U.S. DEPARTMENT OF STATE

DIPLOMACY IN ACTION

Executive Summary

In April 2014 Angola celebrated the twelfth anniversary of the peace agreement that brought its devastating 27 year civil war to an end and inaugurated a period of rapid and sustained economic growth driven by oil production and exports. Angola ranks as one of the fastest growing economies in the world.

Much of this growth is directly attributable to the development of the oil and gas sector. Angola has emerged as Sub-Saharan Africa's second largest oil producer after Nigeria, producing approximately 1.7 million barrels per day. The Kwanza basin is regarded as one of the world's richest untapped reservoirs of crude with the potential to significantly increase Angola's production capacity. Angola also has the second largest natural gas reserves in Africa. The diamond industry is Angola's second largest export commodity after oil. However, other minerals such as gold, iron, copper, granite and marble are also abundant. The move to diversify Angola's mining base away from diamonds is already underway driven by improvements in rail and road networks and vital changes to the mining law that confer greater protection to investors.

The Angolan financial system has also improved. Credit to the private sector has increased and the penetration rate has improved. However, there is no stock market. The money market has very few tradable instruments. Penetration of microfinance institutions remains low, and regional disparities remain high. Enhancing the capacity of the financial sector to intermediate funds into productive investment will be crucial for driving non-oil growth in the private sector.

The future of Angola hinges on the further successful diversification of its economic activity.

1. Openness to, and Restrictions Upon, Foreign Investment

Angola offers both high returns and great risks to investors and exporters. The oil and diamond industries and intensive infrastructure rebuilding following the end of civil war in 2002 create business opportunities. Future opportunities may develop in new areas such as agriculture and mining. The IMF forecasts 5.1 percent real GDP growth in 2014 in comparison to 4.1 percent growth in 2013. The business environment remains one of the most difficult in the world. Investors must factor in pervasive corruption, an underdeveloped financial system, poor infrastructure, and extremely high on-the-ground costs. Surface transportation inside the country is slow and expensive, while bureaucracy and port inefficiencies complicate imports and raise costs.

A new private investment law, passed in May 2011, altered the benefits and incentives available for investors. The minimum size requirement to qualify for incentives was increased from US$100,000 to US$1 million under the new law. Investors must enter into an investment contract with the Angolan state, represented by the National Agency for Private Investment (ANIP), which will establish the conditions for the investments as well as the incentives granted. The incentives and benefits, which include repatriation of funds for foreign investments, tax deductions, and exemption from certain taxes and duties, will be negotiated with ANIP and other ministries of the Angolan government on a case-by-case basis. In determining whether to grant incentives, consideration will be given to the economic and social impact of the investment according to the economic development strategy set by the Angolan executive. The most generous benefits are offered to companies investing outside of the petroleum industry and in geographic areas which are least-developed. In addition to the process described above, investments with a value between US$10 million and US$50 million must be approved by the Council of Ministers, and investments above US$50 million require the approval of an ad-hoc Presidential committee. By law, the Council of Ministers has 30 days to review an application, although in practice decisions by the Council of Ministers are often subject to lengthy delays.

Angola's private investment law expressly prohibits private investment in the areas of defense, internal public order, and state security; in banking activities relating to the operations of the Central Bank and the Treasury; in the administration of ports and airports; and in other areas where the law gives the state exclusive responsibility. However, it is common for Angolan companies to subcontract parts of or the entire project to foreign companies. Investment in the petroleum, diamond, and financial sectors is governed by sector-specific legislation.

In November 2011, the government passed a new foreign exchange law requiring oil companies operating in Angola to make all payments through local (Angola-domiciled) banks as opposed to normal procedures wherein proceeds would be sent to and kept in overseas banks. This law aims to strengthen demand for the kwanza and build up the capacity of Angola's underdeveloped financial sector. The new law will be implemented in phases. Under the first phase, which came into force in early 2012, oil companies are required to pay their taxes owed to the Angolan treasury through a local bank. Under the final phase, which came into force in July 2013, oil companies operating in Angola must use local banks to make all payments, including payments to suppliers and contractors located outside of Angola.

Obtaining the proper permits and business licenses to operate in Angola can be time-consuming. The World Bank *Doing Business in 2014* report identified Angola as one of the most time-consuming countries surveyed for starting a business (ranked 178 out of 189 in the survey). Launching a business typically requires 184 days, compared with a regional average of 80 days. In 2003, the government established the "Guichê Único," or one-stop shop, under the Ministry of Justice, bringing together representatives of various ministries in one place in an effort to simplify and speed up company registration time. However, the Ministry of Justice lacks authority over the other government ministries and the process remains slow. For example, after visiting the Guichê Unico, new business owners must also complete processes at the Ministry of Commerce, the tax office, and a provincial court where the business is headquartered. In 2012, the government opened about twenty "Balcões Únicos do Empreendedor" to serve a similar role as the Guichê for micro, small and medium-size enterprises.

While no formal discrimination against foreign investment exists, Angolan or other companies familiar with the bureaucratic and legal complexities of the business environment hold an advantage over newcomers. The Promotion of Angolan Private Entrepreneurs Law gives Angolan-owned companies preferential treatment in tendering for government contracts for goods, services, and public works. Furthermore, only firms with a majority Angolan stake can benefit from the loan guarantees, generous terms, and subsidized interest rates of the newly implemented US$1.6 billion fund to support micro, small, and medium-sized businesses.

Measure	Year	Index/Ranking
TI Corruption Perception Index	2013	153 of 177
Heritage Foundation’s Economic Freedom Index	2014	160 of 178
World Bank’s *Doing Business in 2013* Report	2014	178 of 189
Global Innovation Index	2013	135 of 142
World Bank GNI per capita	2014	USD $ 4,580

2. Conversion and Transfer Policies

Economic and financial reform measures in recent years have improved local access to foreign exchange and facilitated the remittance and transfer of funds. However, during the recent global financial crisis, when Angola’s oil revenues declined by over 60 percent, the government sharply reduced the amount of U.S. dollars made available to the commercial banking system. An investment law passed in May 2011 guarantees the repatriation of profits for officially approved foreign investments, and investors can remit funds through local commercial banks. However, a handful of American businesses have reported difficulties repatriating profits out of Angola. Transfers above a certain amount require Central Bank (Banco Nacional de Angola or BNA) approval and commercial banks may be reluctant to go through the required bureaucratic process. Transfers of funds out of Angola to purchase merchandise for future sale/use in Angola that can be supported by pro-forma invoices are considerably easier to process. In addition, the Central Bank can temporarily suspend repatriation of dividends or require that repatriation take place in installments if immediate repatriation would have an adverse effect on the country's balance of payments. In the aftermath of its 2009 temporary suspension of wire transfers, the BNA is requiring much more detailed information from the transferring entity, including copies of employment contracts for any individuals paid off-shore with U.S. dollars. These new documentation requirements are expected to be permanent and have significantly increased the BNA’s approval time for transfers. In turn, retail banks cannot process transfers automatically as is customary in countries like the United States.

As part of the due diligence process, U.S. banks can at times delay transfers from Angola to the U.S. All transfers from Angola to the U.S. are currently processed through correspondent banks, as Angolan banks have yet to establish direct relationships any U.S. banks.

3. Expropriation and Compensation

The government of Angola is unlikely to expropriate the assets of foreign investors directly. In 2009 and 2010, however, the government fell far behind in payments to foreign companies working on government contracts, eventually running up arrears totaling at least 6.8 billion dollars. As of December 2011, the government completed payment of all arrears.

Changes in legislation and enforcement of existing laws pose some risk of reducing company profits. This is especially true in the petroleum sector, which has been subject to revised local content regulations and continues to be impacted by the new foreign exchange law. The legislative process is generally secretive and closed to public review, though the government increasingly consults with major companies and industries on the drafting of legislation that will affect them, as was the case with foreign exchange law.

4. Dispute Settlement

The Angolan justice system is slow, arduous, and not always impartial. Legal fees are high, and most businesses avoid taking commercial disputes to court. The World Bank’s *Doing Business in 2014* survey ranks Angola at 187 out of 189 on contract enforcement, and estimates that commercial contract enforcement, measured by time elapsed between filing a complaint and receiving restitution, takes an average of 1,296 days, at an average cost of 44.4 percent of the claim. While a law adopted in 2003 introduced the concept of domestic and international arbitration, the practice of arbitration law is still not widely implemented.

In 2008, the Attorney General ruled that Angola’s specialized tax courts were unconstitutional. This effectively left businesses with no legal recourse to dispute taxes levied by the Ministry of Finance, as the general courts consistently rule that they have no authority to hear tax dispute cases and refer all cases back to the Ministry of Finance for resolution.

Angola is not a signatory to the United Nations New York Convention, the World Bank’s International Center for Settlement of Investment Disputes (ICSID), or the United Nations Convention on the International Sale of Goods (CISG). Angola is a member of the Multilateral Investment Guarantee Agency (MIGA), which can provide dispute settlement assistance as part of its political risk insurance products.

The average length of local investment/commercial dispute resolution proceeding is 4 years.

5. Performance Requirements and Incentives

Angola's investment law gives foreign and domestic investors equal access to investment incentives. Incentives for such high-priority sectors as agriculture, manufacturing, energy, water, and housing include exemption from industrial and capital gains taxes for up to 10 years and from customs duties for up to 6 years. Many foreign companies now operating in Angola enjoy some form of tax or duty waiver. Companies need to apply for such incentives when submitting an investment application to ANIP.

The government encourages "Angolanization" of companies’ work force and urges use of Angolan suppliers of goods and services. Presidential Decrees 5/95 and 6/01 limit expatriate staffing of local companies set up in Angola by national or foreign investors to 30 percent of the workforce and require Angolan and expatriate staff with the same jobs and responsibilities to receive the same salaries and social benefits. Enforcement of these laws is inconsistent. A 2008 decree requires oil companies to first seek Angolan employees to fill any vacant position prior to seeking expatriate appointment, which must first be authorized by the Ministry of Petroleum.

International oil companies are working with the government on a new local-content initiative that will establish more explicit sourcing requirements for the petroleum sector. At this time, local content regulations offer only guidelines that are loosely enforced and companies lack clarity as to how much is enough to satisfy the Angolan government. While this situation may make it easier for foreign companies to comply with local content regulations, it makes it difficult for one company to ascertain its competitive position relative to a competitor when competing for lucrative concessions and licenses from the government.

While foreign investors can set up fully-owned subsidiaries in many sectors on their own, they are frequently encouraged, but not required, to take on local partners.

In recent years, the government has in some ways enforced Decree 5/95 more strictly. Expatriate employees typically receive no more than three renewals to their one-year work visas, for a total of three to four years in country. Approval for the fourth year is contingent upon the company's identifying the Angolan employee who will take over the position after the expatriate leaves. After multiple renewals, some expatriate workers get around these limits by asking for residency or starting a new process.

In the oil and diamond sectors, contracts with the government spell out the commitments companies make to invest in infrastructure and social services to benefit local communities, such as building schools, equipping hospitals, or funding microcredit programs. To win concessions, companies offer one-time social benefit bonuses that can be in excess of US$80 million. The government also encourages downstream investments in facilities such as refineries and diamond-processing plants. Some examples include Angola LNG plant and the proposed oil refinery in Lobito.

The Angolan government requires an Environmental Impact Study for investments in petroleum, mining, road construction, or power stations. The Ministry of Environment must approve all Environmental Impact Studies before projects can be licensed.

6. Right to Private Ownership and Establishment

Foreign and domestic private entities have the right to establish, acquire, and dispose of interests in business enterprises. Public enterprises hold some practical advantages in access to markets and credit as the Ministry of Finance offers credit guarantees for projects that intend to benefit the public good. Under the new constitution, which took effect in February 2010, all non-urban and some urban land is declared to be under state ownership, but can be leased to private entities. Oil and diamond production and exploration rights are granted for limited periods of time and only as partnerships between private companies and the resource owners, Sonangol and Endiama, respectively. Recent changes to the mining code have allowed for the possibility of a single contract for exploration, mining, and commercialization of diamonds, processes that were once governed by separate contracts. Oil exploration concessions normally last for ten years. The government allows and encourages public-private partnerships and participation of private investors in public utilities such as electricity and water. Private companies have concessions to operate hydroelectric dams and shipping terminals in the port of Luanda.

7. Protection of Property Rights

Intellectual Property

Angolan law recognizes the protection of intellectual property rights. Angola's National Assembly adopted the Paris Convention for the Protection of Industrial Intellectual Property in August 2005, incorporating the 1979 text and the patent cooperation treaty concluded in 1970 and amended in 1979 and 1984. The Ministry of Industry administers intellectual property rights for trademarks, patents and designs under Industrial Property Law 3/92. The Ministry of Culture regulates authorship, literary, and artistic rights under Copyright Law 4/90. However, no court case involving U.S. intellectual property has ever tested the strength of these laws. Angola is a member of the World Intellectual Property Organization (WIPO) and follows international patent classifications of patents, products, and services to identify and codify requests for patents and trademark registration.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at http://www.wipo.int/directory/en/.

Embassy point of contact: Marcus R. Jackson JacksonMR2@state.gov

Local lawyers list: http://angola.usembassy.gov/arrest-and-detention.html

Real Estate

Angola's Law on Land and Urban Planning affirms that all land ultimately belongs to the State but permits most urban and some non-urban land to become effectively privately owned through long-term renewable leases, often for 60 years, from the Angolan government. Registering parcels of land over 10,000 hectares must be approved by the Council of Ministers. Registering property takes 191 days on average, according to the World Bank's *Doing Business in 2014* survey, with fees averaging three percent of property value. Owners must also wait five years after purchasing before selling land. Implementing regulations, once written, are expected to set out guidelines defining different forms of land occupation, including commercial use, traditional communal use, leasing, and private homes.

8. Transparency of Regulatory System

The regulatory system has been complex, vague, and inconsistently enforced. In many sectors, no effective regulatory system exists, due to lack of capacity. The Angolan Communications Institute (INACOM) sets prices for telecommunications services and is the regulatory authority for the telecommunications sector. Revised energy-sector licensing regulations have improved legal protection for investors to attract more private investment in electrical infrastructure, such as dams, power plants and distribution grids.

9. Efficient Capital Markets and Portfolio Investment

Angola's financial sector, though still underdeveloped, has grown rapidly and key indicators have improved in recent years. As of December 2013, the latest figures available, total customer deposits with the Angolan commercial banks stood at AKZ 3,9 trillion (US$39 billion), an increase of 12.74 percent over 2012. Most banks focus their operations on such short-term commission-related activities as currency trading and trade finance. Foreign investors do not normally access credit locally, and local investors either self-finance or seek financing from non-Angolan banks and investment funds. Subsidized government loan programs to promote economic development, like the new US$1.6 billion fund to support micro, small and medium-sized enterprises, are available only to majority-owned Angolan companies.

In the past triple-digit inflation resulted in a high level of dollarization in the economy and banking system with the majority of banking assets held in dollars. Since the end of the civil war in 2002, the Central Bank has devoted considerable effort to rebuilding trust in the *kwanza*, bringing inflation down to 9.1 percent in 2013. Given that the kwanza continues to be more stable, the Central Bank established a new monetary policy framework in October 2012. A newly-created Monetary Policy Committee implements monetary policy that is guided by two new concepts published daily by the Central Bank—a Base Interest Rate and a Luanda Interbank Offered Rate (LUIBOR). The mandatory reserve requirement for non-government deposits in kwanzas is 20 percent, and in foreign currency is 15 percent. The reserve requirement for government deposits is 100 percent, a measure that seriously limits lending by state-owned banks.

The number of private banks has been growing since the end of the civil war, transforming a sector previously dominated by state-owned banks. As of late 2013, Angola had 23 operating commercial banks, only three of which are state-owned. While every provincial capital has at least three bank branches, as of December 2012, only 23 percent of the population uses banks, and few businesses apply for loans. Yet the credit sector continues to grow. In 2012, aggregate loans grew by 25 percent as compared to 17 percent in 2011 to AKZ 3.018 trillion .

Angolan banks extend little unsecured credit, instead requiring significant amounts of collateral in the form of property or dollar deposits from the borrower. Commercial credit in Angola remains tight. Unclear land titles and ill-defined property rights may, in some instances, complicate and lengthen the process of applying for a mortgage.

While the Central Bank tries to limit foreign currency risk, some loans are denominated in foreign currencies but are consequently weighted at 130 percent for the calculation of risk-weighted assets. The Angolan government hopes that the US$1.6 billion credit line mentioned above will encourage more lending to promising Angolan entrepreneurs. An estimated US$36.5 million has already been disbursed across two programs.

Banks profit largely from transactional banking, short-term trade financing, foreign exchange, and investments in high-interest government bonds, though increasingly also from loans, especially to the construction sector. In the past, state and state-affiliated companies enjoyed privileged access to loans, often at concessionary rates without regard to risk, leading to several bank failures.

The Central Bank has developed a market for short-term bonds, called *Títulos do Banco Central*, and long-term bonds, called *Obrigações do Tesouro*. Most of these bonds are bought and held by local Angolan banks. The *Obrigações* have maturities ranging from one to 7.5 years, whereas the

Títulos have maturities of 91 to 182 days. For information on current rates, see http://www.bna.ao/.

In August 2012, Russia's second-largest bank, VTB, managed the sale of Angola's first international bond, a US$1 billion, 7-year paper with a seven percent yield through private placement. The bank is currently in talks with the government to manage the sovereign debt issuance of US$2 billion. If the deal is successful, it would be Angola's first public Eurobond issuance.

In December 2005, the government announced plans to develop a stock market and appointed a commission to oversee its creation. In 2012, President dos Santos appointed a commission to oversee the project for a third time, but no visible progress has been made.

10. Competition from State-Owned Enterprises (SOEs)

In Angola certain SOEs exercise delegated governmental powers, especially in the mining sector where the government is the sole concessionaire. Foreign investors may sometimes find demands made by SOEs excessive, and under such conditions, SOEs have easier access to credit and government contracts. There is no law mandating preferential treatment to SOEs, but in practice they have access to inside information and credit. Currently, SOEs are not subject to budgetary constraints and quite often exceed their capital limits.

SOEs—often benefitting from a government mandate—operate mostly in the extractive sectors, transportation, commerce, banking, and construction. All SOEs in Angola are required to have boards of directors, and most board members are affiliated with the government. SOEs are not explicitly required to consult with government officials before making decisions. By law SOEs must publish annual financial reports for the previous year in the national daily newspaper by April 1. Such reports are not subject to external auditing. The standards used are often questioned. Although not all SOEs fulfill their legal obligations, few are sanctioned.

In October 2012, President dos Santos established a petroleum-funded US$5 billion sovereign wealth fund that has an expressed purpose of profit maximization with a special emphasis on investing in domestic projects that have a social component. While this fund may offer business opportunities for foreign investors in the future, some Angolans are concerned that the fund is fraught with nepotism and corruption as the President has appointed his son to run the sovereign wealth fund.

11. Corporate Social Responsibility (CSR)

There is an awareness of corporate social responsibility among foreign companies and some of the larger local companies. Many foreign companies and a few local ones share concern for the environment and support community projects. Most multinationals from the extractive sector invest significant funds in CSR projects through social benefit bonuses that are a requisite part of the negotiation process for concessions.

12. Political Violence

Political violence is not a substantial risk in most of Angola. The most significant incident of political violence since the end of the civil war was the January 2010 attack on the Togolese national soccer team by FLEC-PM (Front for the Liberation of the Enclave of Cabinda—Military Position), an offshoot of the longstanding FLEC separatist group in the northern province of Cabinda. The team was traveling through Cabinda by road to take part in a soccer tournament when it was ambushed by FLEC operatives. Three people were killed and nine people injured in the attack.

13. Corruption

Corruption, including bribery, raises the costs and risks of doing business and can create an uneven playing field for foreign investors. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the sector in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both Angola and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.
The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies and the U.S. Embassy in Luanda.

14. Bilateral Investment Agreements

Angola and the United States do not have a bilateral investment agreement. Angola has bilateral investment agreements in force with Cape Verde, Germany, Italy, and Russia. Angola has also signed agreements with Portugal, South Africa, Spain and the United Kingdom, but these agreements have not yet entered into force. A list of current bilateral investment treaties and their status can be found on the United Nations Conference on Trade and Development (UNCTAD) website.

In May 2009, Angola signed a Trade and Investment Framework Agreement (TIFA) with the United States, intended to provide a forum to address trade issues and to help enhance trade and investment relations between the two countries. The first meeting of the TIFA Council under this agreement took place in June 2010. The second meeting took place in April 2014 as part of a work-plan to guide the work of the TIFA Council.

In July 2010, the United States and Angola signed a Memorandum of Understanding establishing a bilateral Strategic Partnership Dialogue, which commits the two parties to increased bilateral partnership.

15. OPIC and Other Investment Insurance Programs

Since 1994, the Overseas Private Investment Corporation (OPIC) has provided investment insurance to projects in Angola. U.S. investors can apply for OPIC insurance, including coverage under its “Quick Cover” program for projects valued at less than US$50 million in certain sectors. OPIC’s portfolio in Angola currently totals US$20.1 million. Since 1996, OPIC has committed more than US$321 million in financing and insurance across 14 projects in Angola. OPIC’s support has helped facilitate critical investments in the energy, services, manufacturing, and financial services sectors.

Angola is a member of the Multilateral Investment Guarantee Agency (MIGA), which provides insurance to foreign investors against such risks as expropriation, non-convertibility, and war or civil disturbance. MIGA also provides investment dispute resolution on a case-by-case basis.

16. Labor

Angola’s General Labor Law (Law No. 2/00) provides significant protection and benefits to workers, including the right to strike and bargain collectively. The law spells out proper procedures for hiring workers. For work contracts of indefinite duration, the law provides for a basic probationary period of up to six months, during which the worker or employer can terminate the contract without notice or justification. After the probationary period ends, dismissed workers have the right to appeal to a Labor Court. Many employers prefer to reach a monetary settlement with workers when a dispute arises, rather than bring cases before the Labor Court. The World Bank Group’s *Doing Business in 2014* report placed the average cost of firing a worker in Angola at 26.7 weeks of salary weighting for workers with 1 year, 5 years, and 10 years of tenure. The notice period before dismissing a worker is 4.3 weeks.

The Angolan labor force has limited technical skills, English language ability, and managerial ability. Many employers find it necessary to invest heavily in educating and training their Angolan staff.

The government conducts annual surveys of the oil industry to implement a requirement that oil companies hire Angolan nationals when qualified applicants are available. If no qualified nationals apply for the position, then the companies may request the government’s permission to hire expatriates. Outside of the petroleum sector, policies to encourage "Angolanization" of the labor force discourage bringing in expatriate labor. As a result, visa delays for essential technicians are common.

The constitution grants the right to engage in union activities and labor strikes, but the government may intervene in labor disputes that affect national security, particularly strikes in the oil sector.

17. Foreign-Trade Zones/Free Ports

Angola is a signatory to the Southern African Development Community (SADC) Free Trade Protocol that seeks to harmonize and reduce tariffs and establish regional policies on trade, customs, and methodology; however, Angola has not yet begun to implement the protocol. A new tariff schedule came into force in September 2008 that removed duties on the import of raw materials, equipment, and intermediate goods for industries and reduced tariffs on 58 categories of basic goods. In March 2014, a new tariff schedule entered into force. The new schedule raises import taxes on items such as beverages and waters, whose rates exceed 30 to 50 percent, in an attempt to protect domestic production. Luxury goods, such as tobacco, gold jewelry, and perfumes are also included and are taxed with a maximum rate of 81 percent. Duties for the import of raw materials used in industrial production are exempted.

Angola has signed customs cooperation agreements with the Democratic Republic of Congo, Namibia, Portugal, São Tomé and Príncipe, and Zambia.

In 2009, Angola established a Special Economic Zone (ZEE) outside of Luanda with a principal objective of reducing Angola's dependence on imports. To that end, the zone offers companies a conveniently-located area to base their operations and guarantees a steady supply of water and energy. While the ZEE does not currently offer tax incentives to its twenty resident companies, the management reports that the Ministries of Economy and Finance are currently reviewing proposals to offer such incentives.

18. Foreign Direct Investment Statistics

The UN Conference on Trade and Development's (UNCTAD) 2013 *World Investment Report* states that in 2012, Angola had a total Foreign Direct Investment (FDI) inward stock of US$1.9 billion, and outward stock of US$9.8 billion. In terms of 2012 flows, UNCTAD reported that while Angola attracted FDI inflows worth US$2.7 billion, divestments and repatriated income left its inflows at -US$6.89 billion. Net outflows in 2011 amounted to US$2.74 billion. While UNCTAD does not provide data on the countries of origin or destination for FDI, Angolan and Portuguese media frequently cover stories of increasing Angolan investment in Portugal. Angola's National Private Investment Agency (ANIP) has released some figures on FDI for 2011 but limits its figures to the non-extractive sectors of the economy, thereby leaving out the diamond and oil sectors, which are the primary source of FDI for Angola.

19. Contact Point at Post for Public Inquiries

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Web Resources

- National Private Investment Agency (ANIP): http://www.iie-angola-us.org/
- US-Angola Chamber of Commerce: http://www.us-angola.org/

- Government of Angola Website: http://www.angola.gov.ao/
- National Bank of Angola (the Central Bank): http://www.bna.ao/
- Ministry of Finance: http://www.minfin.gv.ao/