



STATE BUDGET

General State Budget for 2024 Enacted

The General State Budget for 2024 was enacted by means of Law No. 15/23, of 29 December 2023 (“State Budget Law”), which entered into force on 1 January 2024. The State Budget Law maintains some of the tax provisions introduced by former State Budget Laws for 2022 and 2023 (notably on Special Gaming Tax, Inheritance and Gift Tax on Movable Property and Motor Vehicle Tax), but also includes relevant innovations, notably a new Special Contribution on Foreign Exchange Operations and changes regarding Personal Income Tax and Industrial Tax (find further information on Miranda Alliance’s Legal Alert of 4 January 2024).

TAX AND CUSTOMS

Value Added Tax Code amended

In order to increase efficiency and fairness in the Tax System and to improve the Tax Administration's effectiveness in its control and inspection activities, some adjustments were recently made to the Value Added Tax (VAT) Code. Law No. 14/23, of 28 December 2023, amended and republished the VAT Code, consolidating fragmented legal provisions and adopting some amendments, notably applicable rates, exemptions, deductions and refunds.

New Customs Tariff for Import and Export Duties

Law No. 13/23, of 28 December 2023, has granted the Executive a legislative authorization to update the Customs Tariff for Import and Export Duties in order to adjust it to the new version of the Harmonized Commodity Description and Coding System. Among the various measures envisaged are the automatic and immediate granting of tax benefits to investment projects, and the adjustment of import duty rates applicable to goods and products similar or identical to those produced in the country. This authorization is valid for 180 days.

LABOUR

New General Labor Law

At long last, a new General Labor Law ("NGLL") has been enacted by Law No. 12/23, of 27 December 2023. The NGLL repeals the former General Labor Law approved by Law No. 7/15, of 15 June 2015, introducing significant changes to the Angolan labor legal landscape. The law shall come into force on 26 March 2024, i.e. 90 days as from its date of gazetting (find further information on Miranda Alliance's Legal Alert of 28 December 2023).

National Employment Agenda approved

With the aim of reducing the unemployment rate, reducing the imbalance between the demand for and supply of work, and promoting the settlement of people in their places of origin, the National Employment Agenda has been approved. Presidential Decree No. 226/23, of 5 December 2023, establishes the guidelines for coordinated action by the various public and private players to promote employment and fight poverty.

FREE TRADE AREA

COMESA-CAO-SADC Tripartite Free Trade Area

Agreement ratified

Angola has ratified the Agreement creating the Tripartite Free Trade Area between the Common Market for Eastern and Southern Africa ("COMESA"), the East African Community ("EAC") and the Southern African Development Community ("SADC"), in order to promote economic and industrial development, facilitating the movement of goods, services and people, increasing competitiveness and developing national companies. This Agreement provides for the gradual elimination of tariffs and non-tariff barriers to trade in goods, the liberalization of trade in services, cooperation in customs matters, and the implementation of trade facilitation measures.

NATIONAL DEVELOPMENT

2023-2027 National Development Plan approved

In order to promote the country's socio-economic and territorial development, the 2023-2027 National Development Plan ("PDN") was recently published by Presidential Decree No. 225/23, of 30 November 2023. The PDN brings together the Executive's objectives, strategies, programs and actions, with the purpose of achieving the goals set out in the Angola 2050 Long-Term Strategy ("ELP"), ensuring alignment and coherence between the different medium and long-term planning instruments and monitoring compliance with the goals set out by the ELP.

AIRPORT

New International Airport's Concession Bases approved

Presidential Decree No. 222/23, of 13 November 2023, approved the Bases for the Concession Contract for the Rights to Operate, Manage and Maintain the "Dr. António Agostinho Neto" International Airport (AIAAN). The scope of the Concession comprises a set of activities and services provided by the future Concessionaire, including: (i) operation and maintenance of the Airport Terminal; (ii) operation and maintenance of the flight runways; (iii) operation, maintenance and expansion of the Passenger Terminal; (iv) Operation, maintenance and expansion of the support buildings and facilities; and (v) operation of the Fuel Farm, transportation and fueling of aircraft. The term of the Concession will be 25 years and may be extended for further 15 years.

BANKING

Interest Rates Update

Directive No. 11/2023, of 24 November 2023, issued by the National Bank of Angola (BNA), set the following interest rates: (i) Basic Interest Rate of the BNA (BNA Rate) is set at 18.00% per annum; (ii) Interest Rate for the Permanent Liquidity Provision Facility (FCO) is set at 18.5% per annum; and (iii) Interest Rate for the Liquidity Absorption Facility is set at 17.5% per annum. This BNA instrument came into effect on the date of its publication and repealed Directive No. 08/DME/23, of 19 July 2023.

Requirements for the Provision of External Audit Services

BNA Notice No. 12/23, of 14 December 2023, approved the requirements for the Provision of External Audit Services, considering the need to adapt the rules on the provision of these Audit Services to the Financial Institutions and Holding Companies supervised by the BNA. This Notice came into force on the date of its publication and revokes Notice No. 9/21, of 5 July 2021.

New Rules for Contracting Forward Exchange Operations

Through Order No. 13/23, of 14 December 2023, the National Bank of Angola (BNA) established new criteria and procedures that must be observed by Banking Financial Institutions for the contracting of forward

exchange operations with their clients, i.e. operations for the purchase (sale) of Kwanzas and sale (purchase) of a foreign currency, in certain amounts and at certain exchange rates and future maturity dates. Under the new regime, commercial banks are allowed to carry out forward exchange operations for hedging purposes. This BNA Order came into effect on the date of its publication and repealed BNA Order No. 22/20, of 27 November 2023.

PRIVATIZATIONS

Privatization of ACREP, MECAMETAL, INDUTUBO and other State Assets

Following the Privatization Program (PROPRIV), the privatization, by initial public offering (IPO), of the 16.63% stake indirectly held by the State in ACREP - Exploração Petrolífera, S.A. ("ACREP") was approved by Presidential Order No. 287/23, of 12 December 2023.

To the same end of fostering investment and private initiative, the public tender for the privatization, in the modality of disposal of assets, of MECAMETAL and INDUTUBO (two Industrial Units located in the Luanda-Bengo Special Economic Zone), was approved. Also authorized was the opening of the public tender, via electronic auction, for the Privatization of Armazém do Chimbodo, Cerâmica do Sassa Zau, Complexo de Frio de Cabinda and Moageira de Farinha de Trigo de Cabinda, in the modality of disposal of assets, by means of Order No. 7061/23, of 21 November 2023.

MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES

Micro, Small and Medium-sized Enterprises Award created

To encourage and recognize business merit and entrepreneurial and innovative initiatives, in the context of increasing national production, the Micro, Small and Medium Enterprises Award has been created.

Presidential Decree No. 221/23, of 10 November 2023, also approved the respective Prize Regulations, determining the evaluation criteria and establishing the documentation and deadlines for the submission of applications.

For further information about the contents of this Legal News, please contact:

angola@mirandaalliance.com

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