

LABOUR NEWSLETTER // Angola

MARCH 2025



OPINION

ONE YEAR OF NEW GENERAL LABOR LAW - EVOLUTION OR REVOLUTION?

On next 26 March, the General Labor Law approved by Law No. 12/23, of 27 December 2023, will complete one year of effectiveness. It is therefore important to assess the impact of this new law on the Angolan legal landscape, its innovations and setbacks.

The "new" General Labour Law aimed at improving employees' protections, advance some of their social rights and change rules on the hiring and termination of employees because it was concluded that they were not suitable for the national labor market. The "old" law, approved by Law No. 7/15, of 15 June 2015, was seen as both too progressive and permissive in some matters.

As an example, in the previous law, all the fundamental rules of hiring, remuneration and consequences in cases of wrongful termination established different standards depending on the type of employer. More specifically, the previous law used the concepts of Small, Micro, Medium and Large Companies and established more flexible hiring rules or lower labor costs for Smaller companies, with Large Companies incurring in the most demanding rules or higher labor costs.

Now, the current law has eliminated these concepts based on arguments of inequality between economic agents, so what we currently have are identical rules for any and all types of employers, whatever their size, turnover or number of employees. This is a controversial point and one of intense debate because if the new law came, on the one hand, to standardize the rules for all employers, small or large, on the other hand, it maintained part of the old genesis of differentiation of economic agents when, with Presidential Decree No. 152/24, of 27 July, it set the new values for the national minimum wage, defining 50,000 Kwanzas as the minimum monthly remuneration for Micro Companies and start-ups. Thus, the legislative and political option taken by the law that is now celebrating one year of validity is difficult to understand, since it proves to be no more than an apparent curtain of innovation, not fully following the "new panorama" that it promised to implement.

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Another point of heated discussion is the "new" fixed-term hiring regime, taken from the now distant General Labor Law of 2000. The current General Labour Law requires that fixed-term contracts be concluded based on one of the justifying reasons listed in the law in an exhaustive manner, and the maximum terms now vary between 6, 12, 36 and 60 months depending on the precise justifying reason that justifies the hiring. This regime has limited employers in hiring employees, not facing the substantial active population of Angolan youth jobseekers. If, on the one hand, an attempt was made to avoid forms of hiring seen socially as too precarious, as is the case of the fixed-term hiring for long durations, on the other hand, a relevant limitation was placed on the flexibility of hiring. Is this legislative change a reflection of progress or setback in the national labor market?

The most consensual change in the current Law is the strengthening of the social rights of employees, namely with regard to the implementation of a flexible working hours regime for employees with family responsibilities and additional maternity leave. These measures imposed increased duties on employers, who were required to adapt to the new rules regarding the management of employees and their activity. It is also important to mention the duty to inform employers that this legislative change has imposed, particularly with regard to remuneration conditions.

In short, despite the various evolutionary aspects of many of the changes that the new law brought, some of the points described above caused debatable effects on the national labor market. One thing is certain, labor laws must be, by nature, evolutionary: they cannot remain watertight and must always be analyzed, corrected and/or improved according to the state of the labor market, the economy and the social context of the country. Thus, it remains to be seen whether we are moving towards the consolidation of the new law or whether we are leaning more towards a new reform. Only the future will tell.

THE CONTINUOUS REFORM OF ANGOLA'S LABOUR LEGISLATION - NEW DIPLOMA ON EXPATRIATE EMPLOYEES AND NEW REGIMES FOR THE ASSIGNMENT OF EMPLOYEES AND LABOUR OFFENCES

On the 18th and 19th of February 2025, new diplomas were published in the context of the reform of Angola's labour legislation initiated with the new General Labor Law at the end of 2023 by Law No. 12/23, of 27 December 2023. The diplomas in question are:

New Legal Regime for Non-Resident Foreign Employees - Presidential Decree No. 49/25, of 18 February 2025 was gazetted approving the new legal regime for the exercise of professional activity by non-resident foreign employees ("expatriates"). The statute completely revoked the previous regime approved by Presidential Decrees No. 43/17, of 6 March 2017, and 79/17, of 24 April 2017. Among the main novelties approved by the new legislation are new rules on the duration of employment contracts for expatriate employees, as well as new procedures for the registration of employment contracts with the Employment Centres, and it is clarified that employment contracts with expatriate employees holding temporary stay visas must also be registered. The statute further clarifies that within the concept of "national workforce" resident foreigners are included, which was a very relevant doubt that still existed in the previous regime. This Presidential Decree entered into force on the day of its gazetting.

New Regime of Labour Offences – The new Presidential Decree No. 50/25, of 19 February 2025 was approved, typifying and classifying the administrative offences for violation of the rules of the General Labor Law approved by Law No. 12/23, of 27 December and Presidential Decree No. 152/24, of 17 July. The statute now defines the different types of offences as light, serious and very serious offences, proceeds to a general increase in the applicable fines, and clarifies the ancillary sanctions that offenders

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may be subject to. This diploma also establishes the entire procedure for the application of fines. The new regime is complemented by the General Regime of Administrative Offences previously approved by Law no. 19/22, of 7 July 2022. Presidential Decree No. 50/25 entered into force on the day of its gazetting.

New Legal Regime for the Temporary **Employment Contract and the Activity of Temporary Employees – Presidential Decree** No. 51/25, of 19 February, which regulates the rules of the General Labor Law on temporary work and the activity of assignment of these employees by temporary work agencies, was also approved. The new regime establishes that it is only possible to enter into temporary employment contracts and assign this type of employees under the same conditions, reasons and maximum periods (including renewals) provided for in the General Labor Law for fixed-term employees. The statute also regulates the licensing procedures of temporary work agencies. Contracts for the

assignment of employees entered into under the previous regime approved by Presidential Decree No. 31/17, of 22 February 2017, remain in force until the date of their expiration, but any renewal must already be made under the new diploma. This Presidential Decree also entered into force immediately.

FUTURE EMPLOYMENT OBLIGATIONS TO BE TAKEN INTO ACCOUNT

- Preparation and submission of the remuneration registration sheet to the INSS (companies with more than 20 employees are required to send electronically) and proceed with the payment of contributions by the 10th of the following month.
- Until April 30, 2025, digital submission to MAPTSS of the nominal registration of employees (RENT model), accompanied by the description of the employer's payroll with data reported to the March remuneration process.

FOR MORE INFORMATION, PLEASE CONTACT:





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