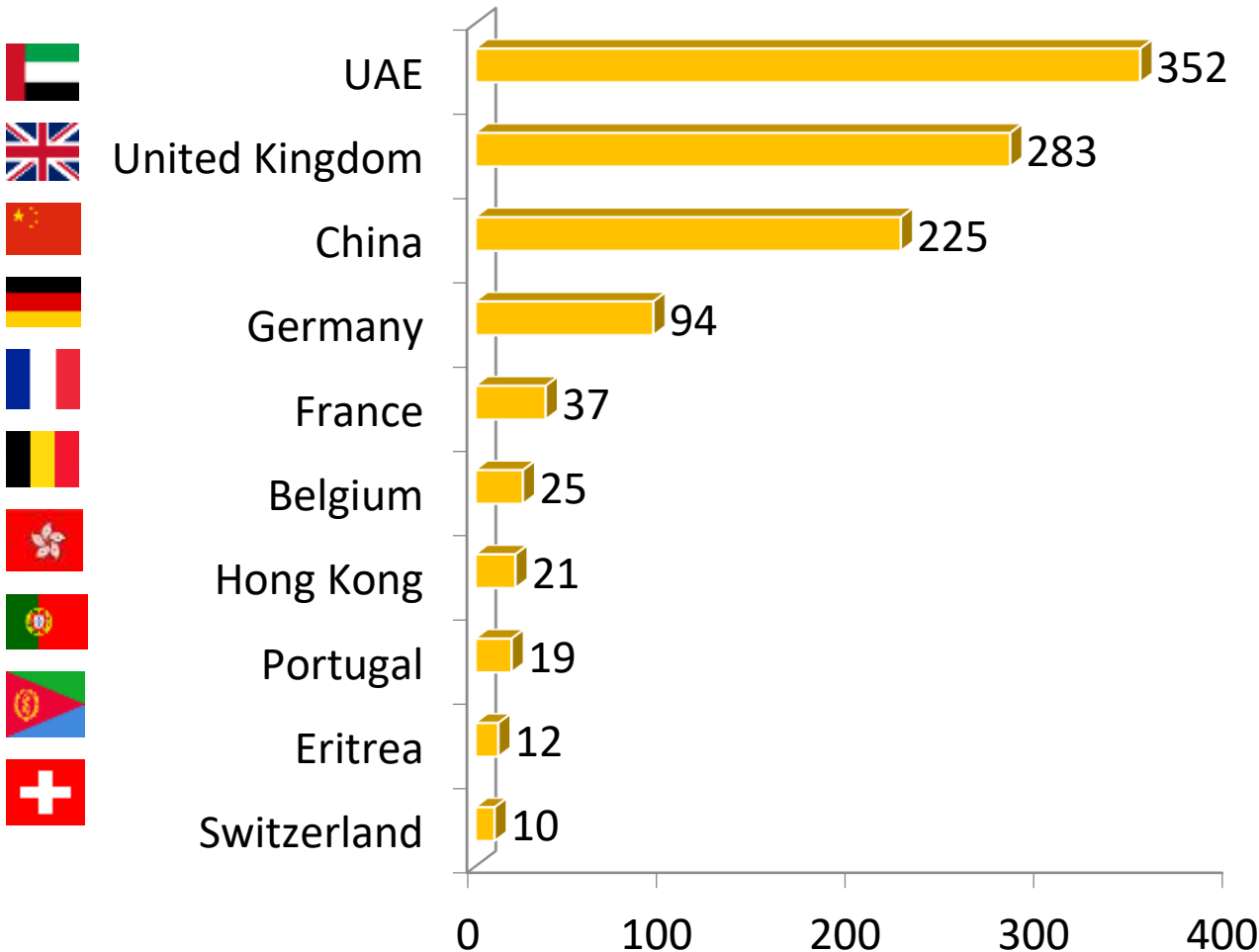
Value of Foreign Investment – USD Million



No. of FDI Projects Registered



Top 10 Investors – USD Million



Ongoing SIFA Talks between Angola and the EU

Sustainable Investment Facilitation Agreement (SIFA)



- Create an attractive, transparent and predictable **investment climate** to facilitate, enhance and stimulate mutually beneficial sustainable investments
- Promote **environmental and societal factors**, by instilling rules that encourage the parties to enforce international standards on labour and the environment; corporate social responsibility, and community and social impact
- Focus on **foreign direct investments**, and exclude other types of investment, e.g. short-term capital movements or portfolio investments

European FDI and economic engagement in 2021

Registered at AIPEX in 2021

	Malta	1,24 M
	Netherlands	1,10 M
	Austria	0,57 M
	Spain	0,40 M
	Hungary	0,30 M
	Italy	0,20 M
	Denmark	0,03 M

Some recent developments ...

- The European Union development plan funding package estimated at EUR 275 million.
- AIPEX and the Hungarian Export Agency (HEPA) signed a MoU on 28 January 2022
- Target sectors for EU investment this year include agriculture and agro processing, renewable energy, digitalisation, industry/ manufacturing, logistic/infrastructure and water
- The EU-Angola Business Forum will be held in Brussels on 24 March 2022



Ongoing Trade Talks between Angola and the European Union

Given that the EU is Angola's third largest trading partner, it would benefit both parties to set preferential terms

Everything But Arms (EBA) agreement

- Angola is granted free access to EU markets for all non-military products
- In 2020 Angola's exports to the EU amounted to €2.2 million and imports amounted to €2 million

Existing agreement

EU-SADC Economic Partnership Agreement

- Progressively eliminate tariffs and non-tariff barriers to trade in goods, as well as liberalize trade in services
- Establish and maintain an institutional framework for the implementation and administration of the AfCFTA

Under negotiation

aipeX - the ideal partner for your investment in Angola, to promote your company and to export your products

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this logo to remotely access our services



- Submit / update the investment proposal virtually, 24/7
- Fill the application in stages and submit once complete
- Track the proposal registration process online
- Request email updates on the application status
- Enquire about additional AipeX services



Final Remarks



Angola's geo-strategic location can be advantageous for investments in the region, making our country a gateway for neighboring countries in terms of trade, travel and tourism



Benefiting from ongoing reforms, Angola is open and increasingly better prepared for the entry of structural investment to accelerate economic growth that trickles into all sectors



Digital platform (JUI) has made it possible for investors to register projects and access to public administration services.



**AGENCY FOR PRIVATE INVESTMENT
AND EXPORTS PROMOTION**

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