

## TOURISM

**SOCIAL SUSTAINABILITY FUND FOR TOURISM**

Decree-Law No. 61/2016, of 29 November 2016, governs the organization and operation of the Social Sustainability Fund for Tourism, which will be an autonomous fund maintained by earmarked revenues (tourist contribution and gambling special tax).

## ENVIRONMENT

**FUND FOR THE ENVIRONMENT APPROVED**

Decree-Law No. 62/2016, of 29 November 2016, governs the projects operating regime related to environment prevention activities, as well as the organization and operation of the Fund for the Environment. This statute also determines the projects that are eligible for the Fund. Companies and civil society organizations can apply to it.

## REAL ESTATE

**LAND REGISTRY MADE EASIER**

Decree-Law No. 44/2016, of 6 September, undertakes the second amendment of Decree-Law No. 37/2014, of July 23, which approved the special legal regime for the implementation of the land registry in the islands of Sal, Boa Vista, São Vicente and Maio. The main innovation introduced by this statute is the amendments of the procedures for land registry.

## WATER AND SANITATION

**COMPANY ÁGUAS DE SANTIAGO TO MANAGE WATER AND SANITATION SERVICES**

Resolution No. 69/2016, of 16 September 2016, granted powers to certain Ministers to amend the existing concession agreement entered into between the State and Electra, hence allowing the inter-municipal company Águas de Santiago to operate water supply and sanitation services within the geographic area of the Municipality of Praia.

## AVIATION

**TARIFFS FOR DOMESTIC PASSENGER AIR TRANSPORT**

By means of Resolution No. 02/09/CA-2016 of the Board of Directors of the Civil Aviation Agency, published on 25 November 2016, the maximum tariffs for domestic passenger air transport were approved, as well as the conditions ancillary thereto, which shall enter into force on 1 January 2017.

## BANKING

**MICROFINANCE LEGAL FRAMEWORK NOW REGULATED**

By means of Notices No. 4/2016 to No. 15/2016, of August 2 2016, the Bank of Cape Verde has regulated Law No. 83/VIII/2015, of 16 January 2015, which established the legal regime for microfinance activity and relevant institutions. The Notices cover the following matters: (i) size of operations, minimum share capital and equity of microfinance institutions; (ii) credit and deposit limits and interest rate regime; (iii) operations allowed to savings and credit cooperatives; (iv) solvency of microfinance institutions; (v) reserves to be incorporated; (vi) reporting system; (vii) classification of credit operations and provisions; (viii) supervision of microfinance institutions; (ix) participation of microfinance institutions in the share capital of companies; (x) fixed assets of the microfinance institutions; (xi) foreign exchange positions, coverage of liabilities and limits to the concentration of credit risks; and (xii) governance system of microfinance institutions and information to the Government.

## TAX

**2016 STATE BUDGET APPROVED**

The 2016 State Budget was approved by means of Law 2/X/2016, of 11 August 2016. Due to the change of Government following the elections to the National Assembly, the approval was significantly delayed. The 2016 State Budget includes minor amendments to the tax laws, most notably Value Added Tax and customs duties. Among the measures approved, it is worth mentioning an incentive for the hiring of young people whose age does not exceed 35 years. The incentive, which translates into an exemption from mandatory social security contributions, is applicable where the relevant employment contracts are entered for at least one year, among other conditions.

## JUSTICE SYSTEM

**COURTS OF APPEAL**

The law enacted on 2011 on the organization and operation of the judicial courts provided for the existence of courts of appeal. By means of Ordinance No. 56/2016, of 21 October 2016, it was approved the opening of the Court of Appeal of Sotavento (with headquarters in the City of Assomada) and Barlavento (with headquarters in the City of Mindelo), which began operating on 2 November 2016.

## SOCIAL SECURITY

**PENSION FUND**

Resolution No. 69/2016, of 16 September 2016, authorizes the Bank of Cape Verde to be the custodian of the closed-end Pension Fund, for purposes of creating a fund in favour of the beneficiaries of the Bank's private pension system.

For further information about the contents of this Legal News, please contact:  
Mafalda Oliveira Monteiro  
[Mafalda.Monteiro@mirandalawfirm.com](mailto:Mafalda.Monteiro@mirandalawfirm.com)

Miranda & Associados  
Av. Eng. Duarte Pacheco, 7  
1070-100 LISBON – PORTUGAL  
T: +351 217 814 800 | F: +351 217 814 802  
[www.mirandalawfirm.com](http://www.mirandalawfirm.com)

**mirandaalliance**  
[www.mirandaalliance.com](http://www.mirandaalliance.com)

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