



Protocol on Finance and Investment Baseline Study: Angola Country Report

February 2012



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A report reflecting the state of progress of implementation of the Protocol on Finance and Investment in SADC

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LIST OF ABBREVIATIONS

AATM	Agreement on Assistance in Tax Matters
ANIP	Agencia Nacional para o Investimento Privado
BIS	Bank of International Settlements
BNA	Banco Nacional de Angola
CISNA	Committee of Insurance, Securities and Non-Banking Authorities
COMESA	Common Market for Eastern and Southern Africa
CoSSE	Committee of SADC Stock Exchanges
CTSPA	Conselho Técnico de Sistema de Pagamentos de Angola
DFI	Development Finance Institutions
DTAA	Double Taxation Avoidance Agreements
ECCAS	Economic Community of Central African States
ESAAMLG	East and Southern African Anti-Money Laundering Group
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FIP	Protocol on Finance and Investment
FSAP	Financial Sector Assessment Programme
FSB	Financial Services Board
FSC	Financial Services Commission
GDP	Gross domestic product
HDI	Human Development Index
IAIS	International Association of Insurance Supervisors
ICSID	International Centre for the Settlement of Investment Disputes
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INE	Instituto Nacional de Estatística
IOPS	International Organisation of Pension Supervisors
IOSCO	International Organisation of Securities' Commissioners
IPA	Investment Promotion Agency
ISS	Instituto de Supervisão de Seguros
MIGA	Multilateral Investment Guarantee Agency
MdF	Ministério das Finanças
MdP	Ministério do Planeamento

OECD	Organisation of Economic Development
OPEC	Organisation of Petroleum Exporting Countries
RISDP	Regional Indicative Strategic Development Plan
RTGS	Real Time Gross Settlements System
SADC	Southern African Development Community
SMSD	SADC Macroeconomic Statistical Database
SPTR	Sistema de Pagamento en Tempo Real
UNDP	United Nations Development Programme
VAT	Value-Added Tax

1. CONTEXT

Angola's economy is among the fastest growing in the world, with the highest average gross domestic product (GDP) growth rate for 2001 to 2010 at 11.1%.¹ The economy is largely dependent on oil production and other mining activity, and in April 2008, Angola surpassed Nigeria as Africa's largest oil producer. Prior to the global financial crisis, Angola was projected to grow at 13.7% but due to the Organisation of Petroleum Exporting Countries' (OPEC) quotas, Angola had to restrict its oil production which constrained GDP growth to 1.6% in 2009.² However, new International Monetary Fund (IMF) projections see GDP growth recovering to 7.8% for 2011.³

Besides OPEC, Angola is also a member of the Economic Community of Central African States (ECCAS), along with Cameroon, Central African Republic, Chad, Equatorial Guinea, Republic of Congo and Gabon. Angola terminated its membership to COMESA (the Common Market for Eastern and Southern Africa) in 2007.

Despite this economic prosperity, Angola is still recovering from nearly 27 years of civil war. This is evident when considering that Angola is 148 out of 187 countries in terms of the 2011 United Nations Development Programme's (UNDP) Human Development Index (HDI).⁴ With 77.4% of Angolans classified by the UNDP as multi-dimensionally poor, it is clear that the gains from economic growth have been slow in trickling down to improve the quality of life of the average Angolan.

However, progress is being made to deal with corruption, lack of transparency of public processes and economic mismanagement.⁵ Moreover, the government has prioritised diversification of the economy and strengthening of political institutions, in recognition of the translating resource riches into sustainable long-term economic growth.⁶

2. STATUS OF IMPLEMENTATION

2.1. STATUS OF FIP RATIFICATION

Angola ratified the Protocol on Finance and Investment (FIP) on 1 August 2007.⁷ As of August 2011, Angola has taken over as Chair of the Council of Ministers of the Southern African

¹ Available at: http://www.economist.com/blogs/dailychart/2011/01/daily_chart

² Available at: <http://www.state.gov/r/pa/ei/bgn/6619.htm>

³ Reported in <http://www.state.gov/r/pa/ei/bgn/6619.htm>

⁴ Available at: <http://hdrstats.undp.org/images/explanations/AGO.pdf>

⁵ Reported in <http://www.state.gov/r/pa/ei/bgn/6619.htm>

⁶ Discussion available at: <http://www.cfr.org/economics/angolas-political-economic-development/p16820>

⁷ Information provided by the Ministry of Finance

Development Community (SADC), a role that has been mandated to the Angola Minister of Planning, Ana Dias Lourenço.⁸

2.2. FIP STRUCTURES

Angola is currently represented on all FIP subcommittees, except the Committee of SADC Stock Exchanges (CoSSE) and in the Development Finance Institutions (DFI) Network. Within the Tax subcommittee, Angola also serves on the Tax Agreements and Indirect Taxes working groups.

In terms of national coordination, the responsibility has been mandated to the Ministério das Finanças's (MdF) Department of International Relations. Previously, all SADC issues, including the FIP, were coordinated and managed by the domestic SADC Secretariat.⁹ The director of the Department of International Relations now supervises the coordination of FIP activities across Angolan institutions. The Department also has a dedicated resource who manages all FIP activities.

The director of the Department of International Relations believes that there is a residual impression in the region that the MdF and Angolan governmental institutions in general are not committed to the FIP process. Therefore, the director and her department are making a concerted effort to change that impression. While the department is still learning about the FIP, its annexes and the activities of the subcommittees, at the same time the department is actively building connections locally to improve domestic coordination.

The director is also aware of the need to improve coordination between her department at the MdF and the SADC National Contact Point. The flow of information between these two offices is not efficient and does not operate in a logical manner. Further, the director mentioned that direct communications between Angolan subcommittee members and their respective subcommittees makes it difficult to coordinate domestic matters. The director stated that her challenge is to gain insights on FIP matters without being overly intrusive, in order to ensure that domestic FIP coordination is managed effectively.

Recently, the SADC National Contact Point organised a domestic campaign to increase FIP awareness and improve national commitment to the integration agenda. This campaign aimed to ensure domestic stakeholder understand the implications of SADC membership.¹⁰

2.2.1. ANNEX 1: COOPERATION ON INVESTMENT

The Investment subcommittee meetings are attended by MdF, Banco Nacional de Angola (BNA) and Agencia Nacional para o Investimento Privado (ANIP). An interview was held with ANIP, who provided a discussion of Angola's activities under this annex.

ANIP is an independent and autonomous agency which reports directly to the Chief of the Executive, the President of Angola. ANIP manages all investments below USD 10 million, while investments above USD 10 million are managed by the Chief of the Executive, with the MdF

⁸ <http://allafrica.com/stories/201108151219.html>

⁹ This role is performed by the SADC National Contact Point

¹⁰ Information provided by the director of the Department of International Relations at the Angolan MdF

handling all incentives and financing for this group of larger investments. ANIP's mandate is determined by the President, and is concentrated on industrial and commercial activities excluding mining, petrol and finance¹¹. ANIP is the only investment promotion agency (IPA) operating in the Angolan environment managing and attracting private investment, however investors are not forcibly made to go through ANIP when investing in Angola. ANIP is currently not represented in all provinces in Luanda, but aims to consolidate its capacity and expand into new branches in other provinces.

Angola's high growth rate has been driven by foreign direct investment in a number of key sectors; including¹²:

- Coal, oil and natural gas
- Beverages
- Business services
- Financial services
- Transportation

In fact, total FDI flows for Angola in 2010 amounted to USD 9.9 billion making the country the largest earner of investment in Africa. Out of its SADC partner, South Africa and Mauritius are the largest investors in Angola, with FDI from these countries amounting to USD 1.35 billion and USD 943 million respectively.¹³

Recently, Angola has reformed its investment law, which ANIP officials believe will make the country's investment framework more compliant to international norms. The new investment law is entitled the Basic Private Investment Law (11) (2011), and unifies investment laws and process and incentives mechanisms under one umbrella law. All laws relevant to investors are available on ANIP's website.¹⁴ The ANIP officials stated that the institution plans to publish more reports and programme details using different media, but are currently constrained by low human resource and financing resources.

Angolan law, and specifically the Basic Private Investment Law (11) (2011), provides significant protection of both private and foreign investors, according to the ANIP interviewees. All investors in Angola are treated as Angolan entities, unless investors only set up Angolan branches of existing companies. This means that all Angolan entities, private or foreign, are treated equally before the law. The rights of foreign investors to repatriate funds differ depending on the size of investment and where investments are put in place, as follows:

¹¹ Investments in these sectors are managed by the Ministry of Geology, Mines and Industry.

¹² Information from:
[http://www.ey.com/Publication/vwLUAssets/2011_Africa_Attractiveness_Survey/\\$FILE/11EDA187_attractiveness_africa_low_resolution_final.pdf](http://www.ey.com/Publication/vwLUAssets/2011_Africa_Attractiveness_Survey/$FILE/11EDA187_attractiveness_africa_low_resolution_final.pdf)

¹³ Data received from ANIP

¹⁴ Available at: <http://www.anip.co.ao/Legislacao/Lei-de-Bases.aspx>

- Investments in Zone A (Province of Luanda, the municipal seats of the provinces of Benguela, Cabinda, Huíla, and the municipality of Lobito) of less than USD 10 million may only repatriate profits and dividends with three years having elapsed after the effective implementation of investments.
- Investment in Zone A equal to or exceeding USD 10 million but less than USD 50 million may only repatriate profits and dividends with two years having elapsed after the effective implementation of investments.
- Investment in Zone B (other municipalities of the provinces of Benguela, Cabinda and Huíla and provinces of Bengo, Cuanza-Norte, Cuanza-Sul, Malanje, Namibe and Uíga) of less than USD 5 million may only repatriate profits with two years elapsing after the effective implementation of investments.

These criteria hold true unless the investment is considered highly relevant for the strategic development of the economic, creates and maintains at least 500 direct jobs for citizens, is a major boost in technological innovation or will result in annual exports resulting directly from the investment exceeding USD 50 million.

Angolan law stipulates that all investors, foreign and domestic, have right to both local and international courts and legal due process.

In terms of nationalisation action or the expropriation of assets, Angolan law again differs depending on whether investment is made by an Angolan entity (including foreign parties registered as Angolan companies) or whether investment is made by a local branch of a foreign company. According to the ANIP officials interviewed, Angolan investment law does not contain allowances for nationalisation or expropriation, and these practises are unusual in the Angolan context. Nationalisation was a policy of government in the early post-independence years, in order to manage strategic industries which would otherwise have been neglected. Expropriation in the current context is mainly enacted when companies go against Angolan objectives. As far as the ANIP officials are aware, there is no legal framework pertaining to the due process, legal justification and consequences of expropriation. However, the officials stated that this matter is under the jurisdiction of the Ministry of Justice.

Angola is not a member of the International Centre for the Settlement of Investment Disputes (ICSID)¹⁵ and has not ratified the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards¹⁶, but is a member of the Multilateral Investment Guarantee Agency (MIGA).¹⁷ Angola scored 5.7 in the World Bank's Strength of Investor Protection Index, which is slightly below the Organisation of Economic Development (OCED) average of 6 but above the SADC average of 5.3.¹⁸

¹⁵ Available at:

<http://icsid.worldbank.org/ICSID/FrontServlet?requestType=ICSIDDataRH&reqFrom=Main&actionVal=ViewContractingStates&range=A~B~C~D~E>

¹⁶ Available at: http://www.uncitral.org/uncitral/en/uncitral_texts/arbitration/NYConvention_status.html

¹⁷ Available at:

<http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/BODEXT/0,,contentMDK:20122866~menuPK:64020025~pagePK:64020054~piPK:64020408~theSitePK:278036~isCURL:Y,00.html>

¹⁸ Angolan Investor Protection Index available at: <http://www.doingbusiness.org/custom-query>

The ANIP officials were involved in SADC IPA initiatives, for example trade shows at the 2010 African Cup of Nations and FIFA World Cup. The officials believe that these were useful activities to raise awareness about SADC member states as investment destinations and to allow ANIP to market itself and the Angolan market to foreign investors and tourists. The ANIP officials stated that it is essential for more coordinated activities between IPAs in the region in order to attract investment into the region.

Regarding the proposed regional investment policy framework, the ANIP officials asserted that, as technicians, this initiative does not directly concern ANIP. Instead the information will be determined by the direction the domestic SADC Secretariat believes it best to take.

2.2.2. ANNEX 2: MACROECONOMIC CONVERGENCE

Angola is represented on the Macroeconomic Convergence subcommittee by BNA. However, Angola has a domestic-level SADC Secretariat, with representation by the MdF, Ministério do Planeamento (planning) (MdP) and the Instituto Nacional de Estatística (statistics) (INE). The Angolan SADC Secretariat is charged with managing domestic efforts to achieve macroeconomic convergence. In this way, all governmental institutions concerned with macroeconomic policy and management issues are able to contribute to FIP subcommittee meetings, by communicating pertinent domestic issues at these committee meetings. The MdF and MdP supply national accounts and inflation information and data, while the BNA supplies all monetary information and data. During the country visits, meetings were only held with the MDP and INE officials who attend subcommittees for this annex.

According to the MdP officials interviewed, Angola's main objective is to achieve single digit inflation. This goal is a result of the Angolan government's domestic budgetary planning, which involves defining objectives and devising tools to achieve these objectives. The result of this government planning session was to define an inflation target of 12%. However, the projection for 2011 was that inflation would be around 11%. This forecast has since been revised upward to 12%. Inflation was recorded at 13.73% for 2010, above the stated target in the RISDP (inflation below 9%).¹⁹ The macroeconomic policy measures employed to curb inflation include implementing a more restrictive monetary policy, better management of public expenditure and diversification of the economy. The latter is believed to be central to better management of consumer prices and in reducing the inflation risks resulting from a dependency on imports.

Angola's public and publicly guaranteed debt is at 18.18%²⁰. The MdP officials were not able to comment on this aspect of Angola's national accounts since the country's debt levels are under the management of the Ministry of Finance. An interview on this subject matter could not be convened during the FIP country visit.

Angola is committed to keep the fiscal deficit (as a proportion of GDP) to single-digit level, preferably below the 5% target set in the Regional Indicative Strategic Development Plan (RISDP). However, the short-term goal is to keep the fiscal deficit to below 10% for a sustained period of time.²¹ In 2010, Angola recorded a fiscal deficit of 9.1% of GDP²², which meets the

¹⁹ Information available at: <http://databank.worldbank.org/>

²⁰ Information available at: <http://databank.worldbank.org/>

²¹ Information provided by the director of the Department of International Relations in the MdF

²² Information available at: <http://databank.worldbank.org/>

country's target of single-digit fiscal deficit-to-GDP ratio, but misses the 5% of GDP deficit target level in the RISDP.

According to the director of the Department of International Relations²³, the macroeconomic convergence targets are very useful guidelines for the MdF when discussing national macroeconomic plans and budgetary objectives. The director emphasised, however, that national imperatives take precedence but that there is an increasing awareness of how these relate to regional objectives. For example, the SADC public debt target was used to inform the importance of Angola curbing raising public debt levels.

In discussing the manner in which Angolan macroeconomic goals are set, the MdP officials interviewed stated that even though no official SADC macroeconomic convergence plan exists as yet, all Angola macroeconomic plans including sector development plans are aligned to the goals of the FIP and RISDP.

BNA is responsible for submitting national data to the SADC Secretariat for inclusion in the SADC Macroeconomic Statistical Database (SMSD). According to the director of the Department of International Relations at the MdF, the macroeconomic convergence data provided for Angola on the SMSD is not comprehensive and more of an effort needs to be made to update this.

According to the INE officials interviewed, Angola's management of statistics is progressing well but considerable capacity building and training of officials is needed in this area. The INE has participated in a few SADC training initiatives on the consumer price index and its measurement. However, language presented a significant barrier. While translation services are sometimes provided, the INE officials believe that this should be a standard practise at all SADC capacity building initiatives, highlighting the difficulty statistics technicians experience in learning and grasping complex concepts that are communicated in foreign language.

2.2.3. ANNEX 3: COOPERATION IN TAXATION AND RELATED MATTERS

Angola is represented on the Tax Agreements and Indirect Taxes working groups under the Tax subcommittee. Despite a stated commitment to implement FIP commitments²⁴, Angola has not been able to participate fully due the prioritisation of domestic reforms. The Angolan tax system is out-dated, and has been essentially the same for over 30 years. Many aspects of the tax system are an inheritance from post-independence administrations, which points to an urgent need for structural reform, and has been acknowledged by the relevant officials.

The MdF has been implementing tax reforms for approximately a year. This is the first such programme since independence. An executive committee has been established to oversee this project, and have already accomplished much, including submitting reforms of codes and rates to parliament for approval. It is believed that these reforms should be approved by the end of 2011. Proposed reforms have been devised based on both the country's internal economic structure and particular development challenges, and external best practise. The executive committee have consulted widely, including international tax guidelines and other countries' tax policies. Other specific reforms include, changes to corporate and income tax, changes to the value-added tax (VAT) regime and changes to tax on property. According to the MdF official

²³ The director represents the MdF at Macroeconomic Convergence subcommittee meetings

²⁴ Opinion provided during interviews with MdF officials represented on the Tax Subcommittee

interviewed, implementation of these reforms will allow Angola to make a more significant contribution to Tax Subcommittee meetings and to harmonise with other SADC countries.

In terms of indirect taxes, Angola is currently engaged in researching and analysing how best to manage VAT. In particular, the foundational requirements for an effective VAT system are being explored, for example administrative and judicial changes that are necessary. The MdF interviewees stated that it is important that reforms are suitable to the Angolan environment, and the particular challenges and constraints of the economic system, for example a shortage of accounting capacity.

Angola has a newly adopted national law called the Private Investment Base Law²⁵ which provides guidance on all forms of tax incentives. There is no allowance made for discretionary tax incentives, as all investments are subject to the provisions of this Act of parliament. Investments of USD 1 million and above qualify for tax incentives, as follows:

- Investments in coastal areas: tax holidays on all profits for one to five years
- Investments in interior areas: tax holidays on all profits for a maximum of eight years
- Investments in periphery areas, near Angola's borders: tax holidays on all profits for a maximum of ten years

Approval of these tax incentives is managed by three different institutions, depending on the size of the investment:

- Investments of less than USD 10 million are subject to approval from ANIP
- Investments between USD 10 million and USD 50 million are subject to approval from the MdF
- Investments above USD 50 million are subject to approval from the Chief of the Executive, the President of Angola

However, all applications for tax incentives are managed by a commission who consults with the investor regarding available tax incentives, to ensure that the arrangement is mutually beneficial. Other tax incentives offered are on:

- Customs and equipment allowances for the import of inputs
- Property and land tax
- Insurance on repatriation of profits
- Visa arrangements to ease entry into Angola.

Despite an extensive tax incentives regime, MdF interviewees stated emphatically that Angola's investment advantage is based on the country's economic stability and growth prospects rather than short-term tax incentives. Further, investors are increasingly moving into

²⁵ Available at <http://www.anip.co.ao/Legislacao/Lei-de-Bases.aspx>

Angola in order to access other markets in the SADC region. However, the MdF interviewees stated that the harmonisation of tax incentives remains an important ideal in the SADC region.

Angola does not currently use a cost-benefit analysis tool to measure the impact of changes to the tax incentives regime. However, from customs data it is possible to gauge Angola's gains and losses from tax incentives. Angola also uses this customs data to track tax burdens and difficulties foreign investors experience when investing in the country at their first point of entry into the country. However, it becomes more difficult to track costs and benefits of tax incentives later in the life of the investment. The MdF interviewees stated that implementation of a formalised tool to analyse these costs and benefits will require substantial human capital investment by the MdF.

Angola currently does not have any signed double taxation avoidance agreements (DTAA). The MdF officials have participated in Tax Subcommittee meetings where the SADC Model DTAA was discussed, and used this forum to raise certain concerns Angola had. However, the MdF officials found it challenging to contribute significantly to these discussions. Subsequently, the MdF have sent a team of officials for training on DTAA's so that Angola may make a more meaningful contribution to FIP subcommittee meetings.

Despite Angola signing the SADC Agreement on Assistance in Tax Matters (AATM)²⁶, evidence from interviews with MdF officials suggests that this has not been operationalized at domestic level. According to the MdF interviewees, there is currently little information sharing between the Angolan tax authorities and others in the region. On an occasional basis, Angola shares information with Mozambican, South African and Cape Verde tax officials regarding internal taxes. However, Angola is moving towards more regular and more formalised arrangements for information sharing on external taxes.

In the MdF officials' assessment, the SADC Tax Database is a useful initiative and will contribute greatly to information flows between SADC member states.

MdF officials reported attending capacity building and training initiatives organised by the Tax Subcommittee, however only when allowance is made for Portuguese translation of both verbal and written communication. This has proven to be a significant constraint to Angola's involvement in capacity building, since translation services are only sporadically provided. On this point, MdF officials stated that the same is true of subcommittee meetings and official communications from the SADC Secretariat and between member states. This has made it very difficult for Angola to participate. To this end, interviewees suggested that there be a centralised information centre to allow countries to submit data and information for translation and subsequent dissemination. The MdF official emphasised that it should not be easier for Angola to communicate with Western partners than with its own regional neighbours.

The MdF officials believe that establishment of the SADC Tax Disputes Settlement Mechanism is an important initiative to achieve integration in the region. Even though this mechanism is not currently an urgent need, as the region harmonises and the pace of integration improves, the mechanism will become essential to manage conflicts between member states. However, in the MdF officials' perspective, this higher level of integration will only be possible if SADC takes

²⁶ Information provided by the FIP Tax Subcommittee

“solid steps”.²⁷ For example, member states should not only communicate at conferences, but should rather be in constant contact to ensure continuity of progress.

2.2.4. ANNEX 4: COOPERATION AND COORDINATION OF EXCHANGE CONTROL POLICIES

Angola currently retains controls on capital movements through both the current account and capital account. According to the BNA official interviewed, this is essential given the structure of the Angolan economy. Angola is dependent on extractive industries, like oil, and foreign investment is a significant contributor to the country's GDP. Further, the BNA interviewee stated that movements of currency are controlled to maintain the external value of the currency and control inflation levels. Therefore, controls on capital through the current account and the capital account allow management of foreign currency moving in and out of the country.

Currently, travelling residents and non-residents are allowed to carry a maximum of USD 15,000 (or the equivalent in other currencies) out of the country. Both local and foreign companies are allowed to repatriate USD 1 million (or the equivalent in other currencies) without BNA permission, but the repatriation of profits above USD 1 million is subject to approval from the BNA. Prior to the financial crisis of 2008/09, Angola was on the right path to implement capital control reforms. However, this changed with the financial crisis in order to stabilise the economy.

Angola has not signed any agreements regarding the repatriation of bank notes.

The Exchange Control Department of the BNA is charged with collecting information on all movements of currency in and out of the country. The Department ensures that all dealers of foreign exchange are licensed to do so and report information to the BNA as required. The Department makes use of a computerised system to track currency transactions and flows.

The Angolan Kwanza is fully convertible into the United States Dollar, and so has indirect convertibility into all currencies in the region through the dollar.

2.2.5. ANNEX 5: HARMONISATION OF LEGAL AND OPERATIONAL FRAMEWORKS

The BNA is guaranteed operational independence through the Angolan constitution. This includes independence in setting its own budget and in implementing its own directives. Allocation of the BNA budget is according to the needs of the bank and its chosen monetary policy. The BNA is allowed to borrow to the government, through its status as the lender of last resort, however in practise there have not been many instances of this arrangement.²⁸

According to the BNA official interviewed, there are more similarities than differences between the BNA legal framework and the SADC Model Central Bank Law. The BNA official is optimistic that the SADC region can achieve harmonisation of legal frameworks and achieve success in this area of the FIP. However, challenges remain. These challenges include the fact that banks include both central banks and reserve banks, which means considerably diverse structures,

²⁷ Verbatim quote from MdF interviewee represented on Tax Subcommittee

²⁸ Information provided by BNA official interviewed

operating practises and policies to harmonise. However, the BNA official is optimistic that the SADC region will overcome these challenges, especially since the gains to be achieved are considerable.

2.2.6. ANNEX 6: COOPERATION ON PAYMENT, CLEARING AND SETTLEMENT SYSTEMS

The BNA has implemented a real time gross settlements system (RTGS), with foreign and local commercial bank participants and non-banking financial institution participants. The BNA's RTGS is called the Sistema de Pagamento em Tempo Real (SPTR), which operates on the SWIFT platform. The SPTR is fully automated and electronic. Some participants link to each other under a shared license to operate on the SPTR, for example Western Union and MoneyGram. The BNA acts as guarantor that payments between banks are made. Angola's clearing system is not currently automated. However, a process is underway to allocate the clearing of payments to EMIS, an interbank services company. All of the system will be automated and electronic, but glitches in the system will be managed manually. Credit, cheque and direct debit payments will be cleared through the EMIS system.²⁹

All reforms to the national payments system are taken to the Conselho Técnico de Sistema de Pagamentos de Angola (CTSPA), a technical committee representing the MdF, all payments system participants and all clearing houses. The intention is to broaden membership to more private sector participants. The CTSPA devised a rulebook to guide processes in the payments system. The CTSPA is convened by the BNA.³⁰

According to the BNA officials interviewed, there have been substantial improvements made to the national payments system oversight processes and mechanism. A dedicated oversight department has been established, which manages both direct and indirect oversight functions. Direct oversight involves daily, weekly and monthly monitoring, while indirect oversight involves on-site visits. The oversight unit also manages back-up systems. This includes managing how effectively the SPTR operates, providing a help desk to assist payments system participants, and monitoring liquidity levels in the system. The oversight department also introduced an internal marketing unit who was tasked with improving the image of the national payments system.³¹

The Angolan national payments system is in compliance with the Bank of International Settlements' (BIS) Core Principles for Systemically Important Payments Systems, and is subjected to risk-based supervisory processes. However, areas within the payments system of most importance to maintain the integrity of the system are prioritised to reduce systemic risk. The payments system is audited annually and was evaluated as part of the World Bank and IMF's Financial Sector Assessment Programme (FSAP).³²

The national payments system is subject to the Payments System Law (5)(2005), which forms the base law for the system. However, this law also draws from the Banco Nacional de Angola law, foreign exchange laws and the Financial Institutions law.

²⁹ All information in this paragraph gained from an interview with BNA officials

³⁰ All information in this paragraph gained from an interview with BNA officials

³¹ Information provided by BNA officials

³² Information provided by BNA officials

2.2.7. ANNEX 8: COOPERATION IN THE AREA OF BANKING SUPERVISORY MATTERS

In 2007, Angola experienced substantial reforms to the banking system. This process included adoption of selected requirements of the Basel Core Principles; taking into account characteristics of Angola's banking market. Currently, Angola has fully implemented six of the Basel Core Principles. Angola is not compliant to three principles, to do with maintaining a specific capital adequacy ratio, governance principles and principles dealing with cross-border issues. Angola is partially compliant with the remaining 16 Basel Core Principles.

The BNA official interviewed conceded that the capital adequacy ratio is of particular importance in maintaining a secure banking sector, however some of the risks the Basel Core Principles seeks to mitigate are not yet experienced in the Angolan banking sector. This is because the Angolan banking sector is not highly sophisticated and does not offer certain, more complex financial products. This means that a capital adequacy ratio that guards against market risks, interest risks and operational risks is not appropriate to the Angolan context.

That said, the BNA worked with a consultant to evaluate how far the bank is in implementing all 25 Basel Core Principles. The consultant assisted the BNA in defining policy and directives to accomplish the goal of compliance with all 25 principles. This included elaborating on an organisational model for the department. This consulting process was completed in July 2011. Since, the World Bank and IMF have also visited the BNA to conduct the FSAP evaluation study. The FSAP also identified gaps in the BNA's compliance to the 25 Basel Core Principles and scheduled a programme to achieve full compliance by the end of 2012.³³

According to the BNA official interviewed, the bank has implemented a new internal accounting and auditing charter, which includes many international practises and reporting norms. However, the International Financial Reporting Standards (IFRS) have not as yet been adopted, although this is a long-term goal of the BNA. However, the bank is audited both internally and externally on an annual basis.

The BNA currently has observer status in the East and Southern African Anti-Money Laundering Group (ESAAMLG) and the Financial Action Task Force (FATF). According to the BNA official interviewed, Angola has intentions of joining ESAAMLG at the next meeting of the international grouping. While Angola has not been subject to a mutual assessment under ESAAMLG or FATF, the country has been evaluated by the World Bank regarding any money laundering risks. Angola has also completed questionnaires for FATF and works extensively with this organisation. In 2010, Angolan parliament approved an Anti-Money Laundering Act, which has been revised this year to more fully comply with international norms. Reforms in terms of stricter control of money laundering are informed by pressure from the international community to adhere to accepted principles and from a domestic concern to employ international best practise.³⁴

³³ All information in this paragraph provided during an interview with a BNA official who also attends Banking Supervision subcommittee meetings

³⁴ Perspective provided by BNA official interviewed.

2.2.8. ANNEX 9: COOPERATION IN RESPECT OF DEVELOPMENT FINANCE INSTITUTIONS

Angola has recently gained membership to the DFI network, through the Banco de Poupança e Crédito (BPC), as of October 2011.

There are two operational DFIs in Angola, Banco de Desenvolvimento de Angola (BDA) and BPC.³⁵ The former manages Angola's National Development Fund (Fundo de Desenvolvimento) under Angola's law Number 9 of 2006. This management is for the purposes of pooling funding for long term investment projects.³⁶

2.2.9. ANNEX 10: COOPERATION ON NON-BANKING FINANCIAL INSTITUTIONS AND SERVICES

The Instituto de Supervisão de Seguros (ISS) represents Angola at meetings of the Committee of Insurance, Securities and Non-Banking Authorities (CISNA). The ISS is the national regulator for both pension funds and insurance, supervising both life and non-life insurers and 21 pension funds. Currently, the ISS is not a member of the International Association of Insurance Supervisors (IAIS) or the International Organisation of Pension Supervisors (IOPS) however participates in IAIS meetings as an observer.³⁷ ISS pointed to the usefulness of membership to CISNA in terms of receiving updates on international developments, even though ISS is not a member.

The ISS officials stated that the long-term plan is to work towards compliance with IAIS and IOPS compliance and membership, however the supervisor is newly-established and faces many constraints, including low human resource capacity and physical resources limitations. The ISS officials believe that the priority now is to consolidate the institutions internal capacity and encourage the development of well-trained personnel.

The ISS has signed CISNA's multilateral memorandum of understanding regarding information exchange. The officials asserted that despite internal capacity constraints, they endeavour to be effective CISNA members since they believe this will help the ISS grow from strength to strength. Therefore, the ISS ensures that they contribute regular market development reports to CISNA and send all relevant statistics for publication on the CISNA website.³⁸

The ISS officials pointed to CISNA's New Strategic Plan, which contains objectives, actions to be completed and a systematic plan to achieve harmonisation as being a positive development to achieve regional integration. The officials voiced caution, however, stating that the strategy

³⁵ BDA's website is available at <http://www.bda.ao/>. This is the only DFI that was found through desktop research; however, there may be others operating in Angola.

³⁶ Since Angola only joined the DFI network in October 2011, it was not possible to arrange an interview with the DFIs operating in Angola. The information provided in this section was made available by staff of the FIP coordinating unit at the Department of International Relations under the Mdf.

³⁷ Note that, since Angola does not currently have a stock exchange and has relatively few traded securities, the country currently does not have capital markets or securities regulator. Therefore, Angola is also not a member of the International Organisation of Securities' Commissioners.

³⁸ Perspective provided by ISS officials

is untested so countries must carefully examine how best to implement the plan. This includes analysing data to explore the effect the harmonisation process will have on the domestic market and how resource intensive reforms will be.

However, the ISS officials stated that CISNA will engage consultants to investigate the best course of action in each context, to gauge how far along countries are in implementing reforms the New Strategic Plan calls for and to evaluate the desirability of each goal in each country. The ISS officials cautioned that while the harmonisation process contains many positives, including introducing internationally accepted practises into the domestic market, the process also requires considerable time and resources. Most importantly, reforms can only be implemented if the timing is appropriated.

The ISS officials have been involved in capacity building activities organised by CISNA, including those arranged by the Financial Services Board (FSB) of South Africa and the Financial Services Commission (FSC) of Mauritius. While CISNA meetings always provide translators, both during discussions of the committee and translated documents, the same is not true for capacity building initiatives. This has proven to be a serious challenge for the ISS officials attending training. A recent proposal has been made to CISNA to improve this situation, including hiring trainers who are fluent in Portuguese.

Consumer education is managed by the Institute for the Protection of the Consumer, under the Ministry of Commerce. However, ISS often partners with this institute on consumer education campaigns, as does the companies the ISS regulates. For example, the ISS has participated in a National Market Seminar to educate the public about insurance and about the insurers operating the market, as well as with the National Roads Agency concerning the introduction of Angola's compulsory car insurance requirement. The ISS officials reported that information sharing on consumer education in CISNA meetings has proved to be very useful.

The ISS officials argued that an important initiative is to improve awareness in the domestic market concerning the activities of CISNA, and the broader FIP agenda. This will most effectively be achieved through a marketing campaign, aimed at both the general public and within other levels of government. The ISS officials expressed worry that consumers will not understand later reforms and why these are being implemented unless they are brought into the FIP process at this early stage.

Finally, the ISS officials stated that CISNA needs a secretariat that is permanently staffed and is based in a permanent location. This is important to achieve continuity and gain traction in the harmonisation process. The ISS officials also believe that it is not appropriate that a specific country should maintain long-term management of the CISNA secretariat, since this is a regional grouping. The establishment of this new formation of the CISNA secretariat is included in the New Strategic Plan, however the ISS officials stated that this should be prioritised as an urgent action.

2.2.10. ANNEX 11: COOPERATION ON SADC STOCK EXCHANGES

Angola is currently in the process of establishing a stock exchange, as well as a securities and capital markets regulator. Thus does not participate in CoSSE meetings.

3. CONCLUSIONS AND RECOMMENDATIONS

3.1. CONCLUSIONS

Angola has made good progress in improving FIP coordination at domestic level, but challenges remain; namely information flows between the SADC National Contact Point and the MdF coordinating structure and between subcommittee members and the MdF coordinating structure.

Angola's economic growth is driven by foreign investment; therefore it is unsurprising that domestic investment frameworks for incentives and investor protection laws have recently been revised to more closely adhere to international best practise. The Angolan IPA, ANIP, has been involved in SADC IPA initiatives and is committed to marketing the region as an international investment destination. A lagging area in Annex 1 of the FIP is Angola's membership to ICSID and ascension to the New York Convention.

The MdF stated that FIP objectives are considered when devising Angolan macroeconomic plans and budgetary objectives. However, Angola has only met one of the three FIP macroeconomic targets in this baseline study. It should be noted that the inflation rate target is near impossible for Angola to monitor since it must manage its exchange rate, due to the country's dependence on FDI and imports.

As part of broader investment reforms, Angola has revised its system of tax incentives, to improve transparency and ensure better management standards are maintained. However, Angola is still rebuilding its tax framework and is currently capacity building of the institution and officials to improve its system of indirect taxes. Lagging areas in this annex are completion of DTAA's and participation in information sharing initiatives with other tax authorities in the region.

Angola has delayed implementing any further exchange control reforms, as the country prioritised stabilisation during the financial crisis. Angola appears reluctant to engage in substantial liberalisation of the current account and capital account because the structure of the economy makes it unwise to do so.

An area of particular strength in the Central Bank related annexes is the progress made in implementing commitments under Annex 6 of the FIP. Angola has implemented an RTGS, is making considerable progress in implementing an automated clearing house, has established a comprehensive oversight mechanism and adopted a new legal framework for payments systems. Additionally, the BNA is fully autonomous and independent from the government aligning the Bank to the main principles of the Central Bank Model Law.

Less progress has been made under Annex 8, with Angola only achieving full compliance to six of the 25 Basel Core Principles. The BNA has also not yet adopted the IFRS standards for internal accounting and auditing, or joined ESAAMLG and participated in a mutual assessment. However, with the publication of the recent FSAP and its proposals, BNA officials are certain that more progress will be made in this regard.

The regulator, ISS is currently engaged in extensive capacity building, both in terms of human resources and physical resources. When this process is complete, the ISS officials stated that

the intention is to work towards membership to IAIS and IOPS and that assistance from CISNA will be useful in this regard.

3.2. RECOMMENDATIONS

A recurring theme during interviews was that officials in various technical areas of the FIP have been struggling with English being the medium in which capacity building activities and FIP subcommittee discussions are conducted. While there are instances where translation into Portuguese has been provided, officials stated repeatedly that more effort needs to be made to ensure that all participants are able to benefit equally from FIP activities. In particular, officials stated that it is a constant challenge to learn about technical matters when training is only provided in English.

To this end, all written documents should be translated timeously before FIP subcommittee meetings. Where possible, effort should be made to provide translation services at conferences and meetings to ensure that officials can fully participate. Specifically, Portuguese-speaking trainers should be consulted on the best translation of technical matters for capacity building initiatives.

The lagging areas of FIP implementation can all be improved upon with capacity building and technical assistance in focused areas. This should be further explored with Angolan stakeholders.

FIP coordination in Angola needs improvement; however, this is also an area which Angolan stakeholders appear eager to improve. The efforts that have been made thus far are commendable, but it is clear that additional support is needed and would make a significant contribution. The director of the Department of International Relations spoke about the overwhelming number of issues and stakeholders that participate in FIP activities, indicating that perhaps more capacity is needed in this area.

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5. APPENDICES

5.1. APPENDIX 1: INTERVIEW LIST

Annex subcommittee	Institution	Name
Investment	ANIP	José Gama Sala
Investment	ANIP	Raul Pinto
Macroeconomic Convergence	INE	Lukoki Kiboko Artur
Macroeconomic Convergence and FIP coordinator	MdF	Aia-Eza Gomes da Silva
FIP Coordinator	MdF	Patricio Neto
Macroeconomic Convergence	MdP	Milton Parménio dos Santos Reis
Tax	MdF	Saydi Henda Mendes Leitão
Tax	MdF	Leonel Felisberto da Silva
Legal and Operational Frameworks, Exchange Control and CCBG Secretaria	BNA	José Cortes
Payments Systems	BNA	Joaquim Augusto Caniço
Banking Supervision	BNA	Beatriz Ferreira de Andrade dos Santos
CISNA	ISS	José Manuel Matos Marques da Silva

5.2. APPENDIX 2: MATRIX OF COMMITMENTS

Colour	Status
Achieved	
Partially achieved	
Not achieved	
Not assessed	
Not applicable	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
None	None	FIP instrument ratified by all member states.		SADC Secretariat	
None	None	National FIP coordinating structures in place to facilitate better FIP implementation.		SADC Secretariat	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 1: Cooperation in Investment	5,6,8,9,27	Existence of domestic investment law that: Protects investors, allow repatriation of profits, allows access to courts		Agencia Naçional para o Investimento Privado	All three present = green
	21	Signatory to international conventions: New York Convention		http://www.uncitral.org/uncitral/en/uncitral_texts/arbitration/NYConvention_status.html	Member = green
	21	Signatory to international conventions: ICSID		http://icsid.worldbank.org/ICSID/FrontServlet	Member = green
	21	Acceded to international conventions: MIGA		http://www.miga.org/about/index_sv.cfm?stid=1695	Member = green
	8	Investment policies, information etc. easily accessible to investors	Information available online on central government website	http://www.anip.co.ao/Leislacao/Lei-de-Bases.aspx	
	23	MS has an active IPA	ANIP	Agencia Naçional para o Investimento Privado, Ministério das Finanças	
	2	Member ranked above (or equal) to OECD average rating of the Strength of Investor Protection Index	5.7	http://www.doingbusiness.org/data/exploretopics/protecting-investors	Better than or equal to OECD average = green; worse = red

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 1: Cooperation in Investment	19	Regional Investment Policy Framework is drafted and agreed to by MS	No standard framework yet exists in the region.	Investment subcommittee	
	19	MS's national policies and regulations comply with the Regional Investment Policy Framework and/or the minimum principles for investment regimes in the region.	Not Assessed (not measured in 2011)	Agencia Nacional para o Investimento Privado, Ministério das Finanças	
	23	Evidence of events and activities run by IPA Forum and attended by MS IPAs	The SADC IPA forum has been established, however the most recent event was poorly attended by CEOs of IPAs operating in MS	Investment subcommittee	
Annex 2: Macroeconomic Convergence	2,3,4	Inflation rate low and stable (< 9%)	13.73%	Ministério das Finanças, Banco Nacional de Angola	Within range = green; out of range = red
	2,3,4	Public and publicly guarantee debt to GDP < 60%	18.18%	Ministério das Finanças, Banco Nacional de Angola	Within range = green; out of range = red
	2,3,4	Budget deficit to GDP ratio at widely accepted prudent levels (< 5%)	Deficit of 9.1%	Ministério das Finanças, Banco Nacional de Angola	Within range = green; out of range = red
	5,8	Cooperation/Information Sharing: submission of data to SMSD		Ministério das Finanças, Banco Nacional de Angola	
	7	Cooperation/Information Sharing: participation in peer review panel	N/A	Ministério das Finanças, Banco Nacional de Angola	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 2: Macroeconomic Convergence	7	The Peer Review Mechanism is approved for establishment and operational	Discussions towards establishment of the mechanism are on-going. Framework and guidelines have not yet been adopted. Generally, MS are supportive of the Peer Review Mechanism, but have specific concerns which need to be addressed at subcommittee level.	Macroeconomic Convergence subcommittee	
Annex 3: Cooperation in Taxation Matters	5.3	Number of DTAs signed with other SADC member states	No DTAs have been completed	Ministério das Finanças	< = 6 red, 7 - 10 orange, 11 - 14 green
	2	Up to date and publicly available tax database (national)		http://www.minfin.gv.ao/docs/dspGenLeg.htm	
	2	Up to date information submitted to SADC Tax Database (when fully operational)	N/A	Ministério das Finanças	
	6..6	Signatory to the Mutual Agreement for Information Exchange with member states (AATM)	N/A	Ministério das Finanças	
	6	Harmonised to the regional guidelines for the administration of Indirect Taxes	N/A	Ministério das Finanças	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 3: Cooperation in Taxation Matters	4	Harmonised to the regional tax incentives guidelines	N/A	Ministério das Finanças	
	3	Tax officials participate in capacity building activities		Ministério das Finanças	
	5	Existence of Model Double Taxation Avoidance Agreement	Model DTAA and Commentary approved and adopted by all member states.	Tax subcommittee	
	4	Guidelines for the appropriate treatment of tax incentives drafted and approved for adoption by MS.	Drafting of guideline documents still in progress.	Tax subcommittee	
	4	A Fiscal Model for cost benefit analysis developed and approved by Ministers of Finance. Fiscal Model must comply with items articulated in Art. 4 section 5.	Cost Benefit Analysis model not yet developed.	Tax subcommittee	
	6	SADC Agreement for Assistance in Tax Matters (AATM) approved and signed by all member states (multi-lateral agreement).	Finalised in 2008, waiting for approval by Ministers of Justice/Attorneys General awaiting clearance and signature by Summit.	Tax subcommittee	
	6	Guideline for the administration of indirect tax in the region is approved for adoption by member states.	Still under review by the Indirect Taxation working group.	Tax subcommittee	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 3: Cooperation in Taxation Matters	7	Mechanism for the Settlement of Tax Disputes developed and approved by Ministers of Finance.	Has not been developed or approved for implementation	Tax subcommittee	
Annex 4: Cooperation on Exchange Control	2a	Liberalised Current Account		Banco Nacional de Angola	
	2a	Liberalised Capital (Financial) Account		Banco Nacional de Angola	
	2c,3.1.c	Full Currency Convertibility	Indirect convertibility through the US dollar	Banco Nacional de Angola	
	2d, 3d	Collect and publicise data on foreign exchange transactions (e.g. automated cross border reporting system)		Banco Nacional de Angola	
	2a	Roadmap for exchange control liberalisation in current and capital (and financial) account transactions is drafted and approved	The roadmap has been drafted by the subcommittee. All countries except the DRC have signed and approved the roadmap, and so it has not been implemented as yet.	Exchange Control Subcommittee	
Annex 5: Harmonisation of Legal and Operational Frameworks	3b	Autonomy/independence of Central Bank		Banco Nacional de Angola	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 5: Harmonisation of Legal and Operational Frameworks	2	Compliant with SADC Central Bank Model Law (when/if made binding)	N/A	Central Bank of Swaziland	
	4.2	Adoption of price stability as mandate		Banco Nacional de Angola	
	3c	Ability of Central Bank to set own budget		Banco Nacional de Angola	
	2e	Extent to which central bank can lend to government		Banco Nacional de Angola	
	3	Existence of Model Central Bank Law	The Model Central Bank Law has been drafted and approved by all SADC member states	Legal and Operational Frameworks subcommittee	
	2	Roadmap for the establishment of a Common Central Bank developed and approved.	Legal & Operational Committee has recently been tasked with the development of a roadmap for the establishment of a single Central Bank. No progress yet on this matter.	Legal and Operational Frameworks subcommittee	
Annex 6: Cooperation on Payments Systems	3a	Payments systems in place domestically		Banco Nacional de Angola	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 6: Cooperation on Payments Systems	3c, 3e, 4.1.c	Risk mitigation strategy implemented		Banco Nacional de Angola	
	4.1.d	Existence of national payments system law		Banco Nacional de Angola	
	2	National payment system law aligned to regional model law	N/A	Banco Nacional de Angola	
	2, 3d	MS linked to SADC regional payments systems (when operational)	N/A	Banco Nacional de Angola	
	2	Model Payment System Law developed and approved	Law is being drafted for approval at regional level	Payments System subcommittee	
	3	Model Payment System Strategy is developed.	This is not in place yet. However, the strategy is being developed for the CMA countries to be piloted in this sub-regional bloc. The intention that this will allow a 'tried and tested' strategy to be rolled out to the rest of the region	Payments System subcommittee	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 7: Cooperation in the area of ICT	3, 4	Legal framework for data privacy in place	Not Assessed (not measured in 2011)	Each Central Bank & IT Forum	To enable cross border business based on ICT taking in account that all business are supported by ICT platform
	3	Standard regarding ICT systems interpretability in place	Not Assessed (not measured in 2011)	IT Forum	Promote cross border business specifically for Payment Systems
	3.5	IT Governance framework adopted for the region.	Not Assessed (not measured in 2011)	Each General Bank & IT Forum	
	3	ICT communication Infrastructure to connect member states in place	Not Assessed (not measured in 2011)	IT Forum	
Annex 8: Cooperation in Banking and Regulatory Supervision	2	Compliant with the 25 BASEL core principles	Compliant with 6 of the Basel Core Principles	Banco Nacional de Angola	Less than 20 = red; 21 to 25 orange; 25 green

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 8: Cooperation in Banking and Regulatory Supervision	2	Self-assessment audit happening on annual basis		Banco Nacional de Angola	
	Annex 14	Membership of ESAAMLG & completion of a mutual evaluation		Banco Nacional de Angola	
	Annex 13	Compliant with international standards for auditing and accounting - IFRS	Internal auditing only partially compliant, but external auditors use IFRS	Banco Nacional de Angola	
	2, 4	Regional agreement on framework for central bank supervision.	Harmonisation of banking supervision and regulatory principles in progress.	Banking Regulation and Supervision subcommittee	
Annex 9: Cooperation on Development Finance Institutions	3, 9	Participate in regional development projects through cooperation in pooling of funds, project identification, project management.	Not applicable		
	3f, 7	Attending capacity building activities organised by DFRC (secondment, work placement, training)	Not applicable		
	Annex 1	PPP: Establishment of PPP Policy Framework, Legal Framework, Institution Framework	Not Assessed (not measured in 2011)		
	2	The DFI network and DFRC are established and active.	Yes.	SADC Secretariat	

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 9: Cooperation on Development Finance Institutions	11	Regional Insurance Guarantee system in place and approved.	The Regional Insurance Guarantee scheme has not been agreed upon or implemented.	DFI Network	
	3	Number of regional development projects in progress (where regional refers to projects with benefits to more than one country, or with more than one country collaborating on a project)	Only evidence of regional projects is DBSA projects, which are not necessarily attributable to the DFI network. No collaboration between DFIs on regional development projects.	DFI Network	
Annex 10: Cooperation on Non-Banking Financial Institutions and Services	7	Membership of IOSCO (harmonising to international standards)		http://www.iosco.org/lists/display_members.cfm?memID=1&orderBy=none	
	7	Membership of IOPS (harmonising to international standards)		http://www.iopsweb.org/document/14/0,3343,en_35030657_35030370_35152654_1_1_1_1,00.html	
	7	Membership of IAIS (harmonising to international standards)		http://www.iaisweb.org/IAIS-members-31	
	3, 4, 5	Committed to information sharing (Multi-lateral agreement signed by all CISNA members)		Instituto de Supervisão de Seguros	N.B. except Seychelles who has not yet participated in CISNA

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 10: Cooperation on Non-Banking Financial Institutions and Services	10	Participating in capacity building activities		Instituto de Supervisão de Seguros	
	9	Alignment to SADC regulatory framework for Non-Banking Financial Institutions (when drafted and approved)	N/A	Instituto de Supervisão de Seguros	
	9	SADC regulatory framework for non-banking financial institutions established and approved for the region	SADC Framework is not yet developed. But progress has been made in that member states' NBFIs authorities have been tasked with drafting the various components of the framework.	CISNA	
Annex 11: Cooperation in SADC Stock Exchanges	2	Cooperation: Member of COSSE	Not applicable		
	2	Cooperation: Information Exchange	Not applicable		
	2.3	Participate in capacity building activities (either attend or host)	Not applicable		
		MS harmonised to SADC common principles.	Not Assessed (not measured in 2011)		
	2.5	MS who are completing the minimum standards for surveillance and risk assessment.	Not Assessed (not measured in 2011)		

Annex	Article	Indicator	Status 2011	Source/Institution	Criteria
Annex 11: Cooperation in SADC Stock Exchanges	2.7	Extent of diversification of the registered market participants on MS stock exchange (% individuals, % trusts, % corporates)	Not Assessed (not measured in 2011)		