

## Angola Business Environment News

With Angola still being ranked by respected entities such as [doingbusiness.org](http://doingbusiness.org) or [transparency.org](http://transparency.org) as a place that is ultra-difficult in which to do business, directorship risk mitigation in the Angolan marketplace is a top priority for critical success factor in most investments. Finding independent candidates that have the Angola-specific, non-executive directorship expertise that more and more home governance regimes demand remains, however, a serious challenge.

There are however several placement firms that specialize in finding the sort of expertise that might satisfy the obligations that home governance codes such as King 11, the Combined Code and Sarbanes-Oxley place on listed corporates. Unlisted SMMEs also have moral and risk mitigation obligations to go this route.

Request the contact details of these service providers, in confidence, from [rogerbt@sa-acc.co.za](mailto:rogerbt@sa-acc.co.za)

News over the last week:

\*Odebrecht Angola and its Angolan partners Sonangol and Damer have indicated that they will accelerate their 4000 ha Biocom sugar and biodiesel project near Capanda in Malanje province. To supply into this project contact Odebrecht Angola via

[http://www.odebrecht.com.br/index.cfm?conteudo\\_id=7](http://www.odebrecht.com.br/index.cfm?conteudo_id=7)

\*The Ministry of Urbanisation and Housing [note new designation to bring in housing – the environment now has a separate, dedicated Ministry] has announced that an additional 3700 ha is to be set aside for low income housing projects across all of Angola's provinces over the next few years.

To supply into these projects contact the Ministry via <http://www.angola-portal.ao/MINUH>

\*Unicerâmicas UEE will build 14 brick production and allied facilities across Angola during 2009.

Another component of the strategy is to build paint and varnish manufacturing operations in Huambo, Malanje and Huila provinces. Broad objectives of these projects are privatization and import replacement. To invest expertise and or technology via PPP into these projects contact this state entity on +244222311877 or [uniceramica@nexus.ao](mailto:uniceramica@nexus.ao)

\*More than 60 companies have been licensed to operate in the information technology sector in Angola –see the official list at

[http://www.angolanainternet.ao/portalempresas/index.php?option=com\\_contact&catid=52&Itemid=85](http://www.angolanainternet.ao/portalempresas/index.php?option=com_contact&catid=52&Itemid=85)

\*Legal Counsels and Compliance officers should familiarize themselves with the competencies of the Angolan Constitutional Court (est. June 2008) (now Angola's "Court of Appeal") which can be accessed via <http://www.tribunalconstitucional.ao/Default.aspx?IDM=2&IDLang=1>

\*The 2009 edition of Freedom of the World index records that Angola was one of few countries in Africa in which "positive developments including gains" took place during 2008 see the index at <http://www.freedomhouse.org/template.cfm?page=1>

\*Lonrho Agriculture has announced agri-projects covering some 25000 ha in the Uige, Zaire and Bengo provinces with local partner MITC and the Angolan government. To supply into these projects contact MITC via <http://www.mite-invest.com/eng/home/index.html>

\*The Angolan Presidential election will now happen only after the approval of a new constitution that may change the way the President is elected. Previous expectations of a poll in mid-2009 may now have to extend to year end.

\*IGE AG expects to begin producing alluvial diamonds commercially at its Luxinge concession late in January 2009 with 3000 carats per month being taken from the existing 30000 m3 gravel stockpile by March 2009.

\*Angola's airports authority, ENANA, has announced that some USD 400 million will be spent on revamping up to 30 airports across Angola ahead of the CAF Cup soccer tournament in 2010.

Contact ENANA via <http://www.summitreports.com/angola/enana.htm> and read more about the projects at <http://www.summitreports.com/angola/airport.htm>

Ministry websites:

**Governo Central da República de Angola**

**Ministério da Administração do Território**

**Ministério da Administração Pública, Emprego e Segurança Social**

**Ministério da Agricultura**

**Ministério do Ambiente**

**Ministério dos Antigos Combatentes e Veteranos de Guerra**

**Ministério da Assistência e Reinserção Social**

**Ministério da Ciência e Tecnologia**

**Ministério do Comércio**

**Ministério da Comunicação Social**

**Ministério da Cultura**

**Ministério da Defesa Nacional**

**Ministério da Economia**

**Ministério da Educação**

**Ministério da Energia**

**Ministério da Família e Promoção da Mulher**

**Ministério das Finanças**

**Ministério da Geologia e Minas**

**Ministério da Hotelaria e Turismo**

**Ministério da Indústria**

**Ministério do Interior**

**Ministério da Justiça**

**Ministério de Juventude e Desportos**

**Ministério das Obras Públicas**

**Ministério das Pescas**

**Ministério dos Petróleos**

**Ministério do Planeamento**

**Ministério das Relações Exteriores**

**Ministério da Saúde**

**Ministério das Telecomunicações e Tecnologias de Informação**

**Ministério dos Transportes**

**Ministério do Urbanismo e Habitação**

**Alerts:**

**\*Strengthen your chances of successful trade with Angola by identifying an appropriate strategic local partner in Angola than can add the value necessary to make the market work for you.**

**\*Ensure full compliance with the new immigration law.**

**\*Subject all staff to thorough integrity testing and maintain integrity training.**

**\*The laws of Angola and of many investor nations oblige one to report bribery and other corrupt acts.**

**Many of these laws have extra-territorial implications.**

**Do the reporting – don't be the reported! Cases of "stinging" by law enforcement agencies are increasing.**

**Failure to report corruption can be construed as a criminal act in certain jurisdictions.**

**Request details of how to report from [rogerbt@sa-acc.co.za](mailto:rogerbt@sa-acc.co.za)**

**Solutions-related events 2009 update:**

**\*Mitigating your human capital risk in a weak institutional, weak organisational and weak integrity environment – date to be advised**

**\*Panel discussion on "Tackling the Worsening Port Congestion Crisis by Road" – date to be advised**

**\*Corin Mitchell on "Accessing the Africa Enterprise Challenge Fund for your Agricultural projects" – date to be advised**

**Wednesday 28 January 2009 Full day briefing of prospective Johannesburg Chamber of Commerce and Industry participants in 2009 Angola trade mission – Roger Ballard-Tremeer**

**To activate a URL please copy and paste into your browser.**

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**Access the ABEN content since August 2007 on the SA-ACC website, at your convenience.**

**The content of the ABEN responds to your needs – make your needs known by replying to this message with your input.**

**ABEN enables you to engage in Angolan time travel – yesterday / today / tomorrow – look through the URLs and savour the experience.**

**Never rely solely on the English language versions of ANGOP and other translated reports – always refer to the original Portuguese language version for decision-making purposes.**

**Interpreting and translating – mitigate your legal risk – for compliance purposes only use interpreters and translators that are "sworn" and "accredited":**

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Angola – “do-it-yourself” news, profiles, blogs and image searches:

<http://www.newstin.com/us/luanda>  
<http://www.npr.org>  
<http://www.macauhub.com.mo/en/countries.php?ID=222>  
<http://www.skyscrapercity.com>  
<http://www.portalangop.co.ao>  
<http://www.angolafieldgroup.com>  
<http://archive.wn.com/2008/11/25/1400/angolaenergy/>  
<http://www.noruega.ao>  
[http://article.wn.com/view/2008/11/19/World\\_Bank\\_to\\_loan\\_Angola\\_1b/](http://article.wn.com/view/2008/11/19/World_Bank_to_loan_Angola_1b/)  
<http://actsa.msg2u.net/cgi-bin/v.pl?p=2%2E35%2E15%2E19%2E12%2E2008%40a%3A219%2Ec%3A2%2Ee%3A59%2Er%3A4029%2E1%3A0%2Eac%3AVI%2Es%3A168>  
<http://www.ipsnews.net>  
<https://www.osac.gov/Regions/country.cfm?country=145>  
<http://www.panoramio.com/>  
[http://news.bbc.co.uk/2/hi/africa/country\\_profiles/1063073.stm](http://news.bbc.co.uk/2/hi/africa/country_profiles/1063073.stm)  
[http://www.afrora.com/site/news/index.php?loc=en\\_US&ctr=ao](http://www.afrora.com/site/news/index.php?loc=en_US&ctr=ao)  
[http://www.cfr.org/about/newsletters/editorial\\_detail.html?id=1271](http://www.cfr.org/about/newsletters/editorial_detail.html?id=1271)  
<http://www.jornaldeangola.com/>

Angola-related blogs:  
<http://blogsquefalamdeangola.blogspot.com/>

Governance:

Historically, directors, and particularly non-executive directors, had little formal liability when it came to the decisions they made at their companies. Now, however, there is a much more serious fiduciary burden on directors, and they face possible fines or jail time if they fail in their duties... The negligent and / or fraudulent carrying on of business by directors and / or the company officers (including deployed country managers) thereby causing liability to the company may result in the directors and / or the company officers being personally liable at least in terms of delict in common law – in a weak governance environment the risk of negligence escalates considerably – mitigate this cross-border risk using software and gap coaching – contact ABEN

**South Africa – Angola Chamber of Commerce – nearly six years of members doing better business and mitigating their compliance risk by applying this code of conduct in trade with, and investment in, Angola.**

Article 1: Extortion and coercion

No one may, directly or indirectly, demand or accept a bribe.

Article 2: Bribery and "Kickbacks"

- a.) No Member may, directly or indirectly, offer or give a bribe and any demands for such a bribe must be rejected.
- b.) Members should not (i) kick back any portion of a contract payment to employees of the other contracting party, or (ii) utilize other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payments to government officials, to employees of the other contracting party, their relatives or business associates.

Article 3: Agents

Members should take measures reasonably within their power to ensure:

- a) that any payment made to any agent represents no more than an appropriate remuneration for legitimate services rendered by such

agent;

b) that no part of any such payment is passed on by the agent as a bribe or otherwise in contravention of these Rules of Conduct; and  
c) that they maintain a record of the names and terms of employment of all agents who are retained by them in connection with transactions with public bodies or State enterprises. This record should be available for inspection by auditors and, upon specific request, by appropriate, duly authorized governmental authorities under conditions of confidentiality.

#### Article 4: Financial Recording and Auditing

a) All financial transactions must be properly and fairly recorded in appropriate books of account available for inspection by boards of directors, if applicable, or a corresponding body, as well as auditors.

b) There must be no "off the books" or secret accounts, nor may any documents be issued which do not properly and fairly record the transactions to which they relate.

c) Members should take all necessary measures to establish independent systems of auditing in order to bring to light any transactions which contravene the present Rules of Conduct. Appropriate corrective action must then be taken.

#### Article 5: Responsibilities of Members

The board of directors or other body with ultimate responsibility for the member should:

a) take reasonable steps, including the establishment and maintenance of proper systems of control aimed at preventing any payments being made by or on behalf of the member which contravene these Rules of Conduct;

b) periodically review compliance with these Rules of Conduct and establish procedures for obtaining appropriate reports for the purposes of such review; and

c) take appropriate action against any director or employee contravening these Rules of Conduct.

#### Article 6: Political Contributions

Contributions to political parties or committees or to individual politicians may only be made in accordance with the applicable law, and all requirements for public disclosure of such contributions shall be fully complied with. All such contributions must be reported to senior corporate management.

#### Article 7: Company Codes

These Rules of Conduct being of a general nature, members should, where appropriate, draw up their own codes consistent with the ICC Rules and apply them to the particular circumstances in which their business is carried out. Such codes may usefully include examples and should enjoin employees or agents who find themselves subjected to any form of extortion or bribery immediately to report the same to senior corporate management. Members should develop clear policies, guidelines, and training programmes for implementing and enforcing the provisions of their codes.

With acknowledgement to the ICC <http://www.iccwbo.org/>