

## Angola Business Environment News

**Alert – avoid problems with the MININT MISA immigration inspectors – ensure compliance with the new immigration law.**

Solutions-related events 2008 update:

June Keith Campbell on “The Outlook for the Upcoming Elections” – held on 12 June 2008 – presentation on SA-ACC website

July Jopie Coetzee on “Advanced Investment Risk Mitigation using Vector analysis” – held on 9 July 2008 – presentation on website

Roger Ballard-Tremeer on “Trade and Investment opportunities in Angolan Agriculture” at Agribusiness Africa 2008 – 21 July 2008 – presentation on website

Themis on “Mitigating governance and compliance risk using software” – held on 22 July 2008 – presentation on website

August WISER’s Angola Seminar – 5 August 2008

Africa Investor’s Angola Business Briefing – held on 6 August 2008 – with Deputy Prime Minister Dr Jaime Aguinaldo

Briefing on “Trade and investment opportunities in Angola” for visiting business delegation from Malaysia – held on 7 August 2008 - Roger Ballard-Tremeer

IIR’s SA-Angola Forum 2008 – held on 19/20/21 August 2008 – lead speaker Dr Gabriel Kiala; Chair / Workshop leader Roger Ballard-Tremeer

September Talk on “China / Angola / Insurance” – delivered on 11 September 2008 – Institute of Loss Adjustors in Southern Africa - Roger Ballard-Tremeer

October Panel discussion on “Tackling the Worsening Port Congestion Crisis by Road” – details to be advised

Corin Mitchell on “Accessing the Africa Enterprise Challenge Fund for your Agricultural projects” – details to be advised

November Events to be advised

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

**Chamber Manager: Ms Josefa Muteca**  
**South Africa – Angola Chamber of Commerce**  
**41 Keyes Avenue, Rosebank 2196, Johannesburg**  
**Telephone: +27 11 252 4635**  
**Fax: +27 (0) 86 537 0592**  
**Email: info@sa-acc.co.za**  
**Website: www.sa-acc.co.za**

Access all 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 reports – always refer to the original Portuguese language version for decision-making purposes.

Interpreting and translating – only use interpreters and translators that are “sworn” and “accredited”:

Leila Neves +27 72 122 5869  
Ricardo Branco +27 82 851 6413  
Marinela Carmo +27 83 657 0206

João M. Cabrita

+268 623 5751

**Angola-specific management coaching**

**Bronwyn Allan**

**+27837083475**

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 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

By way of a change to the usual ABEN format readers are offered the following teasers that were discussed recently by a small group of investors into the Angolan market.

Feedback is invited.

- 1 Do the critical success factors include putting the “right” staff in place, both at home and in Angola, both expat and local?
- 2 While “right” may not necessarily mean complete fluency in Portuguese, does it perhaps mean that all directors, management and staff must, absolutely must, meet and maintain the highest integrity standards and be prepared to do what is necessary to bridge the vast cross-cultural business diversity gap that exists between the Angolan market and almost every other market in the world?
- 3 Is a country manager that integrates into the Angolan business community without assimilating the behaviours that have resulted in Angola continuing to occupy far too low a ranking on virtually all the international, business-relevant indices, an absolute prerequisite.
- 4 The Doing Business 2009 report [www.doingbusiness.com](http://www.doingbusiness.com) recently released is one such index – might the organised investment community find it more productive to promote constructive and proactive engagement between entities such as Doing Business and the Angolan Government rather sit back and merely observe the combative reaction of the past?
- 5 Does experience suggest that any director, manager, staff or advisor that even hints at a need to engage costly and often fruitless and even illegal “influence” to make this market work will certainly not be “doing the right thing” for the company?
- 6 Does coping with the “bureaucracy”, “congestion”, “cronyism” and “corruption” factors, so often highlighted, especially by the more cynical observers, flow from doing the “right” thing?
- 7 Might the “right” thing include the above plus:
  - a. Cross culturally wise, Board Chairpersons / Board members / Management both at home and in Angola, all possessing market-specific experience, knowledge and skills – all subject to continuous market development education – judicious balance of powers policies and practices – all driven by accountability to shareholders and best possible relationships with stakeholders; market-specific strategies (including both market entry and market exit strategies and mutually beneficial association with other investors) and value; Continuous rather than sporadic monitoring of both board and company performance monitoring / continuous review of future solvency; Risk management / compliance / internal procedures / SOPs; excellent corporate communication in place; world class

- technology being used and updated often; audit committee in place; code of conduct in place?
- b. Being aware of making information / governance / due care / good faith / operational assumptions without thorough verification?
  - c. Is there evidence that suggests that any staff or advisor that even hints at a need to engage “influence” to add value to business in this market might not be “doing the right thing” for the company?
  - d. Might coping with the “bureaucracy”, “congestion”, “cronyism” and “corruption” factors, so often highlighted especially by the more cynical observers, perhaps flow from doing the “right” thing?

**South Africa – Angola Chamber of Commerce – more than five years of members doing better business 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/>

Roger Ballard-Tremeer

Hon Chief Executive

South Africa - Angola Chamber of Commerce

+27824347276 mobile

+27865370592 fax

rogerbt@sa-acc.co.za

www.sa-acc.co.za

Panorama of the Bay of Luanda from the Fortaleza

If you wish to unsubscribe from the Angola Business Environment News list please reply to this message and enter unsubscribe in the subject line

*Neither the Subscriber nor ABEN News warrants the completeness or accuracy of the Service or the suitability of the Service as a trading aid and neither accepts any liability for losses howsoever incurred. The content on this site, including news, quotes, data and other information, is provided by ABEN News and its third party content providers for your personal information only, and neither ABEN News nor its third party content providers shall be liable for any errors, inaccuracies or delays in content, or for any actions taken in reliance thereon.*