

# Webinar on Logistics / Platforms and PPPs: Logistics platforms in attracting private investment

16 July 2021



AGÊNCIA DE INVESTIMENTO PRIVADO  
E PROMOÇÃO DAS EXPORTAÇÕES



# Some context on the role of AIPEX ...

## Objectives

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

## Core Business

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



# Our objective is to strengthen institutions and improve market conditions

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



João Lourenço  
President of Angola  
United Nations, June 2021

**Investment Law 10/21** improves Angola's competitiveness and provides equal opportunity

- Three negotiable tax regimes
- No minimal CAPEX requirement
- No obligation to partner with local investor



Tourist and work visas:

- Simplification for 61 countries
- Application via digital platform
- Fast and efficient process



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



# Logistics platforms in attracting private investment

## Development of other activities



### Industrial Sector

- Cargo Handlers
- Importers
- Exporters

### Administration & Associations

- Government
- Municipalities
- Trade Associations

### Specialized Infrastructure

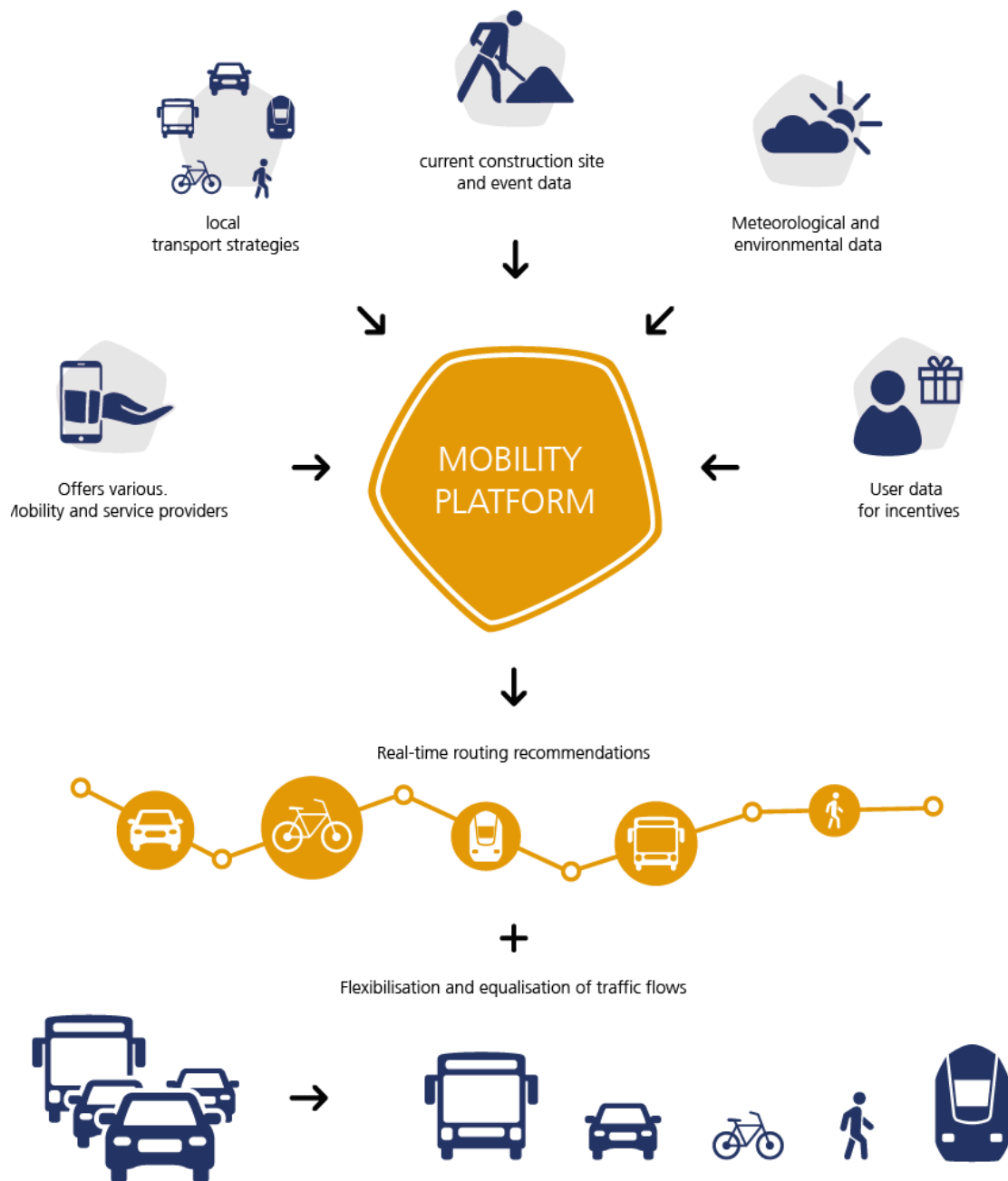
- Warehouses
- Cross-docking areas
- Gas stations
- Sewage Treatment / Power Stations
- Service Centers

### Transportation/Logistics Sectors

- Logistic Operators
- Charters
- Carriers
- Customs Agents

### Complementary Service Providers

- Basic Services (restaurant, hotel)
- Service Workshops
- Training Centers
- Waste Management



# Impact of Logistics Platforms and Public-private Partnerships.....

- Improvement of infrastructures.
- Improve the efficiency and quality of basic services to the population.
- Promote private sector-led economic development.
- Angola adopted a new concept of governance ie the State as a regulatory agent of economic development and the private sector as an active role in the production and commercialization of goods and services typical of a market economy.

# OPERATIONAL CHALLENGES FOR THE TRANSPORTS SECTOR

1. Leverage AIPEX as an interlocutor for an increasingly multi-sectoral approach
2. Developing the largest trade corridors
3. Harmonizing the creation and operation of Industrial Poles, Free Trade Zones or other areas deemed relevant
4. A very diverse range of infrastructures.
5. Strengthening the capillarity of the provision and quality of Telecommunications and Internet services - broadband, fiber optics, 4G and 5G in the future
6. Interconnection of internal connections - ports, airports, railroads, national roads



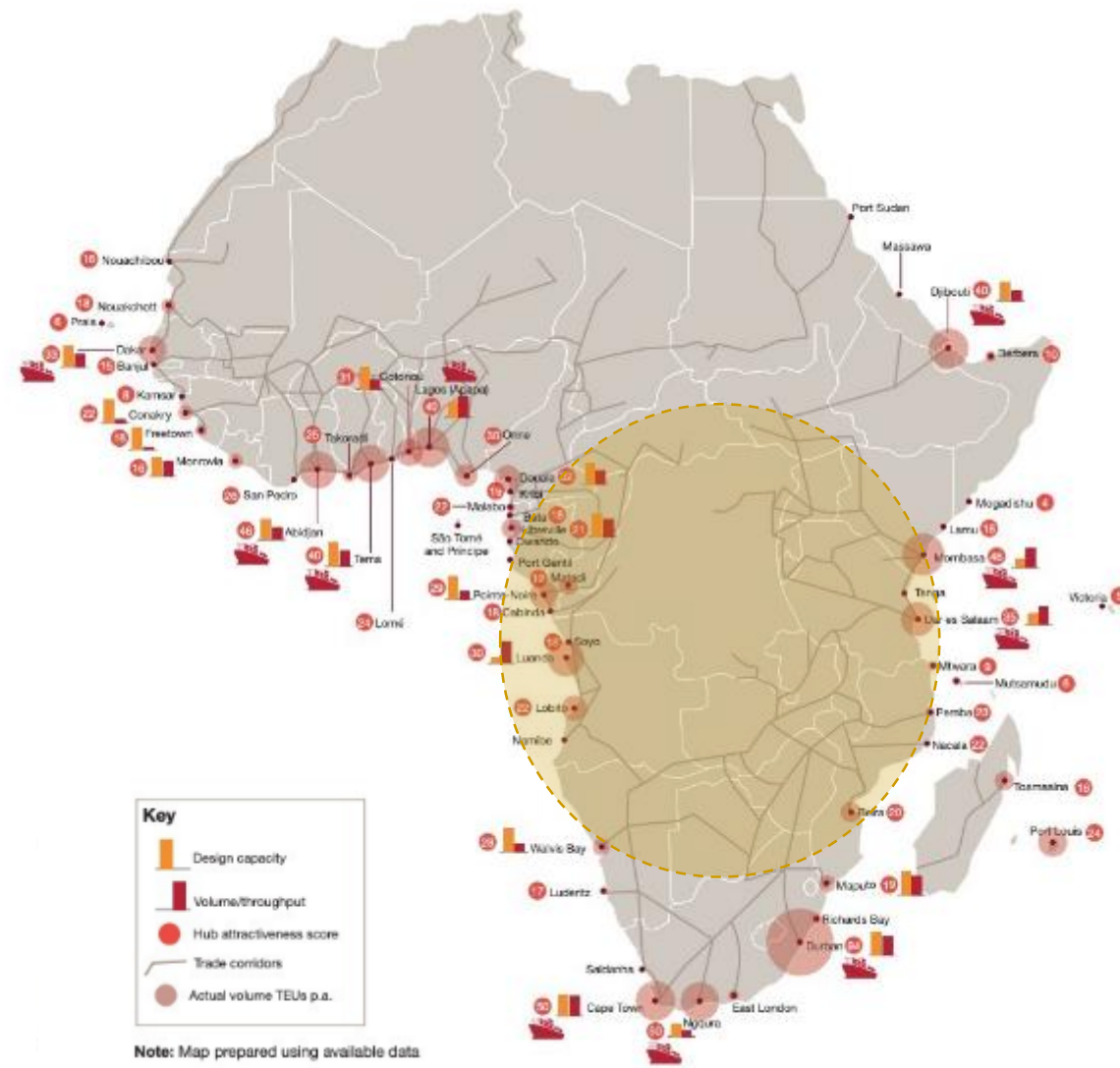
# To lower the cost of transportation, Angola is improving seaport and railway services

## Angola is an important hub for connectivity

- Outward access to major trade partners by sea, eg. Brazil, USA, EU, UK, China
- Inward access by road/rail eg. DR Congo, Zambia, Congo–Brazzaville, Central African Republic, and others

## Anchor projects for the next five years

- Renovation and expansion of the railway networks from the Angolan border into the neighbouring countries
- Investment in infrastructure and technology at trade corridors to accelerate access and improve supply chain



Note: Map prepared using available data

# INVESTMENT REGIMES



## PRIOR DECLARATION REGIME

- Investment proposals framed in non-priority sectors are included in this regime;
- For the registration of Investment Proposals, the companies (company - vehicles) must be previously constituted for this purpose and the presentation of the CRIP is not required;
- Tax benefits and incentives are granted automatically.

## SPECIAL REGIME

- Investment Proposals framed in the priority sectors are included in this regime;
- Incentives and benefits are granted automatically and graduated depending on the Development Zone, where the project will be implemented.

## CONTRACTUAL REGIME

- Projects with structural impact on the economic development of the country;
- Allow the negotiation, between the Investor and the Angolan Government, of incentives and tax benefits;
- Work as an impulse to the diversification of domestic production and exports.



## FISCAL BENEFITS PRE-DECLARATION REGIME 1 (2)

Tax Benefits	SISA Tax (2%)	Industrial Tax (General, Agriculture, Provisory) (25%; 15%, 2%)	Application of Capital Tax (10%)	Stamp Tax (1%)
Period of validity	N/A	2 years	2 years	2 years
Percentage Tax Reduction	50%	20%	25%	50%

**Sisa:** This tax is levied on transfers of property or any right for property, real estate, capital contributions of companies, acquisition of 75% or more in limited companies, in a collective name or in limited partnership .

**Industrial:** It is levied on the profits obtained in the exercise of any activity of a commercial or industrial nature, even if accidental.

**Application of Capital:** It is levied on income from the simple application of capital

**Stamp:** It concerns all acts, contracts, documents, titles, books, papers and operations.

## FISCAL BENEFITS SPECIAL REGIME 2 (2)

	DESCRIPTION	SISA TAX (2%)	INDUSTRIAL TAX (30%; 15%; 2%)?	APPLICATION CAPITAL TAX ( 10%)	URBAN PROPERTY TAX (0,5% amount over AKZ 5 Million)
<b>ZONE A</b>	Percentage reduction of tax	50%	20%	25%	N/A
	Period of validity	2 years	2 years	2 years	N/A
<b>ZONE B</b>	Percentage reduction of tax	75%	60%	60%	50%
	Period of validity	N/A	4 years	4 years	4 years
<b>ZONE C</b>	Percentage reduction of tax	85%	80%	80%	75%
	Period of validity	N/A	8 years	8 years	8 years
<b>ZONE D</b>	Percentage reduction of tax	92,50%	90%	90%	82,50%
	Period of validity	N/A	8 years	8 years	8 years

# MULTIPURPOSE TERMINAL

- Operate general and container cargo.
- The new deep-water port of Dande and the expansion of Luanda and Lobito may be the solution in creating terminals that not only serve the economy of the hinterland, but also act as maritime and land hubs to supply surrounding countries with cargo that adds value in Angolan industrial and logistical areas.
- The growth in internal demand is very intense and outstrips any port growth and increase in competitiveness that has been carried out with commitment.



## Dubai's DP World signs 20-year concession agreement with Angola

- The DP World has signed a 20-year concession agreement with the government of Angola to operate the Multipurpose Terminal (MPT) at the Port of Luanda.
- DP World will invest \$190m over the 20-year period.
- Rehabilitate the existing infrastructure and acquire new equipment to improve its efficiency.
- Expects to increase the terminal's annual throughput to approximately 700,000 TEUs per year.





# Our objectives ...



To provide the territory with structures that strengthen the great axes and national corridors and **promote the adhesion of internal and external stakeholders** to the projects of the National Network of Logistical Platforms



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



To **make the logistic and commercial structures operational and profitable**, allowing for the improvement of the storage, distribution and commercialization of products, contributing to the diversification of the economy.



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



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

# Final Remarks



The process of regional integration will lead to the growth of a strong and competitive logistics sector.



Ongoing investment in infrastructure, technology and connectivity needs more players on the ground to speed up delivery and set world standards.



This can only be realised in partnership with all parties – i.e. GoA, operators, banks, the people and other stakeholders.

# aipex

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[www.aipex.gov.ao](http://www.aipex.gov.ao)

[geral@aipex.gov.ao](mailto:geral@aipex.gov.ao)