



LEGAL NEWS

Angola

November through December 2019

BANKING

Rules and Procedures Updated for Exchange Operations by Individuals

BNA Order No. 12/19, of 2 December 2019, updated the rules on foreign exchange transactions carried out by natural persons who are foreign-exchange residents. According to the new Order, the value of private transactions carried out in the same calendar year by natural persons who are foreign exchange resident and over the age of 18, by means of the purchase of foreign currency, must not exceed the cumulative amount of the equivalent of USD 120,000 when ordered by the same person, regardless of the payment instrument used. This threshold does not apply to the payment of health, education and accommodation expenses, when made directly to the relevant service providers, and to the transfer, upon termination of their stay in the Country, of funds accumulated during the stay by foreign citizens who are foreign-exchange non-resident. Order 12/19 entered into force on 3 January 2020.

New Rules on Sale of Foreign Currency Approved for Oil & Gas Companies

Pursuant to BNA Order No. 13/19, of 2 December 2019, from 2 January 2020 onwards, the National Concessionaire and national and foreign petroleum investor companies, including entities engaged in the production of liquefied natural gas, are able to sell foreign currency to commercial banks at an exchange rate freely negotiated between the parties. This Order also prohibited the execution of tripartite foreign currency purchase and sale agreements between petroleum operator companies, commercial banks and companies providing services to operators. Tripartite agreements in force on 2 January 2019 cannot be renewed and will terminate on 31 December 2020. Order 13/19 repealed Order 7/14, of 8 October 2014 and entered into force on 2 January 2020.

New Limit for Overall Foreign Exchange Position of Commercial Banks

BNA Order No. 14/19, of 2 December 2019, which entered into force on 2 January 2020, set the limit on the overall foreign exchange position of Commercial Banks. On a daily basis, banks should observe a global foreign exchange position of no more than 2.5% of their Regulatory Own Funds, regardless of whether their position is long or short. This Order repealed Order 12/18, of 21 December 2018, and entered into force on 2 January 2020.

New Rules on Foreign Exchange Operations by Non-Residents

BNA Order No. 15/19, of 30 December 2019, defined new foreign exchange rules for capital import transactions for investment in the country by foreign exchange non-residents, as well as for the repatriation of the proceeds of such investment. Foreign investment projects that were registered with the National Bank of Angola prior to 30 December 2019 are subject to the new procedures. This Order entered into force on 30 December 2019.

STATE

General State Budget for 2020 Enacted

The General State Budget for 2020 was enacted by means of Law No. 30/19, of 27 December 2019, and entered into force on 1 January 2020.

The Special Contribution of 10% has been maintained for 2020 on transfers made under so-called foreign technical assistance or management services contracts.

The threshold for the granting of sovereign guarantees by the Angolan State has been reduced, now set at AOA 240,500,000,000.00 (two hundred and forty billion, five hundred million Kwanzas).

The General State Budget for 2020 establishes the amounts beyond which qualifying contracts will be subject to prior approval by the Audit Court:

- a. The President of the Republic, in his capacity as Head of the Executive, must submit to the Audit Court contracts, of any nature, of an amount equal to or greater than AOA 11,000,000,000.00 (eleven billion Kwanzas);
- b. The budgetary units of Central and Local bodies of the State Administration must submit to the Audit Court contracts, of any nature, of an amount equal to or greater than AOA 600,000,000.00 (six hundred million Kwanzas).

OIL & GAS

Transfer of Human Resources to ANPG Approved

The Minister of Public Administration, Labor and Social Security and the Minister of Mineral Resources and Petroleum approved, by means of Joint Executive Decree No. 404/19, of 16 December 2019, the regime for the transfer of Sonangol EP's human resources to the National Agency for Petroleum, Gas and Biofuels ("ANPG"). The new statute implements the transfer of 589 employees to ANPG, in its capacity as National Concessionaire for the petroleum sector.

TAX

Forms Approved for the Certificate of Tax Residence and Declaration of Conformity

Forms for the Certificate of Tax Residence in Angola and the Declaration of Conformity were approved by Executive Decree No. 424/19, of 30 December 2019, for the purposes of applying Double Taxation Agreements.

Road Tax for 2020

A new Road Tax was set for motor vehicles and motorcycles in circulation in 2019, through Executive Decree No. 426/19, of 30 December 2019. The tax will be collected in the period between 13 January and 17 April 2020. The statute entered into force on 27 December 2019.

CUSTOMS

New Authorization Application form for Customs Warehouses in Border Trading Zones

A new application form for the authorization of Customs Warehouses in Border Trade Zones was approved by Executive Decree No. 408/19, of 23 December 2019.

TRANSPORT

New Regulations for Regular Passenger Transport by Road

New Regulations on Regular Passenger Transport by Road, setting out the rules for engagement in the activity of regular public transport of passengers, were enacted by Presidential Decree No. 355/19, of 9 December 2019. The Regulations apply to any legal person operating regular public passenger transport by road using heavy vehicles, built or adapted for passenger transport. National or international public transport may only be carried out by public or private companies duly licensed by: (i) the Ministry of Transport; (ii) the National Institute of Road Transport; (iii) Provincial Governments; or (iv) Provincial Administrations or Local Councils.

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Once the necessary requirements are fulfilled, authorization to engage in the activity of regular public transport of passengers is granted by means of a license, for a period of no more than five years. Presidential Decree No. 355/19 repeals Presidential Decree No. 154/10, of 26 July 2010.

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