



LEGAL NEWS

Angola

January through February 2019

OIL & GAS

NEW ORGANIZATIONAL STATUTE OF SONANGOL EP APPROVED

The President of the Republic approved, by means of Presidential Decree No. 15/19, of 9 January 2019, the new Organizational Statute of Sociedade Nacional de Combustíveis de Angola (Sonangol EP). The amendments made aim at bringing Sonangol EP's Organizational Statute in line with the new organizational model of the petroleum sector, according to which the National Agency for Petroleum, Gas and Biofuels will be the new National Concessionaire for the sector, thereby assuming the role played by Sonangol EP to date. As a result, Sonangol EP will, for example, no longer hold exclusive rights to prospecting, exploration and production of liquid and gaseous hydrocarbons in the country.

NEW NATIONAL CONCESSIONAIRE FOR THE PETROLEUM SECTOR

In the context of the petroleum sector reform currently under way, Presidential Decree 49/19, of 6 February 2019, created the National Agency for Petroleum, Gas and Biofuels (Agência Nacional de Petróleo, Gás e Biocombustíveis, "ANPG"). In the new legal framework, ANPG assumes the role of

National Concessionaire for the petroleum sector, until now performed by Sonangol EP. This statute confers upon the ANPG the powers, for example: (i) to take all necessary actions for the awarding and management of oil and natural gas contracts; (ii) to prepare public announcements and promote biddings for the awarding of exploration, development and production rights, as well as to negotiate and execute the relevant contracts; (iii) to analyze and issue an opinion on the transfer to third parties of more than 50% of the share capital of an associate of the National Concessionaire; (iv) to audit the activities of petroleum operators, with a view to assessing the risks and checking technical, financial, legal and accounting compliance; and (v) to monitor all activities conducted under hydrocarbon exploration and production contracts.

INTERNAL REGULATIONS OF THE REGULATORY INSTITUTE OF PETROLEUM BY-PRODUCTS

The Minister of Mineral Resources and Petroleum approved, by means of Executive Decree No. 51/19, of 6 February 2019, the Internal Regulations of the Regulatory Institute of Petroleum By-Products (Instituto Regulador dos Derivados do Petróleo, “IRDP”). The new statute confers upon the IRDP the powers, for example (i) to protect consumers’ rights and interests in respect of prices, and quality of products and services; (ii) to regulate and supervise processes relating to the importation of petroleum products, throughout all of its stages; (iii) to regulate conditions for the access of third parties to storage facilities, reception terminals and pipelines for the transportation of petroleum products, and to review such conditions; and (iv) to regulate activities relating to the distribution and marketing of natural gas in the domestic market.

GENERAL STRATEGY APPROVED FOR THE AWARDING OF PETROLEUM CONCESSIONS

The Angolan Executive approved the General Strategy for the Awarding of Petroleum Concessions, for the period 2019-2025, by means of Presidential Decree No. 52/19, of 18 February 2019. The new statute provides that the awarding of concessions will be made through different contractual procedures (public tender, limited public tender and direct negotiation) and specifies various aspects of each (e.g. minimum participating interest on the part of Sonangol, ‘carry, etc.), most notably the blocks to be awarded during said period.

LABOR

EMPLOYMENT AGENCIES – NEW PROCEDURES TO OBTAIN OR RENEW LICENSE

Executive Decree No. 11/19, of 10 January 2019, enacted new procedures for obtaining or renewing an employment agency license for companies engaged in the activity of supplying workers on a temporary

basis. Under said statute, the license will be valid for a period of 24 months, while its renewal must be requested at least 30 days ahead of its expiry date; during this period an inspection will be carried out by the General Inspectorate of Labor. The statute, which entered into force on the date of publication, also provides that said companies must submit an Activity-Control Map to the competent Employment Centre on a six-monthly basis.

MINING

TECHNICAL REGULATIONS ON MARKETING OF ROUGH DIAMONDS APPROVED

In the context of the new Policy for the Marketing of Diamonds, Presidential Decree No. 35/19, of 31 January 2019, approved the Technical Regulations on the Marketing of Rough Diamonds, which came into force on the date of its publication.

The Regulations set forth and regulate:

- (i) a uniform criterion for the classification of rough diamonds based on the national standard sample;
- (ii) a uniform criterion for determining base sale prices;
- (iii) the types of sale (sights, spots and auctions), the rules applicable to all sales and the specific rules applicable to each type of sale;
- (iv) the public entities involved in the marketing process;
- (v) the creation of a buyers register; and
- (vi) the requirements applicable to diamond producers and buyers.

Among the objectives defined by the Regulations are ensuring greater transparency in the purchase and sale process and greater competition in the national diamond market, as well as guaranteeing producers' legitimate interests and ensuring the measures required to maintain price stability.

INTERMINISTERIAL WORKING GROUP CREATED FOR THE MINING SECTOR

Through Presidential Order No. 22/19, of 28 February 2019, an Interministerial Working Group was set up, coordinated by the Minister of Mineral Resources and Petroleum and aimed at analyzing and updating the Model for Readjusting the Organization of the Mining Sector provided for in the 2018-2022 National Development Plan. The duties of the Working Group include amending proposals for the setting up of the National Agency for Mineral Resources and the bye-laws of ENDIAMA – E.P. and FERRANGOL – E.P. so as to convert these state-owned entities into companies open to public investment. The measures to reform the mining sector should be presented by the Working Group

within 120 days from publication of the statute.

BANKING

DEPOSIT GUARANTEE FUND – CONTRIBUTIONS AND REPORTING OBLIGATIONS

Following on from Presidential Decree No. 195/18, of 22 August 2018, which created the Deposit Guarantee Fund (“DGF”), the Angolan Central Bank (Banco Nacional de Angola – “BNA”) recently issued Order No. 1/19, of 11 January 2019, which established formulas to calculate the relevant Initial and Annual Contributions due from Banking Financial Institutions operating in the country, to be paid by 28 February 2019 and 30 April 2020, respectively.

Additionally, by means of Order No. 2/19, of 11 January 2019, the BNA further established the reporting requirements and methods to be followed by said institutions in respect of deposits held by them, as well as the corresponding periodicity. As a transitional provision, said Order requires Banking Financial Institutions to submit, by 31 January 2019, a statement of deposits covered by the DGF.

CAPITAL MARKET

NEW RULES FOR REGULATED MARKETS

The Capital Market Commission issued Regulation No. 1/19, of 5 February 2019, which amends the regime covering Management Entities of Regulated Markets, Clearing Houses, Centralized Systems and Securities Settlement, previously set forth in Regulation No. 3/14, of 30 October 2014, now repealed. Among other aspects, the new statute regulates the regime covering registration, minimum share capital, own funds and accounting rules, and also sets forth specific requirements regarding qualified holdings and corporate governance. The Regulation is now in force.

NEW REGULATIONS FOR VENTURE CAPITAL AND ASSET SECURITIZATION

Through Regulation Nos. 2/19 and 3/19, both of 5 February 2019, the Capital Markets Commission implemented the legal regime for Venture Capital and for Asset Securitization, provided for respectively in Presidential Legislative Decree Nos. 4/15 and 6-A/15, both of 16 September 2015. These Regulations establish specific rules regarding the authorization process for incorporation/registration and engagement in the activity, the evaluation of assets held and applicable information duties. The Regulations entered into force on 5 February.

LEGAL REGIME FOR ASSET MANAGEMENT COMPANIES

Capital Markets Commission Regulation No. 4/19, of 5 February 2019, which came into force on the same date, establishes the rules to which Asset Management Companies ("SGPs") are subject. The Regulation provides specific rules for authorization of the incorporation and registration of said companies, as well as the conditions applicable to engagement in the activity in question and the information duties such entities should fulfill. In addition, the Regulation establishes criteria for calculating the value of portfolios managed by the companies.

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REGULATION ON INSTRUMENT FLIGHT PROCEDURES

By means of Order No. 17/19, of 22 February 2019, the Ministry of Transport approved Regulations on Instrument Flight Procedures, setting forth rules on the preparation, review and approval of instrument flight procedures, as well as the training and qualifications of the relevant technicians. Also established are the requirements to be met by organizations that draft the procedures, as well as the audit and inspection powers of the National Institute of Civil Aviation (INAVIC). The Regulations entered into force on 22 February 2019.

AERONAUTICAL TECHNICAL REGULATIONS UPDATED

The Ministry of Transport recently approved Order Nos. 18/19 and 19/19, both of 22 February 2019, respectively amending Aeronautical Technical Regulations Nos. 21 and 35, relating to Air Traffic Services and Rules of the Air, previously enacted by Executive Decree No. 168/11, of 5 October 2011, and by Executive Decree No. 26/12, of 17 January 2012.

In turn, Ministry of Transport Executive Decree No. 69/19, of 27 February 2019, republished Technical Aeronautical Regulation No. 2 on the Registration of Civil Aircraft and Nationality and Registration Number Markings, which, in addition to the requirements and procedures for registration of aircraft, registration certificates and respective forms, also establishes rules for the identification and affixing of markings on aircraft.

The Ministry of Transport also issued Executive Decree No. 70/19, of 27 February 2019, updating Aeronautical Technical Regulation No. 25 on Meteorological Services for International Air Navigation, previously enacted by Executive Decree No. 168/11, of 5 October 2011, in accordance with the standards and recommended practices of the ICAO – International Civil Aviation Organization.

Finally, through Executive Decree No. 71/19, of 27 February 2019, the Ministry of Transport approved the amendment to Aeronautical Technical Regulation No. 4 on the Continual Airworthiness of Aircraft, previously enacted by Executive Decree No. 168/11, of 5 October 2011. Among other aspects, the new statute updated the rules on the issuance of airworthiness certificates and documentation, the reporting of failures, malfunctions and defects, and the corresponding inspections.

INTERNATIONAL TREATIES

**ANGOLA'S ACCESSION TO THE CONVENTION ON
SUPPLEMENTARY COMPENSATION FOR NUCLEAR DAMAGE
APPROVED**

By means of Resolution No. 3/19, of 7 February 2019, the National Assembly approved for ratification the accession of the Republic of Angola to the Convention on Supplementary Compensation for Nuclear Damage ("CSCND"). The main purpose of the CSCND is to establish a compensation scheme aimed at complementing the regime covering compensation of nuclear damage provided for in domestic legislation.

**PROTOCOL ON THE STATUTE OF THE AFRICAN COURT OF
JUSTICE AND HUMAN RIGHTS APPROVED**

By means of Resolution No. 4/19, of 12 February 2019, the National Assembly approved for ratification the African Union Protocol on the Statute of the African Court of Justice and Human Rights ("ACJHR"). The Protocol provides for the merger of the African Court on Human and Peoples' Rights and the African Union Court of Justice, creating the ACJHR and approving its respective by-laws. The ACJHR has jurisdiction over legal disputes pertaining to, notably, the interpretation and application of the Constitutive Act of the African Union, the African Charter, the African Charter on the Rights and Welfare of the Child, the Protocol to the African Charter on Human and Peoples' Rights relating to the Rights of Women in Africa, the acts, decisions, regulations and directives of the African Union and, generally, any matters of international law.

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