

RELEASE IN
PART B5

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Wednesday, August 05, 2009 9:56 AM
To: H
Subject: FW: Angola and Food security for S trip

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From: Stremiau, Matthew H
Sent: Tuesday, August 04, 2009 11:11 AM
To: Mills, Cheryl D; Lurie, Mike D; Klevorick, Caitlin B
Cc: Toiv, Nora F
Subject: Angola and Food security for S trip

See below – Angola has just pledged a major investment in food security financed by the Chinese.

Matt

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Angola pledges \$1.2 bln to farming, food security

LUANDA (Reuters) - Angola will invest an estimated \$1.2 billion in agricultural development over the next four years as part of a food security initiative, according to a government statement published on Thursday.

The investment will be financed by a line of credit from the China Development Bank, private investment and other loans, said the statement in the state-owned newspaper Jornal de Angola.

The plan is to take advantage of Angola's natural resources and bolster employment, the government said. Angola was once a major food exporter but a 27-year civil war that ended in 2002 devastated the sector.

"The project also aims to guarantee food security, supply the internal market and take advantage of local, regional and international opportunities," the statement said.

Angola, the world's fourth biggest coffee producer and a top exporter of sugarcane, bananas, sisal and cotton before the 1975-2002 civil war, now imports much of its food from abroad.

This has helped push inflation in the capital Luanda to 13.95 percent year-on-year in June, frustrating government plans to reduce it to 12.5 percent by the end of the year.

Luanda is also considered the world's most expensive city for foreigners, a study by London-based human resources consultants ECA recently showed.