



LEGAL NEWS

Cape Verde

January through June 2019

TOURISM

Strategic Plan for Sustainable Tourism Development Approved

Council of Ministers' Resolution No. 1/2019, of 9 January 2019, approved Major Options for the Strategic Plan for Sustainable Tourism Development in respect of the period 2018-2030, determining as key factors competitiveness, sustainability, diversity and decentralization of the sector, and establishing as strategic objectives the facilitating of private entrepreneurial initiative, the creation of financial incentives, the regionalization of administration, and the internationalization of the country.

Maximum timeframes for award of Tourist Utility Status and approval of Investment Projects

Within the context of Law No. 21/IV/91, Joint Order No. 13/2019, of 8 April 2019, issued by the Ministry of Finance and the Ministry of Tourism and Transport, set maximum timeframes of 15 days for the analysis, appraisal and award of Tourist Utility Status, and 30 days for the approval of investment and exportation projects by Cape Verde Tradeinvest.

Management of Boavista and Maio Special Tourist Zones

By means of Order No. 1/2019, of 15 January 2019, the Ministry of Infrastructure, Planning and Housing delegated to the company Tourism Development of the Islands of Boavista and Maio, S.A. (SDTIBM) competences for the territorial planning and management of the Special Tourist Zones of those islands, including, among other things, the monitoring and supervision of territorial and detailed planning, and the checking of compliance with laws and administrative regulations in respect of environmental matters, territorial planning, urban planning and urban construction.

ENERGY

Electricity Sector Master Plan Approved for 2018-2040

Through Resolution No. 39/2019, of 8 April 2019, the Council of Ministers approved the 2018-2040 Master Plan for the Electricity Sector. Among other guidelines, the following principles and goals were established: (i) to achieve 30% of electricity production from renewable energy sources by 2025; (ii) to exceed 50% of electricity production from renewable energy sources by 2030; (iii) to maintain investment in wind power and initiate a solar energy development program; (iv) to develop a pure pumping station on Santiago Island by 2025 and battery-based storage solutions on the remaining islands; and (v) to continue to foster energy efficiency and combating energy losses.

National System of Electrical Equipment Labeling and Requirements Created

Decree-Law No. 25/2019, of 13 June 2019, approved the National System of Electrical Equipment Labeling and Requirements, establishing obligations to inform the end user of these products through labeling and indications of energy consumption. The minimum energy efficiency requirements were also established, as well as certain responsibilities of suppliers, distributors and retailers in this regard. The regime provided for in the new statute enters into force on 1 January 2020.

TAX AND CUSTOMS

International Business Center's Operational Office Created

Following the restructuring of the Cape Verde International Business Center (CIN-CV), the Council of Ministers created, through Resolution No. 9/2019, of 28 January 2019, the CIN-CV Operational Office with a view to creating the necessary conditions for the effective implementation of the Center. The Operational Office will be responsible for managing the CIN-CV until the incorporation and operationalization of the CIN-CV Managing Company, as provided in Decree-Law No. 57/2017, of 6 December 2017.

Amendments to Regimes relating to International Business Center, Electronic Citation and Notifications, and Withholding Tax

Decree-Law No. 27/2019, of 18 June 2019, introduced amendments to the following tax-related statutes:

- To the CIN-CV legal framework, by amending, among other things, the list of activities that may benefit from the advantageous tax regime applicable to economic operators licensed under the CIN-CV;
- To the regime of citations and notifications made by the tax administration by electronic data transmission, in order to clarify concepts and rules regarding electronic citations and notifications; and
- To the withholding tax regime by updating the formula for calculating withholding tax on income from dependent work and pensions, among other amendments.

Customs Tariff Amended

Following the Sixth Amendment to the Harmonized System of Goods Description and Coding, in accordance with the recommendation issued by the World Customs Organization's Customs Cooperation Council, of 11 June 2015, Law No. 49/IX/2019, of 22 February 2019, amended the Customs Tariff of Cape Verde in order to harmonize its wording with the nomenclatures and terminology adopted therein.

Customs Clearance Procedures at International Business Center Established

Decree-Law No. 2/2019, of 10 January 2019, established customs clearance procedures for economic agents operating at the CIN-CV. The purpose is to facilitate the importation of raw materials, namely through the provision of an annual or half-yearly deposit or bank guarantee, under the terms provided in the Customs Code, aimed at ensuring the payment of the applicable duties and taxes, and calculated according to the value of the imported goods. In the cases expressly provided in the law, the deposit or guarantee may be replaced by a liability term.

New Conventions Approved for Avoidance of Double Taxation with Spain and Senegal

Through Resolutions No. 106/IX/2019, of 15 February 2019, and No. 110/IX/2019, of 15 March 2019, the Conventions for the Avoidance of Double Taxation and Prevention of Tax Evasion with respect to Taxes on Income with Spain and Senegal, respectively, were published.

The Conventions aim to establish tax rate limits applicable to certain types of income, including companies' profits, dividends, interest, royalties, capital-gains and individuals' income from independent work, allowing for lower tax rates or possibly tax exemptions which are, in general, applicable in the country of source of income.

These Conventions will enter into force within three months after final ratification.

BANKING AND CAPITAL MARKET

New Rules on Accumulation of Positions in Corporate Bodies

Following on from Article 31 of Law No. 62/VIII/2014, of 23 April 2014 (Law on Financial Activities and Institutions), which allows the Cape Verde Central Bank ("BCV") to oppose the accumulation of functions by members of the management bodies at Financial Institutions with the exercising of management functions at other companies, BCV Notice No. 1/2019, of 14 March 2019, established the timeframes, content and documents that the respective request to the BCV must observe, as well as the criteria to be followed during the relevant BVC decision-making process. The statute entered into force on 1 July 2019.

New Requirements for Members of Board of Directors and Supervisory Body of Financial Institutions

In order to bring up to date requirements for independence, impartiality and qualifications applicable to members of the board of directors and supervisory bodies of Financial Institutions, BCV Notice No. 4/2019, of 14 March 2019, amended Notice No. 4/2014, of 17 October 2014, clarifying and amending certain criteria for assessing the above-mentioned requirements. Also detailed are the documents to be attached to any application submitted to the BVC for the purpose of approving the proposed members.

Collective Investment Guaranteed Capital Undertakings Regulated

Decree-Law No. 18/2019, of 26 April 2019, implemented the concept and regime of Collective Investment Guaranteed Capital Undertakings, set out in Decree-Law No. 15/2005, of 14 September 2005, which enshrined Collective Investment Undertakings (“CIUs”). Through an addendum to this statute, the types of guarantees were established to which funds may be associated, as well as the entities that may act as guarantors, notably banks or insurers based in Cape Verde, public institutions or international institutions recognized by the BCV, as well as the possibility of ensuring the same guarantee by structuring the relevant CIU’s assets and income for that purpose. The same Decree-Law establishes certain information duties before underwriters, especially regarding the moment of execution and the scope of the guarantee, and before the AGMVM – General Audit of the Securities Market.

MARITIME

New Tariffs of ENAPOR Approved

Joint Order No. 8/2019, of 25 March 2019, issued by the Ministers of Finance and of the Maritime Economy, approved the new Tariff Regulations to be applied by ENAPOR – National Company of Ports Administration, S.A., which entered into force on 25 May 2019. The Regulations define the tariffs to be charged for the use of said company's facilities and equipment, for the supply of goods and for the rendering of services related to the economic exploration of ports within the company's jurisdiction.

Passengers and Cargo Consignees subject to Maritime Safety Fee

Amending Decree-Law No. 39/2018, of 20 June 2018, which set forth the Maritime Safety Fee, Decree-Law No. 1/2019, of 10 January 2019, provided for the application of that fee by the port general concessionaire, in respect of passengers and cargo consignees, for each journey and route, as from 1 January 2019.

AERONAUTICAL

Civil Aviation Infractions Regime amended

Decree-Law No. 14/2019, of 25 March 2019, amended Decree-Law No. 57/2005, of 29 August 2005, and Decree-Law No. 30/2018, of 28 May 2018, detailing and reinforcing the rules and procedures applicable to aviation agents and their personnel, operators and concessionaires of airports and air navigation services, aviation training and maintenance bodies.

Amendments to Civil Aviation Safety Regulation

In order to reflect the changes introduced by the 16th amendment to Annex 17 of the 1944 Chicago Convention, and to adapt and harmonize safety regulations accordingly, the Board of Directors of the Civil Aviation Authority approved the

revision of the Civil Aviation Regulation CV-CAR 12, on Civil Aviation Safety. The amendments were also aimed at reflecting the changes resulting from the introduction of the National Identification Card as a personal identification document, and the changes to the Civil Code, regarding travel authorization for unaccompanied minors.

REAL ESTATE

Cadastral Implementation on the Island of Boavista

By means of Joint Order No. 2/2019, of 11 January 2019, cadastral implementation was established on the whole of the Island of Boavista, while land registration on the island became mandatory.

Conclusion of Cadastral Registry on the Island of São Vicente

By means of Order No. 10/2019, of 6 February 2019, it was communicated the conclusion of the cadastral registry operation in respect of the areas of Salamansa, Baía das Gatas North Bay, Monte Verde, Lameirão, João d'Évora, Ribeira de Baleia, Mato Inglês, Bairro Branco, Ribeira de Julião, Madeiral, Ribeira de Feijoal Preto, Goa, Ribeira de Calhau, Pebble, Saragaça, Straw Cargo, Calheta, Ribeira de Vinha, Tope de Caixa, Flamengos, Sao Pedro, Lazareto, Lazareto Industrial Park, Morro Branco, located on the Island of São Vicente, and land registration in the same areas became mandatory.

Property and Land Registration Free of Fees on Sal, Boavista, São Vicente and Maio

In view of the omissions and inaccuracies detected in the collection of cadastral data, and in order to rectify them, Decree-Law No. 16/2019, of 11 April 2019,

amended the special legal regime for the implementation of land registration on the islands of Sal, Boavista, São Vicente and Maio, exempting from fees due notarial and registration acts the realization and rectification of real estate registration until 31 December 2019.

COPYRIGHT

New Rules for Copyright Collective Management Entities

Through Law No. 45/IX/2019, of 14 January 2019, the National Parliament approved the regime governing the incorporation, organization and functioning of Collective Management Entities for copyright and related rights, entities aimed at protecting and promoting authors, their works and their rights, duly delegated by the original holders. Among other aspects, the new law regulates the minimum content of the relevant Articles of Association, the entities' governing bodies, as well as their authorization and registration with the Institute of Quality Management and Intellectual Property. The law also establishes the regime applicable to the entities' relationship with copyright holders and users. The law entered into force on 14 February 2019.

Para mais informações acerca do conteúdo destas Notícias do Direito, queira contactar:

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