



TRADE POLICY REVIEW

REPORT BY

ANGOLA

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by Angola is attached.

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1 INTRODUCTION

1.1. After the national peace process of 2002, the Republic of Angola continued its democratization process, culminating with the general elections of 2008 and 2012.

1.2. Since the first Trade Policy Review, which took place in 2006, the Republic of Angola continued to register a remarkable economic growth. At political level, it was defined, in 2010, a New Constitution that guarantees political stability, based on respect for the individual and collective freedom of citizens.

1.3. The Angolan Government approved its long-term National Development Strategy, named "Angola 2025", materialized in the National Development Plan 2013-2017 ("Plano Nacional de Desenvolvimento" - PND). As a result, the country entered in phase characterized by modernization and development sustainability, centred on stability, growth and empowerment of Angolan citizens.

1.4. With the implementation of PND, the basic services have shown improvements, namely water and electricity supply to the population.

1.5. In 2014, the Republic of Angola conducted its first General Census of Population and Housing to obtain information regarding the characteristics of the national population and housing, creating a base for the consolidation of both public and private interventions, within the scope of development policies. According to the preliminary results of the Census, the country has a population of 24.4 million inhabitants.

1.6. In order to accelerate the diversification of the Economy, the Angolan Government has defined in its policies the "Promotion of Entrepreneurship and the Development of the National Private Sector" ("Angola Investe" Program), prioritizing among others the clusters: Food and Agro-industry, Energy and Water, Housing, Transports and Logistics. In same path, the Government approved the National Strategy for the Development of Exports, aiming to improve the business environment and the private investment.

2 ELEMENTS OF THE ECONOMICAL CONTEXT IN ANGOLA

2.1 Macroeconomic policies

2.1.1 Macroeconomic policy

2.1. The key objective of Angola's macroeconomic policy is to create conditions for stability, effectiveness and efficiency necessary for the economy, and to guarantee the sustainability of long-term development.

2.2. In the period between 2006 and 2014, the Angolan economy has grown with an average annual rate of 6.76%, being characterized by three key stages: (i) a first one of high growth between 2006 and 2008, achieving macroeconomic stability and registering annual rates of 11.55%, 14.01% and 11.17%, respectively; (ii) a second stage, affected by the world financial crisis of 2008, in the period between 2009 and 2011, with annual rates of 2.14%, 3.56% and 1.86%; and (iii) a third stage of post crisis recovery from 2012 to 2014, after the agreement with the International Monetary Fund (IMF), registering a moderated growth with annual rates of 7.63%, 4.21% and 4.71%, respectively.

2.1.1.1 Fiscal policy

2.3. The Government has been implementing a fiscal policy based on the Medium Term Fiscal Framework ("Quadro Fiscal de Médio Prazo" – QFMP), which is aligned with PND 2013-2017. Within the scope of the QFMP implementation as an instrument for the definition of the National Fiscal Policy, the Government has been focusing on the following subjects:

- (i) High Fiscal Integrated Discipline: ensuring that the Government Budget is prepared consistently and in alignment with the real macroeconomic environment and sustainable fiscal programmes;

- (ii) Sustainability of Public Finances: ensuring the control of the fiscal position and sustainability of the public debt;
- (iii) Stability of the Financial Sector: contributing to the stability of the financial sector, by controlling the deficit and optimizing the growth of the gross internal financing requirements;
- (iv) Reinforcement of the economic growth and the macroeconomic stability: aligned with the currency and monetary fundamentals.

2.4. On revenue, key developments have been influencing the course of national fiscal policy, namely the approval of the broad Project for Tax Reform ("Projecto de Reforma Tributária" - PERT) between the years of 2010 and 2011, and its adoption through the Presidential Decree No. 50/11 of 15 March 2011, with the objective of addressing the three main problems that affected the Angolan tax system, namely: (i) the high weight of the tax revenue associated with oil taxes and the concentration of the remaining tax revenues in a low number of tax payers, (ii) the obsolescence and reduced competitiveness of the legislation that was in place, and (iii) the low modernization and efficiency of the administrative units.

2.5. The tax reform in course in Angola created a set of new tax laws, that covers: (i) the General Tax Code ("Código Geral Tributário"); (ii) the Tax Foreclosures ("Código das Execuções Fiscais"); (iii) the Tax Process Code ("Código do Processo Tributário"); (iv) the Tax Code on Labour Revenue ("Código do Imposto sobre os Rendimentos do Trabalho"); (v) the Industrial Tax Code ("Código do Imposto Industrial"); the Tax Code on Capital Usage ("Código do Imposto sobre a Aplicação de Capitais"); the Tax Code on Stamp Duty ("Código do Imposto de Selo"), and (vi) the Regulation on the Consumption Tax ("Regulamento do Imposto de Consumo"). PERT defines also the structural reform of the tax system, the implementation of the Integrated System for Tax Management and the reform of the Judicial Tax System.

2.6. With the tax reform, the creation of the General Tax Authority was approved through the Presidential Decree No. 324/14, of 15 December 2014, with the key objective of proposing and executing the Governments' Tax Policy and ensuring its full enforcement, managing the direct and remaining taxes that fall within its scope as well as studying, promoting, coordinating, executing and evaluating the programmes, initiatives and actions related to tax policy regarding the organization, management and optimization of the tax system.

2.7. The Government is also implementing initiatives that focus on improving efficiency and effectiveness of the public expenditure, with emphasis on reviewing the fuel prices, through the gradual elimination of subsidies to the consumer prices, to looking ahead the regimen of free price-formation according to the market conditions. The Government has been developing its budget by prioritizing public expenditure on healthcare, education, social protection, as well as on setting investments on housing and infrastructures in order to guarantee an increase of the country's income level and economic stability, expanding internal demand, and creating an enabling environment for growth of the private sector. Additionally, it is currently preparing methodology for the implementation of the multi-annual budgets, so that in the political, macro-economic, fiscal and budget perspectives, the budget demands that extend beyond the annual financial cycle can be accommodated.

2.8. The fiscal deficit has been registering an average annual fluctuation between 4.5 and 5%, while the public debt remains below the legal limit of 60% of the national gross domestic product (GDP). The financing of the deficit has been done using both internal and external resources. Regarding the internal market, the debt strategy is focused on the emission of Treasury Bonds ("Bilhetes e Obrigações do Tesouro"). With reference to the external debt financing, the strategy is focused on multilateral, bilateral and commercial financing sources.

2.9. The fall of the oil price registered since mid-2014 has had a high impact on the occurrence of the budget deficit. However, its levels are controllable and sustainable, so it is expected not to compromise the PND 2013-2017 objectives, as well as to insure the sustainability of the public finances and the stability of the financial system, by way of the financing interventions.

2.1.1.2 Monetary, exchange and financial policy

2.10. The monetary policy of the Angolan National Bank ("Banco Nacional de Angola" - BNA) has been oriented towards maintaining a low and stable inflation rate. In coordination with some ministries, the BNA has been providing the economy with sufficient liquidity to support the growth of private sector credit demand to enhance its participation in the economic development.

2.11. In terms of currency, the main objective is the maintenance of the external sustainability, translating into an international currency reserves level equivalent to six months of imports as defined by the Southern African Development Community (SADC). The financial policy is focused mainly in the financial robustness and stability of the banking sector. The adoption of the best practices on corporate governance and compliance has been steadily promoted on BNA's policies and directives to the financial system.

2.12. With the reform of the monetary policy in the last few years, the stability of the exchange rate, the progressive banking of the population supported by the growth of the banking network, and the progressive withdrawal of U.S. dollar currency out of the economy, in a favourable macroeconomic environment, the country has achieved one-digit inflation of 9.02% in 2012. It should be highlighted that, in the period of 2001-2005, the average inflation rate was 76.79%. However from 2006 to 2014 the average inflation rate was reduced to 11.79%. Since then, inflation continued to decrease, reaching 7.28% in 2014, aligned with the goal defined by the Government in PND 2013-2017 (7-9%).

2.13. The exchange rate of the national currency (Kwanza), to the U.S. dollar has registered a relative stability, recording an average depreciation of 4.77% within the period from 2008 and 2014, compared to an average of 35.06% in the period between 2001 and 2006.

2.14. The financial system has grown substantially, with the banking network expanding from 17 banks in 2006, to 23 in 2014 (27 banks licensed) and 1,523 bank dependencies covering almost all national territory (provincial capitals, and several municipalities).

2.15. Regarding the payment system, since the previews Trade Policy Review, there has been remarkable progress, namely migration of high value transactions from the clearing services for financial assets ("Serviço de Compensação de Valores" (SCV)) to the real-time payments system "Sistema de Pagamentos em Tempo Real" (SPTR), implementation of international brand credit cards, internationalization of the "Multicaixa" network and the signing of the currency conversion agreement ("Acordo de Conversão Monetária") between the Central Banks of Angola and Namibia.

2.1.1.3 Income and price policy

2.16. Job creation continues to be one of the key challenges in the Angolan economy. In order to attain this objective, a sustained economic growth is necessary, so that it may contribute to the reconstruction process and allowing for better living standards for the population. In cooperation with the different stakeholders, the Government of Angola has been updating the public wage policy so as to maintain the growth of the purchasing power of its population.

2.17. The Government is working on a new bill regarding competition, in order to prevent monopoly and economic speculative practices which can have a negative impact on pricing, both on services and goods, especially on staple food. It is also underway the regulation of the Presidential Decree No. 206/2011 of 29 July, focusing on the general price basis, and the three possible regimens, namely pricing, monitored price and free price. This approach has been developed bearing in mind on one hand the possible negative impacts to the consumers on and on the other hand safeguarding sound entrepreneurship environment.

2.2 Structural reforms

2.2.1 Financial services

2.18. Angola has been working on the implementation of the following policies and measures on financial services:

- Support in creation of specialized institutions focused on the Compensation, Settlement and Custody of securities;
- Reform of the national bank and insurance systems;
- Develop and expand access to micro-credit; and
- Development of the bond market with the creation of the Stock Market and Derivatives Commission and the Angola Stock Exchange ("Comissão de Mercado de Capitais", "Bolsa de Valores e Derivados de Angola" – BODIVA).

2.2.2 State-owned enterprises

2.19. The Angolan Government has reinforced its public enterprises' privatization policy, with the creation, in 2009, of the Institute for the State-Owned Enterprises Institute ("Instituto para o Sector Empresarial Público" – ISEP), overseen by the Ministry of Economy, with regulatory and technical support mandate to the privatization and re-privatization processes.

2.20. In order to enhance its performance, the Government has put in place a Reform Program for the State-Owned Strategic Enterprises ("Programa de Reestruturação das Empresas Públicas Estratégicas e Redimensionamento do Sector Empresarial Público") although some companies have low performance, but for strategic reasons, are to be maintain under the State control.

2.21. To reinforce the existing legal instruments, the following diplomas have been adopted:

- Public-Private Partnerships: (Decree No. 2/11 of 14 January), establishes the rules for the definition, preparation, evaluation, adjudication, change, monitoring and global management of the public-private partnerships;
- Mining Code – (Decree No. 31/11 of 23 September), establishes a set of rules and legal principles focusing on the mining activity, as well as clear mechanisms for the access and exercising of the mining rights, and its protection; and
- Basic Law on State-owned Enterprises (Decree No. 11/13 of 13 September), establishes the legal framework of the state-owned companies, companies with dominant and minority shares of state.

2.22. The State-owned enterprises portfolio is comprised by 72 companies from different sectors. The Government holds full control of 28 of those companies and the remaining 44 companies have both public and private shares.

2.3 Construction and rehabilitation of economic and social infrastructures

2.3.1 Economic infrastructure

2.23. The growth of the national economy necessarily involves the construction and rehabilitation of economic infrastructures (transport and logistics, energy, water and sanitation, telecommunications, etc.) and social infrastructures (urban centres, schools, hospitals, etc.), in order to strengthen national integration and enhancing the potential of each region.

2.24. In 2002, the Government had begun the rehabilitation and construction programme of physical infrastructures, focused on recovering and promoting the national economy, with special emphasis on the non-oil sector.

2.3.1.1 Agriculture

2.25. With the Peace Process in 2002, the free movement of persons and goods and the return of former displaced persons to their native land, essential prerequisites were created for the relaunch of agricultural and forestry production, and the improvement of the food situation. However, the rural sector has faced considerable challenges to be addressed, among which stands out the destruction of considerable infrastructures of the country.

2.26. A programme of rehabilitation focused on infrastructures was established in order to support production, having been rehabilitated 9 large irrigated plots with a total area of 28,000 acres, 8 storage facility were built, with a total capacity for 48 thousand tons of grain, as well as 9 meat

processing plants and warehouses for fresh, with a unit capacity of 1,000 m³. Additionally there was also a rehabilitation of infrastructures to support agricultural research and extension services.

2.27. Since 2009, the focus was on promoting competitiveness in the agricultural sector and the sustainable transformation from subsistence farming to market oriented agriculture, as well as the promotion of national agro-business, generating employment and income, in order to ensure food security and domestic supply.

2.28. In this context, large and medium-scale farms were installed (the former aimed for the production of cereals and grain and the latter for livestock, overseen by the Public sector, with the support of bilateral partners. It should also be highlighted the implementation of several other projects, aimed at covering different agricultural commodities like cotton, palm oil, coffee, etc.

2.3.1.2 Energy and water

2.29. The sector has continued its work to increase the installed capacity, through the rehabilitation and expansion of the production of electric power, as well as the respective transportation network. To that effect, it is currently under construction, namely, the hydro-electric dams of Laúca; the thermal power plant of Soyo; the rehabilitation and expansion of Cambambe, Luachimo and Lomaum dams, increasing the installed capacity up to 3,550 MW (Three thousand five hundred and fifty Megawatt) by 2017. Furthermore, diverse studies are being carried out, in order to introduce into the energy matrix the production of wind and photovoltaic energy. Following those measures, the production of electricity, in 2014, has reached 8,992 MW, an increase of 122% compared to 2008.

2.30. By 2025, it is expected that the capacity of energy generation based on water and thermal resources, natural gas and renewable energy sources could reach up to 9 Gigawatt of installed capacity.

2.31. In addition to structural initiatives in progress, the electric sector has undergone for a profound reform process, which has resulted in creation of three (3) new public entities focusing on production, transportation and distribution of energy. According to the current legislation, it is expected a participation of the private sector in production and distribution of electricity.

2.32. Regarding the water sector, policies have been defined for improvement of production, processing and distribution, in order to ensure greater regularity in the provision of services, to satisfy the growth of consumption, and the infrastructural conditions to support domestic production. In this sense, are under rehabilitation and extension of water supply systems in all provinces. In 2014, it reached a coverage rate of 59%.

2.3.1.3 Urban planning, construction and transport

2.33. Under the Urbanization Plan, 193,226 (one hundred and ninety-three thousand two hundred twenty-six) dwellings were built throughout the country. An extension of 2,328 (two thousand, three hundred and twenty-eight) kilometres of roads were rehabilitated, as well as 29 (twenty nine) bridges, in addition to the building and rehabilitation of several airports and aerodromes.

2.34. In the transport domain, the Government expects to provide the country with an integrated network, aligned with national and regional development objectives, to facilitate the economic development process.

2.35. Between 2008 to 2014 several key structures were built and rehabilitated: thirteen (13) airports, two (2) of which are International (Luanda and Catumbela); container and minerals terminals, dry ports; three (3) railways with more than 2,600 (two thousand six hundred) kilometres, of which should be highlighted the Benguela Railway (CFB) connecting Angola to Democratic Republic of Congo and to Zambia.

2.36. Under the rehabilitation programme of railways, airports and ports, it is planned the construction of several Logistics Platforms in order to support the Economic and Social Development of the country as well as to position Angola as a hub of Southern Africa region.

2.37. Regarding the airport network, three (3) national airports and one (1) international (Luanda Province) are still under construction. The Luanda airport will have a capacity for fifteen (15) million passengers per year.

2.3.1.4 Telecommunications and information technology

2.38. With regard to telecommunications and information technologies, the sector has registered great advances, with emphasis on:

- (i) The installation of 458 Very Small Aperture Terminal (VSAT) stations in all provinces, as well as investments in the telecommunications infrastructure, namely the implementation of fibre optic backbone, South Atlantic 3/West Africa Submarine Cable (SAT-3/WASC) and Angola Domestic Network System (ADONES);
- (ii) The conclusion of Angola Telecom's fixed-line network switching from analogue to digital system, the adoption of 3G by mobile telecom operators throughout the country, and the availability of 4G in some provincial capitals.

2.39. The number of fixed lines installed, of mobile phone users and Internet subscriptions are indicators that have been growing rapidly in recent years, and the key highlights are:

- (i) The installation, in 2008, of 218,000 (two hundred and eighteen thousand) fixed lines, having increased more than 350% in 2014, making a total of over 800,000 (eight hundred thousand) fixed lines;
- (ii) The increase of mobile phone users numbers, from 9 (nine) million in 2010 to 13 (thirteen) million in 2014;
- (iii) The increase of Internet subscribers, multiplied by more than 10 (ten) times. From the 300,000 (three hundred thousand) subscribers in 2008, to over 3.5 million (three million, five hundred thousand) in 2014.

In this way, the liberalization of the telecommunications process was initialized, helping to make a clear distinction between the key players in the sector: the Government, the regulator and operators.

2.40. Other important facts to refer were the restructuring of public company Angola Telecom and the enhancement of the regulatory body for electronic communications, with the creation of the National Communications Institute of Angola, under Presidential Decree No. 225/11 of 15 August, as well as free access to competition between private providers of telecommunications services, the update and implementation of industry regulation, namely the Information and Communications Technology White Book (Presidential Order No. 71/11 of 12 September).

2.41. Among the various projects underway in the sector, the following should be highlighted:

- The installation of national fibre optic network, with about 25,000 (twenty five thousand) kilometres, of which more than 22,000 (twenty two thousand) already installed, resulting from public and private investments;
- The submarine cables project Angola - Brazil (SACS) and participation in the Brazil-USA cable (MONET);
- The construction of a technology park;
- The construction of the first national communications satellite (Angosat);
- The migration from Analog Television to Digital Terrestrial Television aligned with the Digital Video Broadcasting – Second Generation Terrestrial (DVBT2) standards;
- The construction of a network of 25 (twenty five) media libraries throughout the country.

2.42. In the regional context (Southern and Central Africa), Angola continues to contribute to the realization of the New Partnership for Africa's Development (NEPAD) project focused on the SADC ICT infrastructure, in order to ensure interconnectivity between member countries, as well their access to major global information channels, made possible by the installation of submarine cable systems SAT3 and WACS.

2.3.2 Social infrastructure

2.43. Within the scope of extending and improving the basic health services, the Government has been making investments which focus on construction and rehabilitation of health facilities and acquisition of medical and hospital equipment in the framework of the sectorial development programme from 2008 to 2014.

2.44. The National Health Service is comprised by 1,783 (One thousand seven hundred and eighty-three) small health centres, 433 (Four hundred and thirty-three) Medium health centres, 155 (One hundred and fifty-five) municipal hospitals, 29 (twenty-nine) provincial hospitals, twelve (12) central hospitals and 26 (twenty-six) specialized hospitals, including Tuberculosis Care Hospitals, Physical Rehabilitation Centres, HIV Care Hospitals, totalizing 2,438 (two thousand four hundred thirty-eight) health units, representing a growth of 80% compared to 2007.

2.45. Within the scope of the Management and Expansion of Health Care Network Program, the Government aims to establish throughout the country standards for health care facilities up to 2025, in order to provide quality health care services to its entire people.

2.46. The education sector has likewise improved in terms of construction and rehabilitation of physical infrastructures, as well as increased the school enrolment at all levels, with more emphasis on primary and secondary schools.

2.47. In last few years, the Government has undertaken actions and policy measures that could be summarized as follows: expansion of pre-school education; development of primary and secondary schools; Enhancement of adult literacy programme; improvement of professional technical training system; improvement of teachers capacity building programmes; increase of research, development and innovation in education; reform of the national educational system; and promotion of entrepreneurship programme in secondary schools. These programmes aim to achieving the following goals: (i) improvement in teaching quality, (ii) valuing teaching personnel and (iii) expansion of schools facilities.

2.48. The Government has increased the primary and secondary schools facilities from 50,516 (fifty thousand five hundred and sixteen) in 2008, rising to 69,507 (sixty nine thousand five hundred and seven) classrooms in 2014, including students with special educational needs.

2.4 External sector economy

2.49. The external sector of the Angolan economy depends primarily on two exports products: crude oil and diamonds. Both suffer periodically price fluctuations in the international market. Angola continues to import most of the goods for everyday consumption because of insufficient domestic production, although in the last few years the country has registered significant production of some agricultural products.

2.4.1 Balance of payments

2.50. Between 2008 and 2014, according to preliminary data from the Balance of payments, has shown surplus, with the exception of the years 2009 and 2014. In line with the above developments, the current account balance has remained positive in general (except for 2009), although the capital and financial accounts registered a deficit (excluding 2008 and 2009). The deficit of the current account in 2014 amounted to 0.8% of the GDP, from a surplus of 6.7% observed in 2013.

2.51. Regarding the goods account, it is to be highlighted that exports exceed imports, which has registered an average annual growth three times superior, in the period under review. However, oil exports continue to represent over 90% of total exports, signalling the dependence climate and high exposure to external shocks, enhancing the need for diversification of the national economy, to ensure greater robustness in the trade policy.

2.52. As for the services and income accounts, a deficit position has been verified throughout the period of analysis, although with a certain stability after a decline phase observed on the period of the first Trade Policy Review.

Table 2.1 Balance of payments, 2008-14

U.M. (US\$ million)	2008	2009	2010	2011	2012	2013	2014 (estimate)
Current account	7,194.26	-7,571.64	7,421.03	13,084.66	13,853.27	8,348.37	-1,141.71
Goods account	42,931.76	18,168.01	33,928.00	47,081.81	47,376.34	41,902.52	30,848.13
Exports	63,913.94	40,827.95	50,594.85	67,310.28	71,093.27	68,246.52	58,934.25
Petroleum	62,457.37	39,802.77	49,351.49	65,590.96	69,716.25	66,902.07	57,407.01
Non petroleum	1,456.57	1,025.17	1,243.37	1,719.32	1,377.02	1,344.45	1,527.24
Imports	-20,982.19	-22,659.94	-16,666.86	-20,228.48	-23,716.93	-26,343.96	-28,086.12
Services account	-21,809.89	-18,546.21	-17,897.49	-22,937.57	-21,339.16	-21,530.73	-21,644.51
Income account	-13,717.54	-6,823.13	-8,171.79	-9,697.32	-10,421.75	-9,900.06	-8,125.64
Capital & financial account	1,297.64	2,498.09	-986.76	-3,560.33	-8,883.64	-8,209.32	-3,810.47
FDI	16,581.02	11,673.06	12,156.72	14,123.61	15,077.73	14,345.88	15,211.26
Overall balance	7,255.96	-4,616.19	6,010.27	9,087.71	4,643.20	84.21	-4,952.17

Source: National Bank of Angola (BNA) 2015

2.4.2 External debt

2.53. The Government has continued to implement a strategy focused on the mobilization of credit lines to ensure the financing of public investment programmes. Thus, credit agreements were strengthened with strategic bilateral and commercial partners, allowing the expansion and diversification of the available funding sources to support the public investment programmes.

2.54. The Public external debt stock for the year 2014 has been estimated in 16.3% of GDP. The share of short-term Government external debt stock is estimated at 0.6% of the total stock of this debt, of which 0.2% is bilateral debt, 4.9% commercial debt, and 94.9 % debt with suppliers. The medium- and long-term external debt stock is estimated at about 16.2% of GDP, of which 2.9% is multilateral debt, 42.9% is bilateral debt, and 12% is debt with suppliers.

2.55. Additionally, conditions continued to be created to strengthen the strategic positioning of Angola in major international financial centres. In this connection, the Government has focused on the ongoing relationship with the market, and has already finished the sixth annual review of the sovereign debt rating. In this regard, it is worth mentioning that international credit rating agencies Fitch Ratings (FITCH), Standard & Poor's Rating Services and Moody's Investors Services assigned a rating of BB- (27 March 2014), B+ (11 February 2015) and Ba2 (3 March 2015), respectively, taking into account the economic risks of the oil price drop that occurred in 2014.

2.5 Investment promotion policy

2.5.1 Instruments to promote economic activity

2.56. For the promotion of economic activity, the Angolan Government enacted the (Decree No. 30/11 of 13 September 2011) on Micro, Small and Medium Enterprises (MSMEs) taking into account the importance of developing a solid business environment for this type of enterprises which lead the to the promotion of sustainable economic growth and development of a diversified economy. In this connection, the Government has been implementing the entrepreneurship programme "Angola Investe", focused on (MSMEs).

2.57. Among other objectives of this programme, it should be highlighted the diversification of the economy, the combat of poverty, the promotion and distribution of domestic production, the formalization of economic informal activities, and the reduction of imports and promotion of better banking rate of the population.

2.58. There are other government agencies that enable the promotion of the economic activity, among which are the Angola National Private Investment Agency ("Agência Nacional de Investimento Privado" - ANIP), the Angola Development Bank ("Banco de Desenvolvimento de Angola" - BDA), the National Institute for Support of Small and Medium sized enterprises ("Instituto Nacional de Apoio à Pequena e Média" - INAPEM) the Angolan Sovereign Wealth Fund ("Fundo Soberano de Angola" - FSDEA), the Angola Capital Markets Commission ("Comissão de Mercado de Capitais" - CMC), the Single Window for Enterprises ("Guichet Único de Empresas" - GUE) and Entrepreneurs Registration Office ("Balcões Únicos do Empreendedor" - BUE).

2.59. To encourage the free economic and entrepreneurial initiatives, and improve the country's business environment, the Law on the Reduction of Companies Registration Charges (Decree No. 16/14 of 29 September) was approved, defining the reduction fees from 400,000 (four hundred thousand) to 10,000 (ten thousand) Kwanzas of the maximum fees for the establishment of micro, small and medium size enterprises. Additionally, in April 2015, the Law on Cooperative was approved by National Parliament.

2.60. The initiatives toward reducing bureaucracy have contributed to the diminution of the time needed to create an enterprise, decreasing from 66 (sixty-six) to 8 (eight) days, and the registration process can be carried out and completed at the Single Window for Enterprises (GUE), the Integrated Services Center for Citizens ("Centro de Atendimento Integrado para os Cidadãos" - SIAC) and the Entrepreneurs Registration Office (BUE). These services are located throughout the country.

2.61. The Private Investment Law (Decree No. 20/11 of 20 May), which applies to both domestic and foreign investments, provides tax incentives and benefits to entrepreneurs, taking into account certain economic and social objectives, such as encouraging the growth of the national economy; promoting the most disadvantaged regions especially in the countryside; providing partnerships between domestic and foreign entrepreneurs in view of creating employment. However, under the Private Investment Law the investment to benefit from tax exemption, must meet the following requirements of economic interest:

- Investment in priority sectors (agriculture and livestock, manufacturing, infrastructures (railways, road, port and airport; telecommunications and information technology); fishing industry, including shipbuilding; energy and water; housing, health and education services and hospitality and tourism);
- investment in Special Economic Zones of investment; and
- Investment in Free Trade Zones of Angola to be created.

Table 2.2 Tax benefits

Economic Zones	Industrial Tax	Tax on application of capital	Real Estate Tax	Criteria for applying the ceilings
Zone A Luanda and main municipalities of Benguela, Lobito, Huíla, and Cabinda	1-5 years	Until 3 years	The acquisition of land and buildings assigned to the project	Investments ≥ US\$50 million; Investments that create ≥ 500 jobs
Zone B Remaining municipalities of Benguela, Cabinda, Huíla, Kwanza Norte, Kwanza Sul, Bengo, Uíge, Lunda Norte, and Lunda Sul	1-8 years	Until 6 years	The acquisition of land and buildings assigned to the project	Investment ≥ US\$20 million; Investments that create ≥ 500 job posts
Zone C Huambo, Bié, Moxico, Kwando Kubango, Cunene, Namibe, Malange, and Zaire	1-10 years	Until 9 years	The acquisition of land and buildings assigned to the project	Investment ≥ US\$20 million; Investments that create ≥ 500 job posts

After the exemption period, investments are subject to the general tax regime covering the following taxes:

- Industrial Tax (30%);
- Agricultural Activity Tax (20%);
- Tax on Capital Application (on profit repatriation case) (10%);
- Real Estate Tax (2%).

From 2010 to 2014, 1,263 (One thousand two hundred and sixty three) private investment proposals were approved, totalizing US\$ 20,500,568,000 (twenty billion, five hundred million, five hundred and sixty-eight thousand).

2.5.2 Special Economic Zone and Industrial Development Hubs

2.62. Under the national reconstruction process, the Presidential Decree No. 50/09 of 11th September created the Special Economic Zone (EEZ) of Luanda-Bengo, as an economic and social development tool to foster entrepreneurship and competitiveness, through strategic projects

for growth and innovation, in order to increase domestic production of basic goods, creation of jobs, combat poverty and reduce imports. In 2011, through a number of presidential decrees, have been created a number of 21 land reserves, divided into agricultural purposes with total area of 256,062.45 (two hundred fifty six thousand and sixty two) hectares; for industrial purposes totalizes 20,550.82 (twenty thousand five hundred and fifty) hectares and for mineral purposes the area have 160,664.61 (one hundred sixty thousand six hundred and sixty four) hectares. As a result of this programme, 32 (thirty-two) industrials units have been installed, 28 (twenty eight) services companies, and 8 (eight) mining companies are operating, providing employment to over 8,500 workers.

2.63. Under the industrial development policy, the Government has defined as strategic priority, the creation of 23 Industrial Development Hubs, which are currently at different stages of implementation. The Industrial Development Hubs are basic infrastructures focused on attracting private investment for the domestic industry. With the existence of these infrastructures, serious constraints to the industry sector are minimized, such as poor conditions regarding electricity, water and sanitation.

2.64. The Viana Industrial Hub (PIV) in Luanda Province is currently in operation, with over 600 (six hundred) companies from various sectors and 6,000 (six thousand) employees. On the other hand, the Industrial Development Hub in Catumbela (PDIC), in the Benguela Province, comprises 100 (one hundred) companies and 2,500 (two thousand five hundred) workers. Many other industrial hubs are expected to open in the next few years.

3 TRADE POLICY

3.1. The trade policy framework includes principles and measures designed in accordance with the country's economic policy, advocating the objectives and priorities of development regarding trade which are based on the regulatory role of the Government, the private sector and all market players, encouraging the diversified production of goods and services in order to meet the needs of the internal market and to increase exports in accordance with the National Development Plan 2013-2017.

3.2. The proper combination of all these elements of trade should contribute to achieving three basic goals for growth and socio-economic development, including:

- The macro-economic stabilization;
- The economic growth and job creation;
- Increased domestic production.

3.3. These three vectors could contribute to stabilize the distribution of consumption, promote the domestic production and the supply of goods and services, as well as the regularization of prices, as well as food security.

3.1 By sector

3.1.1 Primary sector

3.1.1.1 Agriculture

3.4. The agricultural sector in Angola plays an important economic role, either indirectly in the support of the agro-business activity and catalyst for upstream businesses, or directly as a contributor to national GDP. In addition to these effects, there are other factors that are not quantified, namely the inducing effect in the development of other sectors.

3.5. Angola has many natural resources, having been classified by the United Nations Organization (UNO) as the 16th (sixteenth) country with greatest agricultural potential in the world. However, only 3% of 58 million hectares of arable land is under exploitation.

3.6. With the peace process, Angola has carried out a comprehensive recovery programme focused on the productive capacities of domestic entrepreneurs, particularly family-run farms that depend solely on agriculture to obtain food and income. In this context, tools, seeds, fertilizers and

basic equipment for agricultural operations in small areas were distributed, and campaigns for the mechanized preparation of land and the training of farmers, including community actions in rural areas, have been conducted.

3.7. Table 3.1 indicates a substantial and progressive increase in meat production in the period between 2010 and 2014, from 101,962 (one hundred and one thousand nine hundred sixty-two) tons to 250,495 (two hundred and fifty thousand and four hundred and ninety five) tons respectively, with a growth of 146%.

Table 3.1 Meat production, 2009-2014

Species	Evolution of meat production (ton)					
	2009	2010	2011	2012	2013	2014
Bovine (ton)	..	6,317	8,402	10,005	11,845	27,019
Goats and sheep (ton)	..	83,341	103,343	90,009	160,567	171,606
Poultry (ton)	..	7,959	10,156	13,659	18,321	32,288
Pork (ton)	..	4,345	5,431	6,155	14,286	19,582
Total	..	101,962	127,332	119,827	205,019	250,495

.. No data available.

Source: Ministry of Agriculture.

3.8. The same trend is observed in the production of cereals and other agricultural products. Comparing the data from 2008 to 2014, the production of coffee and fruit almost doubled, while that of cereals, vegetables, roots and tubers significant growth.

Table 3.2 Production of cereals and other agricultural products, 2008-2014

Crop grouping	Production (tons)					
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Cereals	1,052,843	1,177,948	1,408,826	505,706	1,671,384	1,820,348
Roots and tubers	6,912,344	7,530,971	7,661,721	5,728,999	8,635,332	10,239,302
Legumes	364,078	371,368	472,380	1,058,071	514,000	668,000
Horticultural	1,426,471	1,461,818	1,603,615	1,442,646	1,684,282	1,742,332
Fruits	2,668,279	2,757,251	3,388,993	4,388,019	4,117,051	4,733,384
Coffee	7,530	8,400	10,758	9,950	12,530	15,009

Source: Ministry of Agriculture

3.9. For the period 2008–2012, the Government has established a set of goals to promote the rural communities' socioeconomic development and foster the integrated development and sustainability of the agriculture production. This should contribute to the improvement of the living conditions of the population in rural areas, the food security and the diversification of the country's economy, which will generate more jobs and increasing the income.

3.10. The defined goals advocate reaching the following indicators in the agriculture sector:

- a) The increase of about 4 million hectares of cultivated areas, to produce more than 15 million tons of cereals;
- b) Achieve food self-sufficiency in the domain of vegetables (bean, peanut and soy), with the production of 1.8 million tons, creating a surplus of about 800 thousand tons;
- c) Achieve food self-sufficiency in the domain of roots and tubers (cassava, potato and sweet potato) with the production about 4.5 million tons/year;
- d) Meet 70% of the domestic needs in poultry and of about 50% needs of bovine, goat and ovine meat;
- e) The reduction of about 20% of the imports of milk, expanding its consumption to a larger number of the population;
- f) Meet 60% of the domestic needs of sugar;
- g) The production of about 400 thousand cubic meters of wood, although the current needs are calculated in about 200-250 thousand cubic meters/year.

3.11. There are several programmes in progress which focus, among other, the promotion of production, the development of the family-run agriculture, the food and nutritional security, the research and technological development, the development of the commercial agriculture, the

development of meats and milk industries, the increase livestock production, the construction and rehabilitation of irrigated perimeters, foster wood production, maintainable the sustainability of natural resources.

3.12. Between 2009 and 2012, the Government invested about US\$198,427,777 (One hundred ninety-eight million, four hundred and twenty-seven thousand, seven hundred and seventy-seven dollars), in programmes regarding the promotion of production, rehabilitation of irrigation infrastructures and of rural development.

Table 3.3 Key actions in the agricultural sector, 2009-14

Type of grant awarded (US\$)	2009	2010	2011	2012
Irrigation infrastructure	80,817,584.53	56,587,602.76	13,307,800.86	
Rural development		20,119,532.83	17,267,657.85	10,327,605.91

Source: Ministry of Agriculture.

3.13. In 2012, a diagnosis was conducted on the agrarian sector, taking into account the measures and strategic objectives referenced in PND 2013-2017, their potential, as well as the main factors that limit the action of the economic agents. The medium-term Development Plan for the Agrarian Sector ("Plano de Desenvolvimento de Médio Prazo do Sector Agrário" - PDMPSA) focuses on the same period, seeking to promote the sustainable transformation of the subsistence agriculture towards a commercial agriculture, seeking to reach food safety, the improvement of the living conditions of families and the promotion of national agri-business.

3.14. To reach this general objective, the Government defined four strategic objectives for the agrarian sector, namely:

Strategic Objective 1 - Promote professional training campaign and technology transfer of aimed to boosting both the agrarian production and productivity;

Strategic Objective 2 - Implement a process of agrarian and rural transformation, focused on the development of the family agriculture, through cooperatives and public-private entrepreneurship;

Strategic Objective 3 - Establish an efficient coordination mechanism, as well as synergies between the different sectors and other stakeholders in the rural areas, emphasizing the participation of the society in the process of national development; and

Strategic Objective 4 - Support the process of industrialization of the country.

3.15. According to the Angola legislation, foreign investors have access to land for agricultural. The Angolan Government respects and protects private property.

3.16. Although an increase in agricultural production has been registered in the last few years, Angola continues to be a net food importer. However, regarding certain products, such as banana, cassava, sweet potato and eggs, a significant reduction was registered due to the surplus of the national production.

3.1.1.2 Fishing

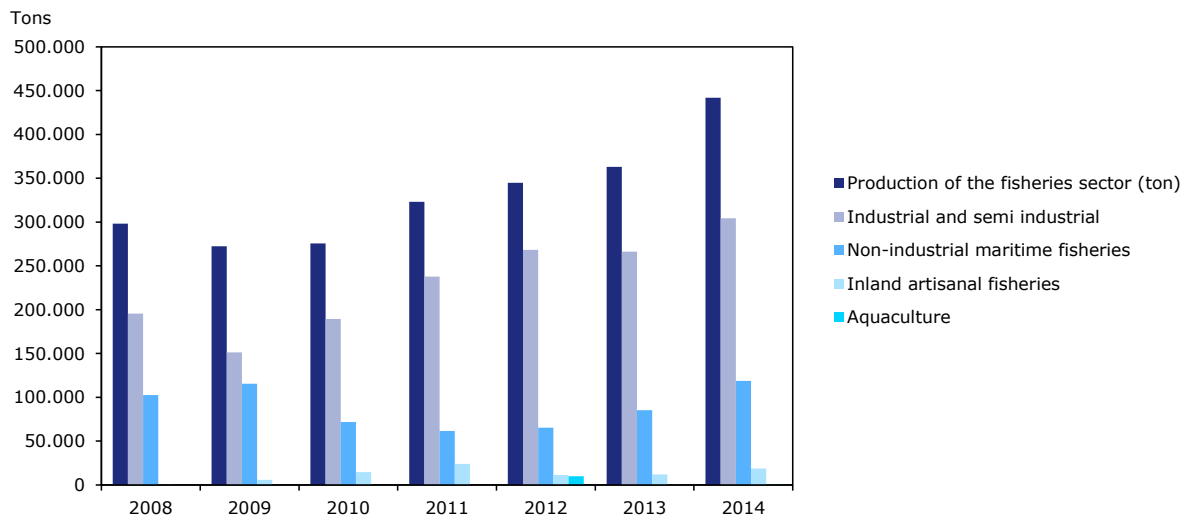
3.17. The fishing Sector plays an important role on the diversification of the economy and contributes for food security and poverty reduction.

3.18. Angola has an extensive coastline of 1,650 km, which is rich in marine resources, with an exclusive economic zone of 330,000 Km².

3.19. The production of the sector, as the table below shows, has increased about 60% (sixty percent) from 2009 to 2014, rising from 272,263 to 441,769 tons.

Table 3.4 Fishery production from 2008 to 2014

Fishing type	2008	2009	2010	2011	2012	2013	2014
Production of the fisheries sector (ton)	298,262	272,263	275,589	323,159	344,628	363,022	441,769
Industrial and semi industrial	195,521	151,065	189,334	237,596	268,139	266,072	304,165
Non-industrial maritime fisheries	102,557	115,350	71,755	61,560	65,282	85,167	118,787
Inland artisanal fisheries	184	5,848	14,500	24,003	11,207	11,783	18,817
Aquaculture	0	0	0	0	10,000	47	305

Chart 3.1 Volume of fish production

3.20. The exports of the sector, illustrated in the table below (fish, mollusk, crustacean and fish flour) have increased between 2008 and 2014 by 560% (five hundred and sixty percent), from 10,601 to 57,335 tons.

Table 3.5 Export of fish products from 2008 to 2014

Product	2008	2009	2010	2011	2012	2013	2014
Fish / molluscs	8,458	2,683	3,020	3,358	2,120	19,008	48,326
Crustaceans	2,143	1,329	2,223	2,333	3,082	3,341	4,265
Fishmeal	-	-	10	3	1,953	4,340	4,744
Total (tons)	10,601	4,012	5,253	5,694	7,155	26,689	57,335
Oil (Lt)	-	-	2,000,000	1,000,000	325,473	1,664,981	1,425,522

3.21. Regarding the measures adopted for the recovery of the horse mackerel, the Presidential Decree No. 26/15 of 12 January 2015, which adopts the tariff quota, determine the in quota import of 90,000 tons of horse mackerel free from customs tax, seeking to supply the shortage of the current offer in the critical period. In 2014, the horse mackerel imports were about 78,412 tons.

Table 3.6 Imports of horse mackerel from 2008 to 2014

Product	2008	2009	2010	2011	2012	2013	2014
Horse mackerel (tons)	586	1,530	23,817	20,000	60,000	62,714	78,412

3.22. Besides the horse mackerel, the Ministry of Fisheries has been also focus on preserved fish, cod, pre-prepared products and tilapia. During 2014, imports of these products were executed by 45 companies, ascending to a total of 733,266 tons from different countries.

3.23. The National Legislation on Aquatic Biological Resources specifies the priorities of the fishing sector, and defines the measures under which the aquatic biological resources should be exploited in adequate and sustainable manner. In this regard, Angola has established catch limits for every species and quota for each fishing area.

3.24. Considering the important role this sector carries out, the following programmes and measures of politics were adopted:

- (i) Improvement of the sustainability in the exploration of fishing resources;
- (ii) Improvement of the repairing, operational and maintenance capacity of the fishing fleet;
- (iii) Support the artisanal fishing;
- (iv) Improvement of processing, distribution and commercialization processes for fishing and salt sectors;
- (v) Development of aquaculture; and
- (vi) Reinforcement of scientific/technical training for the fishing sector.

3.25. The National Development Plan ("Plano Nacional de Desenvolvimento") for the period 2013-17 establishes a total volume of 454,850 (four hundred and fifty-four thousand eight hundred and fifty) tons of fish production, in industrial, semi-industrial, artisanal (marine and continental) and aquaculture, and a production of 120,000 (hundred and twenty thousand) tons of salt and of 40,000 (forty thousand) tons of dry fish, and of 60,000 tons for aquaculture products.

3.1.1.3 Salt production

3.26. Angola has a great potential for sea salt production. The weather conditions are favourable, and the self-sufficiency could be reached in few years if this sector benefits from appropriate investment and possibility for exportation this product.

3.27. Considering the data of the census recently published, indicating that Angola has more than 24 million inhabitants, more than 200 thousand tons year of iodized salt is needed for human, animal and industrial consumption. The current production is insufficient to supply the national market.

3.28. In order to bridge this gap, the country imported 69,000 tons of salt in 2014, valued at US\$22,606,378, according to the National Shippers Council.

3.29. The Government, through the Ministry of Fisheries, within the scope of the programme to increase the salt production, has been carrying out a series of support actions to the producers.

Table 3.7 National salt production from 2010 to 2014

Salt production	2010	2011	2012	2013	2014
Total (tons)	35,807.0	33,169.4	40,118.3	46,707.1	46,437.0

3.1.1.4 Geology and mining

3.30. Angola has, in its subsoil, abundant and varied mineral resources. The exploration and rational use of those resources constitutes an important growth and sustainable economic development factor. The activity in the sector geological-miner is regulated through the Decree No. 31/11 on 23 September that approves the Mining Code.

3.31. Within the scope of economic diversification policies, the Government has, among other objectives, to promote the development of the geology and mining sector in sustainable bases, generating jobs and contributing to the territorial development, productive diversification and expansion of the economy with the implementation of the following programmes: i) Recovery of the geological infrastructures; ii) Implementation of the National Plan of Geology ("Plano Nacional de Geologia" - PLANAGEO); iii) Development of the Human resources; iv) Creation of sectorial companies; and v) Provide a critical financial and economic analysis on the diamond companies.

3.32. PLANAGEO has the following objectives: i) Revitalize the national mining sector, by diversifying the mining production, and increasing the sources of income, simultaneously with the increment of the production and the operationalizing the institutions that are part of it; ii) to Improve the knowledge of on the potential of the mineral resources in the national territory; iii) to

Assure sustainable development of the country, namely by increasing the contribution of the mining sector to the GDP.

3.33. The Government intends, with the PLANAGEO, to develop the infrastructures, in order to obtain quality geological information, necessary for the knowledge and evaluation of the mining potential, in order to determine the country mineral reserves, and on the other hand information from PLANAGEO will support the Government decision on granting license for mining exploitation and attract investors for the sector. The PLANAGEO will facilitate the Government to determine the role of mining sector to plan the socioeconomic development of Angola, as well as revitalization this sector.

3.34. Although the existing difficulties such as the limited and appropriate infrastructures for the implementation of geological and mining projects, including the high costs of transports, and difficulties of entrepreneurs to get funding, we have noticed in the last few years an expansion of the mining production, such as diamonds, ornamental rocks and other materials for the construction sector.

Table 3.8 Export of raw diamonds and ornamental stones, 2008-15

Year	Export of raw diamonds		Export ornamental stones	
	Weight in carats (ct)	Annual gross profit (US\$)	Blocks (m ³)	Annual gross profit (US\$)
2008	8,918,926.21	1,211,294,827.64	..	..
2009	9,799,728.23	836,123,040.83	30,778.00	..
2010	8,362,194.00	987,181,295.01	25,116.00	..
2011	8,681,764.14	1,141,558,573.35	11,640.00	..
2012	9,212,500.67	1,187,629,979.63	26,103.70	6,004,000.00
2013	8,253,591.96	1,150,577,759.98	31,216.00	8,786,900.00
2014	8,870,566.14	1,335,412,753.36	29,950.97	7,542,628.84
2015 ^a	1,273,628.22	183,803,500.53	6,231.75	1,622,476.10

.. No data available.

a Data for the first quarter of 2015.

Source: Ministry of Geology and Mining.

3.35. For quartz and guano, the expansion of the respective production has been conditioned essentially by exogenous factors linked to the market.

Table 3.9 Export gross quartz and guano, 2008-15

Year	Export gross quartz		Export guano	
	Quantity (ton)	Gross profit (US\$)	Quantity (ton)	Gross profit (US\$)
2008	..	..	..	..
2009	..	..	..	..
2010	..	..	..	..
2011	..	..	..	..
2012	3,675.50	1,052,500.00	..	..
2013	2,386.00	615,700.00	212.00	36,575.00
2014	45.00	9,000.00	40.00	10,870.00
2015	..	..	..	..

.. No data available.

Source: Ministry of Geology and Mining

3.1.2 Secondary sector

3.36. The Manufacturing Program of Angola ("Programa de Industrialização de Angola"- PIANG) 2013-2017 is based on the following 10 priority sectors: Food and Drinks; y Textile, Clothing and Shoes, Wood, Wood Furniture, Paper, Paper Pulp and Cardboard Industries; Chemistry and Pharmaceutical; Minerals and Non Metallic Construction Materials, Metal, Machines; and Transport Materials, and Recycling.

3.37. In line with the identified 10 priority sectors, the Government decided to prioritize productive segments, with the aim of generating relevant results in the timeframe of the Program, focusing on job creation and increasing the competitiveness and gradual substitution of the

imports. In this regard, the Government has identified the following priority projects, integrated in key programmes and focusing on relevant industries: textile and clothing; grinding and Animal Feeding, Metallic Minerals and Metallurgies, Ceramic Products, Sugar and Ethanol, Cellulose and Paper, Fertilizers, among others.

3.38. Each one of the priority productive value chains assumes the existence of economic resources stocks likely to suffer a transformation, in order to satisfy demand from inadequacies of the current offer or from market gaps.

3.39. The Government organized in October 2013 the Industry Census of Angola developed as established by the Presidential Decree No. 67/13, of 2 September, with the aim of knowing and assessing the national industrial reality. Based on the results of the Industry Census to the Government will define the long term strategy for the sector, taking into account its role for the diversification of the national economy and progressive integration the informal sector into the formal economy.

3.40. Based on one of PND 2013-2017 the objectives to "Promote the rural communities' and farmers socioeconomic development and, and improve their living conditions, and simultaneously improve food security of the Angolan population and eradication of the poverty", the Government approved the Small-Scale Industry in Rural Area Development Program (PROFIR), which defines measures and an action plan combined with other programmes at a local level to foster small-scale industry in rural areas.

3.41. Regarding human resources training, the Government approved the "Training Strategy for Specialized Human resources to Support the Industrialization of Angola" which aims to overcome the shortage of specialized human resources, which jeopardize and limits potential and as well as compromise the attraction and establishment of new investments in the sector.

3.42. The Government has created recently the National Institute for Innovation and Industrial Technologies ("Instituto Nacional de Inovação e Tecnologias Industriais" - INITI) in order to leverage the capacity building through innovation, training and technological development to transform the industry, and disseminate lessons learnt and good practices and foster the development and transfer of knowledge. The INITI will run all training centres as well as other research centres.

3.43. In the same sense, the Government approved the creation of the Angolan Institute of Accreditation ("Instituto Angolano de Acreditação" - IAAC), after splitting the Standard and Quality functions, from the Accreditation function, which was previously handled by the Angolan Institute of Normalization and Quality ("Instituto Angolano de Normalização e Qualidade"- IANORQ).

3.1.2.1 Oil industry

3.44. The oil industry has been impacted by several uncertainty factors, both regarding production, as well as price levels. Its production profile, considering the reserves, is considered to be of moderate, but with continuous growth.

Table 3.10 Participation of the oil sector in GDP

Oil sector	Participation in GDP						
	2008	2009	2010	2011	2012	2013	2014
	57%	40,90%	45%	47%	43%	54,70%	35,40%

3.45. The liberalization of the fuel market in Angola began with the adoption of Resolution No. 195/09 of 9 November with approved the Liberalization Strategy. This resolution recommended the creation of a stable legislative pact, with transparent rules on the access to markets, creating a liberalization model throughout the entire chain: refining, storage, transport, distribution and selling of oil products.

Table 3.11 Crude oil and refined products production, 2008-14

(UM: Barrels)

Areas	2008	2009	2010	2011	2012	2013	2014
Cabinda	118,137,498	113,747,731	126,229,270	117,546,410	106,246,578	96,775,305	93,738,632
Block 2	5,237,231	6,215,871	6,992,730	6,450,940	5,548,123	2,589,701	1,659,720
Block 3/80/85/91	8,206,890	8,074,327	7,442,263				
Block 3/05 SNL P&P	19,904,811	17,478,979	16,101,894	22,460,606	20,704,102	17,205,793	17,474,281
Block 3Canuku	1,124,788	433,270	-	-			
Block 4/05	-	5,523,531	5,874,894	6,198,072	4,676,996	3,564,204	2,668,408
Block 14	61,307,053	56,581,466	72,022,480	68,374,994	57,281,436	48,777,509	43,253,815
Block 15	235,248,018	221,774,294	189,734,336	161,095,226	149,145,025	136,174,852	120,515,220 ^a
Block 17	186,225,519	167,698,200	157,153,078	178,304,623	222,305,639	216,827,121	217,716,223
Block 18	55,416,825	58,211,781	56,427,870	41,719,765	62,376,581	65,093,061	50,217,280
Block 31	-	-	-	-	1,795,286	36,301,065	60,677,433
Cabinda Sul	-	-	-	-	-	220,117	696,877
Onshore-Congo	4,899,111	4,533,678	3,545,696	3,571,818	3,070,069	2,647,750	1,542,615
Total	695,707,744	660,273,128	641,524,511	605,722,454	633,149,835	626,176,478	610,160,504

a Includes Block 15/06.

Table 3.12 Crude oil derivatives production, 2008-14

(UM: Metric tons)

Products	2008	2009	2010	2011	2012	2013	2014
GPL	26,394	25,378	23,372	29,794	29,097	35,190	31,098
NAFTA	118,476	133,030	130,765	166,069	155,731	205,048	189,851
Gasoline	68,068	42,237	40,062	63,057	72,805	68,727	27,179
Jet-B	110,225	142,696	92,391	95,537	130,979	145,502	194,119
Jet-A1	214,959	213,263	168,162	172,372	171,654	193,305	197,370
Illuminating oil	927	(963)	1,835	73,276	76,325	89,005	69,263
Diesel	527,372	509,141	447,205	517,776	526,810	563,552	532,156
Ordoil	15,360	(313)	10,503	79,109	95,230	11,004	134,904
Fuel oil	595,251	604,168	537,965	659,657	625,475	680,799	749,761
Others ^a	97,011	95,956	28,526	18,470	21,319	26,834	35,985
Total	1,774,043	1,764,593	1,480,786	1,875,117	1,905,425	2,018,966	2,161,686

a Asphalt, Extra-heavy, Cut Back.

3.46. Regarding refining, the selling price of crude oil to the refinery in Luanda is defined in accordance with Presidential Decree No. 1/12 of 4 January.

3.47. In one hand, the current selling price of the crude oil supplied to the refinery in Luanda, as well as the margins the following activities: refining, logistics, distribution and selling of petroleum products that are part of the fixed price system. In another hand, the liquefied petroleum gas, the illuminating oil and diesel are subsidized by values close to 67.15%, 44.41% and 21.06% respectively, while the Government ceased to subsidize the gasoline (Executive Decree No. 235/15 of 30 April).

3.48. The subsidy focuses on the logistics operator for each of the products that are part of the fixed price system. The prices of other refined oil products are sold at market price.

3.1.3 Tertiary sector

3.49. Angola fully respects the commitment of not limiting any legitimate activities in the banking and credit sectors, neither in the hotel, restaurant and leisure services nor in sports, in conformity with the according to the terms of the General Agreement on Trade in Services.

3.1.3.1 Financial services

3.50. Regarding financial services, the planned measures currently under implementation are the following:

- Development and operationalization of the "Angolan Payments System (SPA)", in line with the "SPA Project – Implementation Architecture and Strategy", an initiative open to international payments systems;
- Approval of the Law of Anti Money Laundering;
- Extension of the Automated Teller Machine (ATM) system ("MULTICAIXA") operated by the Interbanking Service Company (EMIS).

3.51. The insurance and pension funds sectors have registered robust growth in the last few years, which the creation of the Insurance Regulatory Agency (ARSEG), under the Presidential Decree No. 141/13 of 27 September. The national insurance market consists of 17 (seventeen) insurance companies and 5 (five) pension funds management firms.

3.1.3.2 Hospitality and tourism

3.52. Angola presents a great variety of potential tourism opportunities with approximately 2,600 touristic attractions, covering different tourism segments such as sun and sea and culture and Nature. Since 2006, there has been a steady growth in the number of inbound tourism, mainly from Europe.

3.53. Despite the fact that business tourism continues to be the leading cause of visits to the country, but in the last few years, the holiday tourism starts to become a major cause of visit to the country. Although still a marginal activity, but tourism begins showing signs of source of high revenues for Angola and contributed to the creation or maintaining over 135 thousand jobs.

3.54. In terms of hospitality infrastructures, Angola has registered in the last few years remarkable progress. From 2008 to 2014 the country have opened 185 new hotels, 14 apartment hotels, 602 B&B Facilities (pensões), 565 inns and 88 touristic villas. Restaurants, food & beverages were the segments that grew the most during this period, having accounted for 46% for the sector's GDP in those years.

3.55. It is expected that in a 10-year period Angola will meet the conditions to attract 4.6 million tourists, which could generate US\$4.7 billion of revenues from tourism activities, employ over 1 million people. If these aspirations are to be materialised, the hospitality and tourism sector will represent 3% of GDP.

3.56. In order to strengthen the already existing legal framework that regulates the sector's activities, the following instrument was approved:

- Resolution No. 7/97 of 20 June, on the National Tourism Policy - a Política Nacional do Turismo – Official Gazette, 1st Series, No. 29 of 20 June 1997;
- Decree-Law n. 54/97 of 1 August, approving the Licensing Norms and regulating the Operations of Travel and Tourism Agencies – Official Gazette, 1st Series, No. 36 of 1 August 1997;
- Decree-Law No. 6/97 of 15 August, establishing the Norms that Regulate the Exploitation of Angola's Touristic Resources the Operations of the Hospitality Industry – Official Gazette, 1st Series, No. 38 of 15 August 1997.

3.1.4 Poverty reduction

3.57. Poverty Reduction is a priority for the Government of Angola, a fact that has been translated into several legal documents incorporated into the "Angola 2025 Strategy" which the national long-term development plan.

3.58. Within this scope, the Government created the Integrated Municipal Program for Rural Development and Poverty Reduction ("Programa Municipal Integrado de Desenvolvimento Rural e Combate à Pobreza" - PMIDRCP). This programme plays a catalyser role in facing the in numerous challenges at community level. The PMIDRCP has been demonstrating its considerable positive effects on social inclusion and, consequently, on the process of national unification, based on its 3 (three) core objectives:

- Poverty reducing in rural areas;
- Promotion and increase population access to basic services;
- Leverage local growth and development.

3.59. The attainment of these goals relies on the implementation and efficacy of the following sub-programmes: Primary Health Care ("Cuidados Primários de Saúde"), Water for All ("Água para Todos"), School Meal ("Merenda Escolar"), Aid for Work ("Ajuda para Trabalho"), and the Solar Village ("Aldeia Solar").

3.60. Running in parallel with PMIDRCP is the implementation of the National Strategy for Rural trade and Entrepreneurship ("Estratégia Nacional de Comércio Rural e Empreendedorismo" - ENACRE). The Government's main intention with the adoption of this strategy is to leverage rural trade by facilitating the absorption by market the farmers surpluses and reduce post-harvest losses as well as commercialization costs through the Agricultural Surpluses Acquisition Program ("Programa de Aquisição de Produtos Agro-pecuários aos Camponeses" - PAPAGRO).

3.61. The "Water for All" Program ("Água para Todos") constitutes a pragmatic response from the Government aimed at increasing drinking water supply in all municipalities, communes and rural areas. This is to be achieved through the construction of small water supply systems. This programme aims to reach 80% of rural population.

3.62. The "Solar Village" Program ("Programa Aldeia Solar") launched within the framework of the PND 2013-2017, has been responsible for the electrification of 48 villages throughout the country and has benefited more than 100 thousand families. In addition to households, this programme also provided electric power to schools, hospitals and local government and community facilities.

3.63. From the "Aid for Work" Program ("Programa Ajuda para o Trabalho") stand out the initiatives Kikuia Village, Planta Só, CIMPAS and PAPAGRO, just to name few of them. The former promote socioeconomic inclusion through job creation, especially to vulnerable people.

3.2 Trade policy implementation

3.64. The dynamic of economic and social development of the country requires, amongst other factors, the enlargement of the productive base, the diversification of the economy and, as a result, the diversification of exports, taking advantage of preferential tariffs of each trade major partners. Taking into account the national potential for exportation, the Government's programme continues to prioritize the promotion of exports and the development of sectors with potential comparative and competitive advantages, as well as supporting regional and international initiatives that contribute to the intensification of economic cooperation and integration.

3.3 Cooperation agreements on trade and development

3.65. Regarding its regional and international economic relations, the Republic of Angola continues to invest in the promotion of partnerships with several other nations. The country explores mutual advantages within the guidelines of the United Nations and the African Union's Charters, from which the following recommendations stand out:

- Support competitive integration in the global economy, diversifying bilateral relations in order to expand Trade, Scientific and Technologic Cooperation Agreements with emerging economies;
- Strengthen commercial, cultural and technologic relations with other nations from the Community of Portuguese-Speaking Countries ("Comunidade dos Países de Língua Portuguesa" - CPLP);
- Establish commercial partnerships within the scope of the South-South Cooperation Agreement within the Gulf of Guinea region;
- Implement, in the medium run, the political, economic and social priorities of the Regional Indicative Strategic Development Plan (RISDP) 2015-2020 of Southern African Development Community (SADC) aimed at deepening the Economic Regional Integration of this community;
- Promote Regional Integration of Great Lakes region through the harmonization of the Economic Cooperation instruments available, the adoption of macroeconomic

convergence strategies, and the implementation of regional collaboration policies towards economic integration and the reinforcement of economic growth;

- Promote regional integration along the establishment of a Common Continental Market, by advancing political initiatives that preserve security and political stability in the continent;
- Expand the participation in the global energy markets.

3.3.1 Bilateral cooperation trade agreements

3.66. As part of the Trade Cooperation Policy, Angola has been engaged in the celebration of bilateral agreements with several countries worldwide.

3.3.2 Regional trading arrangements

3.67. In the regional context, the Republic of Angola continues to increase its political and economic participation, in the quest to maximize the benefits derived from existing opportunities. It focuses on securing the fulfilment of agreements, protocols and established goals of the SADC, actively contributing for Economic Integration in the region.

3.68. In terms of the SADC's Finance and Investment Protocol, as a structural instrument in the promotion of Regional Economic Integration in these two sectors, the SADC defined primary and secondary indicators and set macroeconomic convergence objectives concerning Inflation, Public Budget Deficit, Public Debt, and the Current Account of the Balance of Payments, economic growth and exports growth rates. From these, the following recommendations from the SADC deserve to be highlighted:

- Further collaboration towards the harmonization of the inflation measures;
- Coordination of exchange rate policies among member states;
- Establishment of legal principles to promote the coherence and convergence in the structure of Central Banks;
- Strengthen cooperation among regional development institutions and;
- Promotion of investments at the regional level.

3.69. Within regional Commercial Cooperation Policy, Angola has signed commercial agreements with several countries from the Community of Portuguese-Speaking Countries (CPLP).

3.70. In order to facilitate trade with neighbouring countries, Angola signed in 2015 Trans-Frontier Agreements with the Democratic Republic of Congo, the Republic of Congo, Republic of Namibia and Republic of Zambia. Regarding fishing activities, Angolan legislation grants preferential treatment to vessels from SADC's member states, in accordance with SADC's Fishing Protocol which applies the principle of "the most favoured nation". Within Economic Community of Central African States (ECCAS), Angola signed Bilateral Trade Agreements with some member states from this Community, such as Congo-Brazzaville, Gabon and DRC, just to name some of them.

3.71. Angola is implementing the "Tripartite Free Trade Area" (COMESA-EAC-SADC), regarding the integration of the Markets, Industrial Development and Development of Infrastructures, as well as of the creation of the Continental Free Trade Area (CFTA), with the objective of reaching a global and mutually beneficial Trade Agreement among Member-States of the African Union, that include the Trade in Goods, Trade in Services, Investments, Intellectual Property Rights and Competition policy.

3.3.3 International agreements

- *Food and Agriculture Organization of United Nations (FAO)*: the Republic of Angola is currently a member of FAO's Council, with a mandate of 3 years until June 2016, and was elected as a Member of the Steering Committee for the Family Agriculture.
- *International Coffee Organization*: the Republic of Angola, under resolution No. 18/04 of 18 May of the National Assembly, approved the International Coffee 2001 Agreement, containing general obligations of Member States importers and exporters,

particularly on the issuance and use of certificates of origin and the supply of accurate information on re-exports.

- *Common Fund for Commodities*: Angola, as a founding member, works in partnership in developing the Experimental Project for the Rehabilitation of Abandoned Farm as small Family Production Units.
- *South East Atlantic Fisheries Organization (SEAFO)*: Angola signed the Convention to create this organization with the view facilitate conservation of fish populations, through the adoption of the UN agreement on the conservation and ordering of these resources.
- *International Commission for the Conservation of Atlantic Tuna (ICCAT)*: Angola is a member of this intergovernmental organization with the objective of to conserve tuna and similar species of the Atlantic Ocean and adjacent seas.
- *United Nations Convention on the Law of the Sea*: Angola has ratified it since 5 December 1990.

3.3.4 Trade agreements for development and cooperation

3.72. Angola is part of several agreements, namely:

- *Community of Portuguese Speaking Countries (CPLP)*: several programmes exist, focusing on trade cooperation among its members;
- *United Nations Conference on Trade and Development (UNCTAD)*: A Memorandum of Understanding for Cooperation between the Angolan authorities and UNCTAD was signed in 2015 which will be the basis for the support in the institutional capacity building with regard to training, in terms of database, research, and other fields. UNCTAD is playing important role on Angola's graduation from the Least Developed Countries. Indeed, Angola was referred as eligible for graduation for the second time in March 2015 by the Committee for Development Policies of the United Nations (CDP).

3.3.5 Preferential trade agreements

3.73. Within the framework of trade preferences, the following highlight:

- The Republic of Angola is a member of African, Caribbean and Pacific (ACP) countries that, in association with the European Union, participate in the process of negotiating the Economic Partnership Agreements APE - EU, as well is with the SADC Member States, with the aim of liberalizing trade.
- In the scope of negotiations on the Economic Partnership Agreements, Angola signed, with the European Union on 23 July 2012 a "Memorandum of Understanding", entitled "Caminho Conjunto União Europeia-Angola" with the aim of promoting relations between the two parties to a new level, by means of a dialogue guided by the fundamental principles of democracy and the rule of law, sovereignty and respect for territorial integrity, respect for human rights and good governance, equity, ownership and joint responsibility as well as the interdependence between Africa and Europe in a world increasingly globalized.
- Even with the planned transition of "Least Developed Country (LDC)" to "Middle Income Country (MIC's)", the Republic of Angola will continue to benefit from the EU's preferential access under the "Everything but Arms", 2020.
- Angola signed the Framework Agreement on Trade and Investment with the United States of America (TIFA), with the aim to improve market access and remove barriers to trade and investment, strengthening agricultural trade and agri-business, develop and strengthen the financial sector and improve access to trade finance.

- *With the United States of America*, under the American Law on the Africa Growth and Opportunity Act (AGOA). Angola continues to enjoy the benefits of market access initiative.

4 ANGOLA AND THE MULTILATERAL TRADING SYSTEM

4.1. Angola has been a Member of the WTO since 23 November 1996 and gives the Most Favoured Nation (MFN) treatment to all its trading partners. The country reaffirms its commitment to the Multilateral Trade System and the liberalization of trade, which considers beneficial for growth the development and well-being of the population. However, Angola underlines the urgent and imperative that these benefits are shared equitably among all countries of the world.

4.2. The Republic of Angola believes that the WTO can play an important role, not only regarding the reputation on the trade liberalization process in order to make it more organized, diversified and flexible, but also in implementing a framework based on the rules of world trade.

4.3. It was in this perspective that Angola joined the WTO and actively supported the launch of the multilateral trade negotiations round at the 4th WTO Ministerial Conference, held in Doha (Qatar) in November 2001. Angola welcomes the results achieved in the 9th Ministerial Conference in December 2013 in Bali, regarding trade facilitation and in other decisions in favour of the Least Developed Countries (LDC). However, it does not reflect yet the level of ambition of the Doha Development Agenda that is to place their needs and interests of the developing countries at the heart of these multilateral trade negotiations.

4.4. Therefore, Angola calls upon all Members to be engaged, displaying when possible flexibility, for a positive and satisfactory final outcome in the next Ministerial Conference, scheduled for December 2015 in Nairobi (Kenya).

4.1 Some specific WTO issues

4.1.1 Implementation

4.5. Despite the autonomous liberalization and integration efforts in world trade, Angola registered a large delay in implementing the Uruguay Round Agreements. This is due to the particular political developments that occurred during the last decades.

4.6. In this regard, Angola needs a longer period of transition to adjust its national legislation to WTO agreements guidelines and an appropriate technical assistance in order to strengthen its institutional capacity and financial technological means.

4.7. Angola welcomed the decision taken by the General Council on 11 June 2013 to extend until 1 July 2021 the transition period for the ADPIC Agreement implementation by the Least Developed Countries.

4.1.2 Special and differential treatment

4.8. Angola underlines the importance of Special and Differential Treatment as key component and negotiations, reflecting the WTO Member diversity recognition, the asymmetry of the economic weight of each and the need to make the trading system economic benefits are well split between all Members.

4.9. Accordingly, the provisions on special and differential treatment should be reviewed with a view to strengthening them and making them more precise, effective and operational in accordance with Doha Ministerial Conference Declaration of 2001. It should be improved to ensure that WTO's flexibility does not become invalid due to other organizations requested obligations.

4.1.3 Agriculture

4.10. This sector has vital importance for Angola's economic development. The economies dependence of developing countries, both as exporters and as net food importers, calls for the implementation of commitments in favour of LDC on duty-free and quota-free market access and

greater flexibility and moderation in the sanitary and phytosanitary measures application, and others related technical barriers to trade.

4.11. Angola recognizes the key role agriculture in poverty combat and reduction and calls upon all members to respect its commitments and to implement the Hong Kong and Bali Ministerial Decisions on ensuring the parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect.

4.1.4 Non-Agricultural Market Access (NAMA)

4.12. Angola assigns great importance to the ongoing negotiations in the context of Doha Round. Taking into account the need to create conditions for its industrialization and economic diversification, Angola emphasizes the importance of special and differential treatment and less than full reciprocity in liberalization commitments to pursue its development objectives.

4.1.5 Services

4.13. Services sector constitutes an important economic activity for the development. It tends to grow, contributing positively to the economic development.

4.14. Although Angola has not presented its offer regarding negotiations on services trade, it should be emphasized that the country has been gradual and progressively liberalizing this sector, namely the financial services, construction, consultancy, architecture, teaching, telecommunications, transports and health.

4.15. Relatively to the financial services, the insurance market has been growing and developing in a sustainable way. It has accelerated after the market liberalizing in 2002, with increase from a single public insurance company to 17 (seventeen) private insurance companies, 36 (thirty six) mediators and brokerage companies and 351 (three hundred and fifty one) individual mediators.

4.16. In the legal plan, and by the Presidential Decree No. 141/13 of 27 September, the Angolan Agency for Insurance Regulation and Supervision ("Agência Angolana de Regulação e Supervisão de Seguros" - ARSEG) was created as a specialized entity to manage the regulation, supervision, inspection and control of the insurance, reinsurance and of insurance mediation and reinsurance sectors.

4.17. The financial system was itself also reinforced, from 2006 to 2014, after the banking system rising from 17 to 23 banks in operation, with 1,452 bank dependencies, covering almost the whole national territory. Following the financial sector growth trend to accompany the development of the financial sector and provide a framework for new products, the Law of the financial (Law No. 13/05 of 30 September) institutions was created.

4.18. Regarding the development of the financial system, on combating money and terrorism financing (ML/FT) are key priorities. Therefore, Angola has become an effective member of Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG) and of the Financial Information Unit (FIU), and is in the process to become a member of Egmont Group (network of FIU with focus on stimulating cooperation among these institutions).

4.19. In June 2010, and again in February 2013, Angola presented a high level political commitment regarding cooperation with the Financial Action Task Force (FATF) to correct the deficiencies in terms of combat strategy to ML/TF of the country. Since then, Angola has been adopting measures to improve its system, namely through the legislation and regulation, and the implementation of supervision mechanisms.

4.20. Angola's legislation and regulation mechanisms regarding combat to ML/TF follow the determination and the recommendations of the Financial Action Task Force (FATF), of the Basel Committee on Banking Supervision, as well as the determination in the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, United Nations Convention against Transnational Organized Crime (Convention of Palermo), the United Nations Convention against the Corruption and The International Convention for the Suppression of the

Financing of Terrorism. In this path, between 2011 and 2014, the Country enacted a number of Laws and applicable Regulations, with the view to prevent and combat ML/TF.

4.21. Regarding Micro-Credit and its impact on poverty reduction, from 2006 to 2014, the Angola National Bank approved 5 (five) institutions of Micro-Credit with a total number of 23 (twenty-three) agencies, dispersed by several provinces. The legislation that supports this activity is the Decree No. 28/11 of 2 February, 2011 - Regulamento das sociedades de Micro - Crédito e no Aviso No. 07/2011, of 15 July.

4.22. Concerning Health, the medical assistance in Angola is evolving towards a free and universal system, in the whole national territory. The Article 77 of the Constitution of the Republic enshrines as universal right the access to health all citizens.

4.23. The National Health Policy foresees the coexistence of the National Health Service, where the State is the main provider at national level, and the Private Sub-system complements the public activity and contributes to the improvement of the sanitary state of the country. The exercise of the Private activity in the health sector is regulated by the Framework Law on the National Health Service (Law 21-B/92).

4.24. The practice of the Private Medicine in Angola is regulated by the Decree No. 48/92 of 11 September that approves the Regulation of the Private Healthcare Institutions and the Decree No. 34-B/92 of 17 July that approves the Regulation of the Practice of Private Medicine.

4.25. Foreign Citizens can exercise medical activity in Angola through the aforementioned Diplomas, as well as the Regulation on the Juridical Regime of Foreigners (Presidential Decree No. 108/11 of 25 May); the Regulation on the Work for Non Residents (Decree No. 6/01 of 19 January) and the legal diploma regulates the Non Resident Foreign Workforce Employment (Decree no 5/95 of 7 April).

4.26. Among other requirements, the foreign citizen should possess legal residence in Angola, should have the documents that prove his level of training (recognized by the Competent Angolan Authorities) and to be enrolled in the respective Professional Association, and respect its statute and code of conduct.

4.27. The private investment in the Health Sector, particularly in the health care area, should obey the foreseen in the Private Investment Law (Law No. 20/11 of 20 May).

4.28. The Education is a fundamental Right, with a specific provision in the Constitution of the Republic of Angola. The Law of the Education System (Decree No. 13/01, of 31 December) ensures free and compulsory primary education. However, in line with the priorities of the National Plan of Development, to the year 2017, the Government is creating the necessary conditions progressively to turn effective, obligatory and free the 1st Cycle of the secondary school (until the 9th year of education). The materialization of this objective follows the policies taken by the respective Ministerial department, in the medium and long-term plans, seeking to reach the objectives and defined goals for each Educational sub-system in the periods from 2008 - 2012, and 2013 - 2017.

4.29. The private and co-funded education plays important role in reinforcing the expansion of access to Education that the Government has been consolidating. Private education is regulated by the Presidential Decree No. 207/11 of 2 August, which approves the Status of Private Education. Currently, the number of students in these schools has been increasing, accounting currently for over 10% of all students in primary and secondary education. This indicator shows that the Angolan Government is the biggest investor in the Education sector.

4.30. Regarding the teaching and learning process, the State allows the hiring of expatriates, in accordance with published legislation on Regulation on the foreigners legal status (Presidential Decree No. 108/11 of 25 May), on Regulation on non-resident worker professional activity (Decree No. 6/01 of 19 January), and Regulation on the employment of non-resident foreign workforce (Decree no 5/95 of 7 April).

4.31. The interested foreign may promote the creation of educational institutions up to secondary school, in conformity with the Private Investment Law (Law 20/11 of 20 May) and legal diploma on Status of private education institutions (Presidential Decree 207/11 of 2 August).

4.32. Angola is interested in the development of services and, *ipso facto*, by the ongoing negotiations in this area, and therefore welcome the 2011 Ministerial Decision on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries, as well as the 2013 Ministerial Decision on Operationalization of the waiver concerning preferential treatment to services and service suppliers of LDC. In this context, Angola calls upon for its rapid, effective and efficient implementation to increase the LDC participation in service trade.

4.33. To address this issue as a whole and for the preparation of a coherent domestic strategy that takes into account national objectives as well as autonomous liberalization, Angola requests a specific technical assistance.

4.1.6 Trade-Related Aspects of Intellectual Property Rights and Public Health

4.34. Angola welcomes the approval by the General Council Decision of 6 December 2005 on the amendment to permanently incorporate into the TRIPS Agreement additional flexibilities to grant special compulsory licences for the export of medicines. Therefore, the Government of Angola is working to ratify its protocol of amendment.

4.35. The Law No. 15/14 of 31 July, regulates the Protection of Copyright and Related Rights in arts, literature, science or other forms of knowledge and creation, focusing on the creative and performing artists, performers, producers, media broadcasting and other organizations, as well as collective management entities of intellectual work of literary, artistic and scientific nature.

4.36. The relationship between the TRIPS Agreement and the Convention on Biological Diversity (CBD), in addition to the protection of traditional knowledge and folklore, should be dealt with urgency in order to ensure the fair and equitable sharing of benefits arising from the utilization of genetic resources and traditional knowledge of origin countries.

4.37. Angola welcomes the Decision taken by the 9th Ministerial Conference to extend until December 2015, pursuant Art. 64.2 of the TRIPS Agreement, of the moratorium on not-violation and situation complaints related to intellectual property rights.

4.1.7 Trade facilitation

4.38. Trade facilitation is of great importance, because border procedures efficiency can help reduce trade transactions costs and increase the economic agents' competitiveness. Angola participated actively in the WTO trade facilitation negotiations, and welcomes the Agreement approval on this matter in the 9th Ministerial Conference in December 2013 in Bali (Indonesia), as well as the adoption of the Protocol of Amendment for its inclusion in Annex 1A of the WTO Agreement by the General Council on 27 November, 2014.

4.39. Internally, Angola is creating all the necessary conditions for the acceptance of the Protocol of Amendment. In this regard, Angola has gradually and voluntarily improved on delivery of its customs and other related trade facilitation services.

4.40. The Angolan Customs Services Strategic Plan for 2013-2017 recognizes the importance of trade facilitation for economic development, establishing four strategic objectives:

- Harmonization and simplification of customs systems and procedures;
- Trade facilitation and security throughout the import chain;
- Cooperation on national and international levels; and
- Development and improvement of Customs Law.

4.41. It was successfully implemented the new Integrated Foreign Trade System ("Sistema Integrado do Comércio Externo" – SICOEX) which is intended to accelerate and simplify the

import, export and re-export process and integrates the Angola National Bank, the Ministry of Commerce and the General Tax Administration.

4.42. Through the Presidential Decree No. 63/13 of 29 May, the mandatory pre-shipment goods inspection was eliminated, starting to be performed using risk based approach. Other important reforms were carried out, both in terms of customs services, such as ports, thus hastening the goods clearance in the country's main entry points.

4.43. Given its geostrategic position between Central and Southern Africa, Angola conducted from 2008 to 2014 large investments totalling KZ 92,278,965,563 (approximately equivalent to (9) nine billion US\$) with the construction and rehabilitation of road, port, airport and railway infrastructures, as well as logistics platforms, contributing in that way to regional development and integration.

4.44. Regarding the WTO Agreement on Trade Facilitation, Angola considers essential that technical and financial assistance being provided to strengthen the human and institutional capacity, and that the principle of Special and Differential Treatment is effectively applied into its implementation.

4.1.8 Rules and trade measures

4.45. Angola places great importance to the current negotiations regarding the applicable rules, in order to guarantee the attainment of all the aspects of the Mandate (Anti-Dumping, Subsidies and Countervailing Measures (SCM), including the fisheries subsidies and Regional Trade Agreements), being these important ones for the development of the Multilateral Trade System basing on rules for the global balance of the results in the framework of the Doha Development Agenda (DDA).

4.46. Angola considers that the liberalization of the commercial trades in the Regional Trade Agreements constitutes an important complement to the multilateral process and a way to increment trade and promoting development.

4.47. In the legal framework, Angola applies trade measures for a reduced number of products. In this sense, the Presidential Decree No. 26/15 of 12 January authorizes use of tariff quota to mackerel importation free of tax with exception of the stamp tax of 1% and a service tax of 2%).

4.48. The tariff quota of fished horse mackerel (HS code 0302.45.10) in respect to the year of 2015 ascends to 90,000 tons. The analysis by beneficiaries shows a privilege to the companies that hold processing, treatment or conservation infrastructures, as well as new operators that demonstrate technical and financial capacity and show interest in importing in 2015. The Ministry of Fisheries has the responsibility to determine the criteria of selection. However, the horse mackerel import out of quota is authorized with all the customs rights and other legally established impositions: 30% of import rights, 10% of the consumption tax, 1% of the stamp tax and 2% of service taxes.

4.49. The Executive Decree No. 2/15, of 8 January, of the Ministers of Economy, Industry, Commerce Trade and Construction, restricts the import of cement (HS code 2523.21.00) for the year of 2015, to the exception of the established in Article 1º, point 2 of the referred Decree, authorizing import for the frontier provinces of Cunene, Kuando Kubango and Cabinda, with share of 150,000 tons respectively.

4.50. Another legal diploma, the Executive Decree No. 22/15 of 23 January, emanating from the Ministries of Finance, Agriculture, Fishing, Industry, and Trade and Transports, as well as the National Bank of Angola, refers a general import quota for basic food, drinks, eggs, fruit and vegetable. It should be by underlined that the revision of the implementation of this measure is in progress.

4.51. The Presidential Decree No. 62/14 of the 12 March, conjugated with the Presidential Decree No. 71/15 of 20 March, regulates activities of import, trade and technical support to road equipment. In agreement with stipulated in Art. 17th, point 2 of the referred diploma, it is only allowed the imports of used road vehicles (of passengers and trucks) that have a maximum of

3 (three) and 8 (eight) years of use, respectively, counted starting from the date of the first manufacture.

4.52. Both for environmental reasons, and road safety, the import of used tires is prohibited.

4.1.9 Sanitary and phytosanitary measures

4.53. In accordance with the multilateral trade rules, Angola took some measures to protect the public health, demanding that both the imported and domestic goods to submitted to laboratory analyses.

4.54. The Presidential Decree No. 275/11 of 28 October establishes the applicable norms either for exportation or for domestic consumption, focusing on safeguarding public health, the environment and of the national industry.

4.2 Technical support

4.55. It should be highlighted that Angola requires technical support in several domains, namely:

4.2.1 Implementation of agreements

4.56. On implementation of WTO Agreements, Angola requires technical on:

- Elaboration of the anti-dumping legislation, and definition of the countervailing and safeguarding measures;
- Elaboration of legislation on electronic commerce;
- Implementation of the Agreement on Custom valuation;
- Implementation of the TRIPS Agreement through reform of domestic legislation;
- Formulation and implementation of actions for trade promotion;
- Training on the relevant standard-setting for food safety, especially for Codex Angola's members, social institutions, producers, merchants and consumers;
- Equipment of the laboratories related to the application of the sanitary and phytosanitary measures;
- Creation of the system of quality control (labelling laws, SPS, etc.).

4.2.2 Increase of the offer and trade support

4.57. On trade support, Angola requires technical for:

- Vertical and horizontal diversification of the exported products;
- Development of small and medium-sized enterprises focusing on consumer markets, needing raw materials and human resources, as well as easily obtainable technologies;
- Availability of systematized commercial information.

4.2.3 Creation of a National Executive Secretariat for WTO

4.58. Angola intends to create a National Executive Secretariat for WTO, which will be coordinated by the Ministry of Trade and have a multisectoral advisory board. The referred Secretariat should be an indispensable mechanism in the promotion, attendance and coordination of all activities related to the implementation of the Agreements of WTO and other key issues, namely in strengthening the human capacity.

4.2.4 National Agency for the Promotion of the Exports

4.59. Angola has created the National Agency for the Exports Promotion ("Agência Nacional para a Promoção das Exportações"- ANPEX), to promote exports of industrial, artisanal, agricultural and agro-business products, as well as to structure the technical-administrative support focused in the external trade operators. Angola needs to focus on technical support, to strengthen the human and institutional capacities of ANPEX.

5 CONCLUSION

5.1. Angola initiated, in the 1990s, a vast programme of economic reforms, characterized by the progressive introduction of a market economy. The Angolan Government has taken the necessary initiatives to implement essential measures, aiming to re-establish its capital of trust and credibility, improve the business environment and business support services, particularly regarding Small and Medium Enterprises ("Pequenas e Médias Empresas" - PME's).

5.2. Overall the National Trade Policy focuses on following aspects:

- The Disengagement of the State from the economic activities;
- Establishment of Price liberalization;
- Trade Liberalization;
- Adoption of Laws and regulations adapted to the existing economic environment;
- Adoption of laws relating to investments;
- Promotion of the Private Sector.

5.3. The end of the armed conflict in April 2002 led to the consolidation of existing structures and democratic institutions. The Angolan Government has expressed its firm resolve to open up its market and boost its economy, fully taking part in the initiatives and agreements on multilateral, regional and bilateral trade promotion in order to gain from identified advantages, substantially reducing unemployment and poverty and improving citizens' living standards.

5.4. The relaunch of the National Reconstruction Process as a first priority, and well as the Integrated Municipal Program for Rural Development and Poverty Reduction, established a great instrument for long-term Government activity programming called "ANGOLA 2025" which is being run in this governance cycle through the materialization of the National Development Plan 2013-2017 ("Plano Nacional de Desenvolvimento" - PND).

5.5. This Plan has three key vectors: Stability, Growth and Employment, which materialize the driving idea.

5.6. Likewise, the PND "2013-2017" will be the key instrument for Angolan economy growth (annual average growth rate of 7.4%), being primarily based on the diversification of the national economic structure, allowing Angola to continue to improve its commercial policy in the next cycles, as well as create competitiveness to join the SADC's Free Trade Area and simultaneously the tripartite trade area.
