



COVID-19

Given the public health emergency situation due to COVID-19, a number of statutes have been approved establishing measures to avoid the spread of the disease and mitigate its effects. For more detailed information about the statutes published in response to the pandemic, please consult this [link](#).

PRIVATIZATIONS

Authorization for Privatization of Industrial Units Located in Luanda – Bengo Special Economic Zone

Presidential Order No. 92/21, of 11 June 2021, authorized the privatization, through Public Tender, of those industrial units located in the Luanda – Bengo Special Economic Zone that are part of the Privatization Program (PROPRIV 2019-2022).

Authorization for Privatization of 90% Public Participation that State Indirectly Holds in Multitel Limitada

Given that Multitel, Limitada does not meet the necessary requirements for its privatization through an initial public offering (IPO) on the stock exchange, as previously approved, Presidential Order No. 113/21, of 20 July 2021, authorized the privatization, by means of Public Tender, of the public participation of 90% of the share capital that the State holds indirectly in Multitel, Limitada, as follows: a) PT Ventures, with 40%; b) Angola Telecom – EP, with 30%; and c) Banco Comércio e Indústria, with 20%.

New Assets Included in the Privatization Program

By means of Presidential Decree No. 182/21, of 28 July 2021, the President of the Republic approved, for the purposes of privatization in the form of disposal of assets, the addition of the following assets to the Privatization Program: (i) Cement Factory (CIF Cement); (ii) Automobile Assembly Plant (CIF SGS Automóveis); (iii) Brewery (CIF Lowendo Cervejas); (iv) Logistics (CIF Logistics); and (v) Printers (DAMER).

COMMERCIAL AND CORPORATE

New Regulations on Representative Offices

With a view to simplifying the registration procedures for Representative Offices and improving the business environment, Presidential Decree No. 146/21, of 2 June 2021, defined new terms and conditions for opening and operating the Representative Offices of foreign exchange non-resident companies in Angola. The following key points can be highlighted:

- (a)** The National Bank of Angola is no longer involved in the authorization process for the opening of Representative Offices;
- (b)** A deposit is no longer required;
- (c)** The imposition of a maximum number of employees that can be hired has been removed;
- (d)** Once a representative office has been closed, the funds remaining in its bank account may now be repatriated.

The new Regulations revoked Decree No. 7/90, of 24 March 1990, and came into force on 2 July 2021.

TAX

Special Consumption Tax

On 19 July 2021, Law No. 16/21 was published, republishing the Special Consumption Tax Code ("CIEC") and revoking the previous legislation. The following main changes can be highlighted: **(i)** A reduction of the tax rate on alcoholic beverages (from 16% to 4% for beer, and from 16% to 8% for other types of alcoholic beverage); **(ii)** An increase of the tax rate on tobacco from 16% to 25%; **(iii)** Motor vehicles will now be subject to Special Consumption Tax at a rate of 5%; **(iv)** It is now mandatory to affix a duty stamp to beverages and tobacco; and **(v)** Establishments producing beverages, tobacco and petroleum products listed in the CIEC must be equipped with counting and measurement systems for the automatic electronic transmission of production information to the Tax Authorities. This law comes into force on 18 August 2021.

CUSTOMS

Fees and Surcharges Payable on the Exportation of Petroleum Products

On 6 July 2021, Presidential Decree No. 170/21, of 5 July, 2021, entered into force, approving the fees and surcharges to be charged as general customs fees for the exportation of petroleum products, as well as defining fuel exportation quotas. Regarding the rates of general customs fees and respective surcharges, a service fee of 0.5% and a risk surcharge of 95% were set for diesel, other gasolines and kerosene (petroleum). As for fuel exportation quotas, a general quota was set of up to 10% of the volume imported in the previous year. The quota for diesel, gasoline and kerosene will be set by means of a Joint Order from the Ministers of Mineral Resources, Oil & Gas, Industry and Commerce, and Finance.

BANKING AND FINANCE

Prudential Treatment of Credit for which Payment Moratoria were Granted Due to Covid-19 Pandemic

National Bank of Angola (“BNA”) Order No. 7/21, of 4 June 2021, which entered into force on 5 June 2021 and which will remain in force for a period of eight months, provided for the prudential treatment of credit for which banking financial institutions granted payment moratoria as a result of the Covid-19 Pandemic, with the aim of supporting clients facing a temporary reduction of liquidity.

Regulation on Legal Framework for Commercial Paper

The Capital Markets Commission (“CMC”) approved Regulation No. 1/21, of 4 June 2021, which entered into force on 5 June 2021 and which developed the rules provided for in the legal framework applicable to securities of a monetary nature, or Commercial Paper, whose maturity term is equal to or less than one year, approved by Presidential Legislative Decree No. 6/19, of 2 May 2019. The Regulation determines that the minimum equity for issuance must be in an amount in Kwanzas equivalent to USD 350,000, and that the issuing entity may

not issue Commercial Paper in an amount that exceeds the value of its equity or net worth. The issuing entity must also maintain, after issuance, a financial autonomy ratio equal to or greater than 30%. Finally, the Regulation defined: (i) rules for the settlement of interest; (ii) the conditions for pro rata allocation; (iii) the elements that must make up the request for approval of the relevant information note; (iv) rules on the disclosure of relevant information; and (v) rules with regard to the half-yearly report.

Regulation on the Legal Regime of Guarantee Funds

The CMC approved Regulation No. 2/21, of 4 June 2021, which came into force on the same day, developing the rules provided in the legal framework governing guarantee funds for management companies of regulated markets, clearing houses, central counterparties and centralized securities systems, particularly with regard to: (i) rules on the incorporation, organization and functioning of guarantee fund management companies; (ii) the nature of the damage to be compensated for; and (iii) the criteria regarding the compensation for damage. Companies managing guarantee funds must have a minimum share capital of Kz 30,000,000. Management companies of regulated markets, clearing houses, central counterparties and centralized securities systems must set up mandatory membership funds within one year as of the date of entry into force of this Regulation.

Regulation on Terms of Public Offerings of Contracts Relating to Investment in Tangible Assets

CMC Regulation No. 3/21, of 4 June 2021, which entered into force on the same day, established the terms under which the framework set forth in the Securities Code can be applied to public offerings of contracts relating to investment in tangible assets or rights over same. The Regulation applies to all entities that wish to carry out public offerings of contracts relating to investment in tangible assets, specifically directed at persons with residence or establishment in Angola. The public offering of contracts relating to investment in tangible assets

is subject to prior registration with the CMC. The Regulation also sets forth rules regarding: (i) duties of communication and disclosure; (ii) the time frame for entering into the contract that is the object of the public offering; (iii) the content of the public offering; and (iv) the offeror's duties. Entities executing a public offering of the contracts referred to in the Regulation at the date of its entry into force have a period of 90 days to comply with the provisions of the Regulation.

Regulation on Public Access to Capital Markets Commission Records

CMC Regulation No. 4/21, of 4 June 2021, which entered into force on 5 June 2021, established the terms relating to public access to records made by the CMC and to documents that have served as their basis. Public access is prohibited in respect of: (i) documents containing personal data that is not part of the record; (ii) records that have been made as part of a transgression process or ongoing investigations; (iii) records that, for any other reason, are subject to secrecy; (iv) records that under the law are not public in nature. Any individual or legal person may file a request for access to records and documents by completing a form, which may be submitted in person or by email to institucional@cmc.qv.ao. Access is free, except for any copying of documents by the CMC.

Uniform Rules on General Prudential Requirements Applicable to Banking Financial Institutions

Through Order No. 8/21, of 5 July 2021, the BNA established the characteristics of the elements that make up own funds and uniform rules on the general prudential requirements that Banking Financial Institutions must comply with in relation to: (i) own capital requirements relating to fully quantifiable, uniform and standardized elements of credit risk, market risk, operational risk, settlement risk and leverage; (ii) limits on large risks; (iii) liquidity requirements relating to fully quantifiable, uniform and standardized liquidity

risk elements; (iv) reporting and public disclosure requirements; and (v) risk governance.

External Auditing in Financial Institutions Authorized by BNA

Through Order No. 9/21, of 5 July 2021, the BNA regulated external auditing activity in financial institutions authorized by the BNA, the main purpose of which is the analysis of financial statements at the closing date(s) of accounts.

New Rules on Corporate Governance and Internal Control of Banking Financial Institutions

The BNA issued Order No. 10/21, of 14 July 2021, which regulates corporate governance and internal control and sets minimum standards to be complied with by Banking Financial Institutions. The Order introduces significant changes to the current legal framework, namely in respect of corporate governance, the internal control system, internal auditing, financial groups, and reporting. With the entry into force of this Order, the mechanisms and procedures of good corporate governance in Angola are now in line with the recommendations on Corporate Governance Principles for Banks, recently released by the Basel Committee on Banking Supervision.

INTERNATIONAL CONVENTIONS

Treaty Approved on Conservation and Sustainable Management of Forest Ecosystems in Central Africa

Through Resolution No. 44/21, of 15 June 2021, the National Assembly approved for accession the Treaty on the Conservation and Sustainable

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Management of Forest Ecosystems in Central Africa, establishing the Commission on the Forests of Central Africa (“COMIFAC”).

Protocol on Industry of Southern African Development Community Approved

Through Resolution No. 47/21, of 22 June 2021, the National Assembly approved for ratification the Protocol on the Industry of the Southern African Development Community (SADC).

The aim of the Protocol is to foster the development of diversified, innovative and globally competitive regional and national industrial bases that will enable the Southern African Region to achieve sustainable and inclusive industrial development.

Ratification of Bilateral Investment Agreement Between Republic of Angola And Kingdom of Spain

By means of Letter of Approval No. 8/21, of 24 June 2021, the President of the Republic confirmed the approval of the Bilateral Investment Agreement between the Republic of Angola and the Kingdom of Spain. The Agreement, which applies to investments made by any national citizen or company incorporated under the rules of one of the States in the territory of the other, establishes, inter alia, rules on: (i) promotion and acceptance of investments; (ii) protection of investments; (iii) national treatment of investments by investors from either of the States and most favored nation clause; (iv) nationalization and expropriation; (v) compensation for losses; and (vi) transfer of proceeds related to investments made.

Ratification of Bilateral Investment Agreement Between Government of Republic of Angola and Government of United Arab Emirates

Through Letter of Approval No. 10/21, of 24 June 2021, the President of the Republic confirmed the approval of the Bilateral Investment Agreement between the Government of the Republic of Angola and the Government of the United Arab Emirates. The Agreement establishes, inter alia, rules on: (i) promotion and protection of investments made by investors of one of the States in the territory of the other; (ii) most favored nation treatment; (iii) compensation for damage or losses; (iv) prohibition of performance requirements; (v) expropriation; (vi) immunity of Governmental movable or immovable assets; and (vii) transfer into or out of the territory of one of the States of proceeds relating to investments made.

Agreement Approved on Operationalization of SADC-FDR/SADC Regional Development Fund

Through Resolution No. 51/21, of 9 July 2021, the National Assembly approved for ratification the Agreement on the Operationalization of the Southern African Development Community (SADC)-FDR/SADC Regional Development Fund. The aim of the SADC-FDR/SADC Regional Development Fund – which should be operationalized in two distinct phases – is to create a regional financing mechanism intended for economic development and sustainable growth in the SADC.

Agreement Between SADC Member States on Establishment of SADC Center for Renewable Energy and Energy Efficiency (SACREEE)

By means of Resolution No. 52/21, of 9 July 2021, the National Assembly approved for ratification the Agreement between the Member States of the SADC on the establishment of the SADC Center for Renewable Energy and Energy Efficiency (SACREEE). The Agreement aims at establishing the legal and institutional framework for the creation and operationalization of SACREEE, whose purpose is to contribute to the improvement of access to modern energy



services and energy security in the SADC region, through the promotion and adoption of efficient renewable energy technologies and services.

PUBLIC ADMINISTRATION

Project Approved on Simplification of Public Administration Procedures

With a view to continuing with the State Reform Program and the implementation of measures aimed at modernizing, de-bureaucratizing and simplifying public services, Presidential Decree No. 161/21, of 21 June 2021, approved the Simplification of Public Administration Procedures Project (“SPAP Project”). The concrete simplification measures included in the SPAP Project aim at achieving an ambitious set of objectives, notably the following: (i) integration of various procedures and/or services; (ii) elimination of various requirements and procedural formalities; (iii) merging of various legal and regulatory documents relating to identical and interdisciplinary matters; (iv) extension of the validity period of various documents and licenses; and (v) discontinuation of the issuance of or requirement of various documents. The measures included in the SPAP Project cover sectors of activity as diverse as Oil & Gas, Electricity, Transport, and Real Estate, as well as procedures for obtaining visas, the issuance of land titles, the licensing of pharmaceutical activities, and the managing of waste, among others.

INDUSTRY AND COMMERCE

National Institute for Quality Control of Industry and Commerce (INACOQ)

By means of Presidential Decree No. 177/21, of 16 July 2021, the National Institute for Quality Control of Industry and Commerce (“INACOQ”) was created, the relevant organic statute was approved, and the National Laboratory for Quality Control of Commerce was extinguished. From now on, INACOQ will be the entity responsible for implementing general policy on verification of compliance, control and supervision of the quality standards of consumer goods circulating in the commercial chain, the food and beverage industry, the hospitality industry and similar, as well as the respective production processes.

HEALTH AND PHARMACEUTICAL

Regulatory Agency for Medicines and Health Technologies

With a view to bringing national pharmaceutical legislation in line with the African Union Model Law on the Regulation of Pharmaceutical Products, Presidential Decree No. 136/21, of 1 June 2021, created the Regulatory Agency for Medicines and Health Technologies (ARMED), approved its organic statute, and extinguished the Ministry of Health’s National Directorate of Medicines and Equipment. From now on, ARMED will be the entity responsible for developing action to regulate, guide, license, inspect and control activities in the field of medicines for human use and health technologies, in order to guarantee their quality, efficacy and safety.

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