

Angola

PRIVATE INVESTMENT LAW (2018)

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PRIVATE INVESTMENT LAW

(Law no. 10/18 of June 26th)

CHAPTER I

General Provisions

Article 1 (Object)

The present Law establishes the general principles and basis of private investment in the Republic of Angola, determining the benefits and concessions that the Government of Angola grants private investors and the criteria for accessing them, as well as establishing rights, duties and guarantees of private investors.

Article 2 (Scope)

1. The present Law is applied to private investments of any value, whether it is carried out by domestic or foreign investors.
2. The present Law is not applicable to investments carried out by public domain companies in which the Government holds most capital.
3. The present Law is not applicable, yet, to those sectors of activity whose investment regime is regulated by special law.

Article 3 (Definitions)

For the purposes of the present Law, it is considered:

- a) «Increased Investment», operation of contributing additional resources regarding the initially declared, registered and carried out investment, aimed at increasing its scale;
- b) «Benefits», fiscal and customs benefits that imply a reduction or exemption of the tax rate;
- c) «Private Investment», use of resources by private law companies, national or foreign, through the allocation of capital technology and knowledge, equipment assets and others, intended for maintenance or increase of capital stock;
- d) «Domestic Investment», carrying out investment projects by means of using capital hold by foreign exchange residents, being these able, besides monetary means, to adopt, equally, the technology and knowledge or equipment assets and others, through funding, even if hired abroad;
- e) «Foreign Investment», carrying out investment projects by means of using capital hold by non-foreign exchange residents, being these able, besides monetary means, to adopt, equally, the technology and knowledge or equipment assets and others;
- f) «Direct Investment», all private investment, domestic or foreign, that consist in using, in national territory, capital, technology and knowledge, equipment assets and others in economic projects or in using funding intended to creating new companies, enterprise grouping, domestic or foreign, as well as the full or partial acquisition of already existing Angolan law companies, aimed at creating or continuing a certain economic activity and direct participation in its management, according to the respective social object;
- g) «Indirect Investment», all investment, domestic or foreign, carried out by private law companies that, not constituting direct investment, comprehend separate or cumulatively, moving capitals and other financial instruments, such as the acquisition of shares, public debt securities, loans, advances, capital supplementary instalments, patented technology, technical processes, secrets and industrial models, franchises, registered trademarks and other ways of accessing its use in regime, whether exclusively, whether by restrict licensing by geographic areas or fields of industrial and/or commercial activity, among others;

- h) «Mixed Investment», all investment that comprises operations of domestic and foreign investment;
- i) «Domestic Investor», any person, natural or legal, foreign exchange resident, that carries out an investment in the terms of paragraph d) of the present article;
- j) «Foreign Investor», any person, natural or legal, non-foreign exchange resident, that carries out an investment in the terms of paragraph e) of the present article;
- k) «Reinvestment», applying, in national territory, total or part of the profit generated by domestic or foreign investment, having the latter to obey the rules to which the initial investment is subjected to;
- l) «Special Purpose Entity», company by which the Private Investment Project is implemented.

CHAPTER II

Private Investment Principles

Article 4 (General Principles)

Private investment and granting of benefits and concessions politics follow the following general principles:

- a) Respect for the principles and goals of national economic politics;
- b) Respect for private property and other rights in rem;
- c) Respect for market economy regulations, in the basis of values and principles of healthy competition, morality and ethics between economic agents;
- d) Respect for free economic and corporate initiative, except for areas defined as being reserve of the Government by the Constitution and by law;
- e) Guarantees of investment safety and protection;
- f) Guarantees of free property and capital circulation, within the legal terms and boundaries;
- g) Respect for bilateral and multilateral agreements and treaties on the matter which the Government is part of.

Article 5 (Principle of Political and Legal Conformation)

Carrying out the private investment according to the present Law, regardless of how it is reviewed, it must contribute to the economic and social development, and be in conformity with the provisions of the present Law, its regulation and other applicable legislation.

CHAPTER III

Terms and Investment Operations

Article 6 (Private Investment Terms)

Private investment can be domestic, foreign or mixed.

Article 7 (Operations of Domestic Investment)

1. Under the terms and for purposes of the present Law, the following are considered operations of domestic investment, among others:

- a) Using means of payment available in national territory;
- b) Acquisition of technology and knowledge;
- c) Acquisition of machinery and equipment;
- d) Conversion of credits resulting of any kind of contract;
- e) Acquisition of shareholdings in already existing Angolan law trading companies;
- f) Application of financial resources resulting from loans, including those which have been obtained abroad;
- g) Creation of new trading companies;
- h) Conclusion and amendment of contracts of consortiums, association in shareholding, joint venture, association of third parties to capital parts or shares and any other forms of allowed contract of association, even if not in conformity with the existing commercial legislation;
- i) Total or partial taking of commercial and industrial establishments, by acquisition of assets or assignment of exploitation contracts;
- j) Acquisition or assignment of exploitation of commercial or industrial establishments;
- k) Exploitation of real-estate complexes, touristic or non-touristic, regardless of their legal nature;
- l) Conclusion of lease contract of land for agricultural purposes and transfer of rights on land;
- m) Transfer of patented technologies and registered trademarks, whose remuneration is limited to distributing profits resulting from activities in which such technologies or trademarks have been applied;
- n) Carrying out capital supplementary instalments, advance of associates and, in general, loans linked to participation in profits;
- o) Acquisition of real-estate assets located on national territory, when that acquisition is carried out on projects of private investment.

2. For projects exclusively intended for exportation, it is considered operations of domestic investment the obtaining of borrowed funds abroad, by domestic investors, as long as the refund of the debt service is guaranteed by exportation revenues.

3. Are not considered domestic investment operations those that consist on renting or chartering of automobiles, vessels, aircrafts and other means that are subject to renting or chartering, leasing or any other form of temporary use in national territory.

Article 8 (Means of carrying out a Domestic Investment)

Domestic private investment can be carried out, separate or cumulatively, in the following manners:

- a) Allocation of own funds;
- b) Application of existing available funds in bank accounts established in the Country, owned by foreign exchange residents, even if resulting from funding obtained abroad;
- c) Allocation of machinery, equipment, accessories and other tangible fixed assets;
- d) Incorporating credits and other available funds of the private investor, susceptible to be applied as investments;
- e) Incorporating technologies and knowledge susceptible to pecuniary assessment;
- f) Application, in national territory, of funding within the scope of reinvestment.

Article 9 (Operations of Foreign Investment)

1. It is considered foreign investment operations those which are carried out by non- foreign exchange residents with resources from abroad, namely:

- a) Introduction of freely convertible currency on national territory;
- b) Introduction of technology and knowledge, as long as they are added value for the investment and are susceptible to pecuniary assessment;
- c) Introduction of machinery, equipment and other tangible fixed assets;
- d) Conversion of credits resulting from the implementation of supply contracts of machinery, equipment and goods, as long as, demonstrably, be passible of payments abroad;
- e) Acquisition of shareholdings in already existing Angolan law companies;
- f) Creation of new companies;
- g) Conclusion and amendment of contracts of consortiums, association in shareholding and other forms of corporate cooperation allowed in international trade, even if not established in the existing commercial legislation;
- h) Acquisition of commercial or industrial establishments;
- i) Conclusion of lease or land exploitation contracts for agricultural, livestock and silvicultural purposes;
- j) Exploitation of real-estate complexes, touristic or non-touristic, regardless of their legal nature;
- k) Carrying out capital supplementary instalments, advance of associates and, in general, loans linked to participation in profits;

l) Acquisition of real-estate assets located in national territory, when that acquisition is carried out in projects of private investment.

m) Creation of subsidiaries, branches or any other forms of social representation of foreign companies.

2. For projects exclusively intended for exportation, it is considered operations of foreign investment the obtaining of borrowed funds abroad, by foreign investors, as long as the refund of the debt service is guaranteed by exportation revenues.

3. Are not considered foreign investment operations those that consist in renting or chartering of automobiles, vessels, aircrafts and other means that are subject to renting or chartering, leasing or any other form of temporary use on national territory.

4. Notwithstanding the provisions of the previous number, the operations referred in it can be considered operations of foreign investment, as long as, due to its large economic relevance or strategic importance, the Executive Power Holder expresses and, casuistically, understands to grant them such status.

Article 10 (Means of carrying out a Foreign Investment)

1. Foreign investment can be carried out, separate or cumulatively, in the following manners:

a) Transfer of own funds from abroad;

b) Application of available funds in national and foreign currency, in bank accounts established in Angola by non-foreign exchange residents, subjected to repatriation, within the terms of the applicable foreign exchange legislation;

c) Application, in national territory, of funds within the scope of reinvestment;

d) Transfer of machinery, equipment, accessories and other tangible fixed assets;

e) Incorporation of technologies and knowledge.

2. Provisions listed in paragraphs d) and e) of the previous number must be always complemented with transferring of funds from abroad, namely, to finance establishing and installation expenses and running costs.

Article 11 (Advances for Foreign Investment Operations)

Shareholders and associates' advances carried out for foreign investment purposes cannot be 30% higher than the value of the investment carried out by the incorporated company, being only refundable after 3 (three) years from the date of registration in the company's accounts.

Article 12 (Indirect Investment Limit)

Whenever the domestic or foreign investor intends to carry out operations classified as indirect investment, in the terms of the present Law, those cannot exceed 50% of the investment's total value.

CHAPTER IV

Rights, Duties and Guarantees of the Private Investor

Article 13 (Companies' Statutes)

Companies incorporated in conformity with the Angolan law, even with capital from abroad are, for all legal purposes, Angolan law companies, being subjected to the existing Angolan legislation.

Article 14 (Guarantee of Rights)

1. The Government respects and protects the right of property of private investors on the assets of their enterprise, namely the right to use them freely in the terms of the law, without interference from third-parties, including the Government.
2. The assets mentioned in the previous number can only be requisitioned or expropriated in the strict terms of the Constitution and law.
3. If the assets mentioned in the previous number are requisitioned or expropriated, for reasons of public usage, in the terms of said previous number, the Government guarantees payment of a fair and prompt compensation, in the terms of the Constitution and law, whose value is determined according to Angolan law.
4. The Government respects and protects professional, banking and commercial secrecy of private investors, in the terms of the law.

Article 15 (Jurisdictional Guarantees)

1. The Angolan Government ensures to all private investors access to Angolan courts for the defending of their interests, guaranteeing them their due legal processes, protection and safety.
2. Within the scope of the present Law, conflicts that may eventually arise regarding available rights might be solved through alternative methods of resolving conflicts, namely, negotiation, mediation, conciliation and arbitration, as long as that by special law they are not subjected to judicial court or necessary arbitration.

Article 16 (Other Guarantees)

1. It is guaranteed the right to intellectual property, in the terms of the law.
2. The Government respects and protects the rights of land ownership and fruition, as well as of other domanial resources, in the terms of the existing legislation.
3. It is forbidden the public interfering in private companies' management, with the exception of cases established by law.

4. It is forbidden the cancelling of permits or authorizations without the competent administrative or judicial process.
5. Private investors have the right to import goods from abroad for the execution of their projects, and the right to export goods, whether manufactured by them or not, without prejudice to the rules of domestic market protection, established by law.
6. The exercising of the import and export activity, mentioned in the previous number, requires the obtaining of the proper licensing by the Angolan competent authorities.

Article 17 (General Duties)

Private investors must respect the Constitution, the present Law and other legislation applicable in the Republic of Angola, and in particular, abstain direct or indirectly, by themselves or through third-parties, of practicing acts that translate into interference in the Angolan's Government internal affairs.

Article 18 (Specific Duties)

The private investor is, in particular, required to:

- a) Obey deadlines established for importing capital and for implementing the investment project, according to the commitments undertaken;
- b) Pay taxes, rates and all other legally due contributions;
- c) Constitute funds and reserves and make provisions in the terms of the existing legislation;
- d) Apply the chart of accounts and the accounting regulations established by law;
- e) Respect the norms regarding the defence of the environment, in the terms of the existing legislation;
- f) Respect the norms regarding hygiene, protection and safety at work against occupational diseases, work accidents and other eventualities established in the labour legislation;
- g) Hire and keep up-to-date all Insurances Against Accidents and Occupational Diseases of the workers;
- h) Hire and keep up-to-date Insurances of Civil Liability by Damage Caused to Third- Parties or the Environment.

Article 19 (Transferring Abroad)

Foreign investors, after the complete execution of the Private Investment Project, properly approved by the competent authorities and after payment of due taxes and constitution of mandatory reserves, have the right to transfer abroad:

- a) Values corresponding to dividends;
- b) Values corresponding to the proceeds of the liquidation of their enterprises;
- c) Values corresponding to due compensations;
- d) Values corresponding to royalties or other earnings of remuneration incomes from indirect investments, associated to transfer of technology.

Article 20 (Resorting to Credit)

1. Private investors can resort to domestic and foreign credit, in the terms of the existing legislation.
2. Foreign investors and companies mostly owned by them are only eligible for domestic credit after having fully implemented their respective investment projects.

CHAPTER V

Benefits and Concessions for the Investors

Article 21 (General Principles)

1. Investors covered by the present Law are subjected to the existing legislation of the Republic of Angola, having the rights and duties and taking advantage of the benefits and concessions established by it.
2. The benefits conferred by the present Law are applicable, exclusively, to activities inserted in the execution of the registered private investment.
3. Private investment special purpose entities which take advantage from benefits in the terms of the present Law, must present a tax return regarding the respective investment, separately from other economic activities developed by them.
4. The granting of benefits and concessions is automatic, as long as the investment obeys the criteria established by the present Law.
5. It is allowed to grant benefits regarding taxes such as Industrial, Property Transfer, Urban Building, On Application of Capitals, Stamp Duty and others of the same or different nature.

Article 22 (Goals regarding granting of Benefits and Concessions)

Granting benefits established by the present Law considers the following economic and social goals:

- a) Promote growth and diversification of the economy;
- b) Provide better opportunities for the development of the most deprived areas, mainly in the inner regions of the Country;
- c) Increase the national productive capacity, based on the incorporation of local raw-materials and increase the added value of goods manufactured in the Country;
- d) Strengthen national private companies through partnerships with foreign companies;
- e) Stimulate the creation of new jobs for national workers and increase the Angolan workforce's professional qualifications;
- f) Promote transferring of knowledge and technology, as well as increase the productive efficiency and competitiveness;

- g) Promote the increase and improvement of exportations and reduce importations;
- h) Promote the increase of foreign exchange available funds and the stability of the balance of payments;
- i) Re-stimulate the efficient and effective supply of the domestic market;
- j) Rehabilitate, expand and modernise infrastructures intended for economic activity.

Article 23 (Nature of the Benefits)

Benefits can be of a Fiscal or Financial Nature.

Article 24 (Benefits of Fiscal Nature)

Are considered benefits of Fiscal Nature the deductions on taxable amounts, accelerated depreciations and reincorporations, exemption and reduction of tax rates, contributions and rights of importation, granting in time of payment of taxes and other measures of exceptional nature that benefit the investor.

Article 25 (Benefits of Financial Nature)

Are considered benefits of Financial Nature the access to credit through the Executive's economic support programs, such as microcredit, interest rate subsidy, public guarantee and risk capital for obtaining financing.

Article 26 (Concessions)

1. Concessions are the acts of simplified and priority access to public administration services, namely, in the obtaining of permits and authorizations, as well as in the swift access to public assets.
2. The Government guarantees private investors, through means of concentrated services, with simplified and swift procedures, the essential records of legal, fiscal and social security nature, as well as eventual records regarding the registration of intellectual property, movable property, real-estate properties and others.

Article 27 (Incidence Factors)

Benefits and concessions are granted considering the following factors:

- a) Priority sectors of activity;
- b) Development areas.

Article 28 (Priority Sectors of Activity)

For purposes of granting benefits established in the present Law, are considered as priorities the market segments in which there is an identification of potential replacing of importations or promoting and diversification of the economy, including exportations, included in the following sectors:

- a) Education, Technical-Professional Training, Higher Education, Scientific Investigation and Innovation;
- b) Agriculture, Food and Agroindustry;
- c) Health Units and Specialized Services;
- d) Reforestation, Industrial Transformation of Forest and Silviculture Resources;
- e) Textiles, Clothing and Footwear;
- f) Hotel and Catering, Tourism and Leisure.
- g) Construction, Public Works, Telecommunications and Information Technologies, Airport and Railroad Infrastructures;
- h) Production and Distribution of Electric Energy;
- i) Basic Sanitation, Collecting and Processing of Solid Waste.

Article 29 (Areas of Development)

For the purposes of the present Law, the Country is organised in the following areas of development, with the benefits being increasingly attributed:

- a) Area A – Province of Luanda and the head municipalities of the Provinces of Benguela, Huíla and the Municipality of Lobito;
- b) Area B – Provinces of Bié, Bengo, Cuanza-Norte, Cuanza-Sul, Huambo, Namibe and the remaining municipalities of the Provinces of Benguela and Huíla;
- c) Area C – Provinces of Kuando Kubango, Cunene, Lunda-Norte, Lunda-Sul, Malanje, Moxico, Uíge and Zaire;
- d) Area D – Province of Cabinda.

Article 30 (Exceptional Nature of Fiscal and Customs Benefits)

1. Fiscal and customs benefits are not rules and are limited in time.
2. Without prejudice from what is established in article 33 of the present Law, the granting and extinction of customs benefits obey the tax regime established by the Customs Tariff of the existing Import and Export Rights.

Article 31 (Extinction of Benefits)

1. Benefits are extinct:
 - a) By the due date which they have been granted, being that the deadline cannot be higher than 10 (ten) years;
 - b) By the fruition of savings from taxes which have not been declared to the Government with an amount equal to the one from the carried out investment;
 - c) By verifying the presumptions of the respective resolving condition;
 - d) By cancelling the registering of the investment.

Article 32 (Reinvestment Benefits)

Reinvestment projects can be granted benefits established by the present Law, under the terms to be regulated.

Article 33 (Resuming Normal Payment of Taxes)

With extinct benefits, the private investor resumes the normal regime of paying due taxes and customs rights, within the scope of the Investment Project.

CHAPTER VI

Regimes, Benefits and Concessions

Article 33 (Investment Regimes)

Private Investment Projects fit within the scope of the following regimes:

- a) Regime of Prior Declaration;
- b) Special Regime.

Article 35 (Regime of Prior Declaration)

1. The Prior Declaration Regime is characterised by the simple presentation of the investment proposal to the competent body of the Public Administration Office for purpose of registering and granting of benefits established in the present Law.
2. In the Prior Declaration Regime, companies must be previously incorporated, being unnecessary the presenting of the Certificate of Registering of Private Investment in the act of such establishing.
3. The nature and structure of the Prior Declaration are handled by the present Law's regulations.

Article 36 (Special Regime)

1. Special regime is applied to private investments carried out in priority activity sectors and areas of development, established in the present Law.
2. Private investments established in no. 1 of the present article are subjected to registering in the competent body of the Public Administration Office, for purposes of granting benefits and concessions established in the present Law.

Article 37 (Investment Regime Selection)

Private investors are free to choose any of the investment regimes.

Article 38 (Benefits of the Prior Declaration Regime)

Prior Declaration Regime takes advantage of the following fiscal benefits:

- a) Reduction of the rate to half in the Property Transfer Tax, through the acquisition of real-estate intended for office and the establishing of the investment;
- b) Reduction of the final and temporary settlement rate by 20% in the Industrial Tax, for a period of 2 (two) years;
- c) Reduction of the rate applied on the distribution of profits and dividends by 25% in the Application of Capitals Tax, for a period of 2 (two) years;
- d) Reduction of the rate to half in the Stamp Duty Tax, for a period of 2 (two) years.

Article 39 (Benefits of the Special Regime)

Special Regime takes advantage of the following fiscal benefits:

- a) In the Property Transfer Tax:

Area A – Reduction of the rate to half, through the acquisition of real-estate intended for office and establishing of the investment;

Area B – Reduction of the rate by 75%, through the acquisition of real-estate intended for office and establishing of the investment;

Area C – Reduction of the rate by 85%, through the acquisition of real-estate intended for office and establishing of the investment;

Area D – Property Transfer Tax corresponds to half of the rate that is granted to Area C. b)

- b) In the Urban Building Tax:

Area B – Reduction of the rate by 50%, for the property of the real-estate intended for office and establishing of the investment, for a period of 4 (four) years;

Area C — Reduction of the rate by 75%, for the property of the real-estate intended for office and establishing of the investment, for a period of 8 (eight) years;

Area D – The Urban Building Tax corresponds to half of the rate that is granted to Area C, for a period of 8 (eight) years.

- c) In the Industrial Tax:

Area A – Reduction of the final and temporary settlement rate by 20%, for a period of 2 (two) years;

Area B – Reduction of the final and temporary settlement rate by 60%, for a period of 4 (four) years; Increase of the depreciation and reincorporation rates by 50%, for a period of 4 (four) years.

Area C – Reduction of the final and temporary settlement rate by 80%, for a period of 8 (eight) years; Increase of the depreciation and reincorporation rates by 50%, for a period of 8 (eight) years.

Area D – Industrial Tax Rate corresponds to half of the rate that is granted to Area C, for a period of 8 (eight) years; Increase of the depreciation and reincorporation rates by 50%, for a period of 8 (eight) years.

d) In the Application of Capitals Tax:

Area A – Reduction of the rate applied on the distribution of profits and dividends by 25%, for a period of 2 (two) years;

Area B – Reduction of the rate applied on the distribution of profits and dividends by 60%, for a period of 4 (four) years;

Area C – Reduction of the rate applied on the distribution of profits and dividends by 80%, for a period of 8 (eight) years;

Area D – The Application of Capitals Tax Rate applied on the distribution of profits and dividends corresponds to half of the rate granted to Area C, for a period of 8 (eight) years.

Article 40 (Other Benefits and Concessions)

1. Private Investment Special Purpose Entities, in Special Regime, are exempt of paying due rates and emoluments of any requested service, including customs ones, by a non- corporate public entity for a period no longer than 5 (five) years.

2. Regular support for the follow-up of the implementation of Investment Projects, as well as guidance in problem-solving that may arise with public authorities in the investment project implementation stage, related with operational aspects such as the obtaining of construction permits, obtaining of power and water supply, obtaining of visas, obtaining of environmental permits and other operational needs of carrying out private investments, is made available by the Public Administration Office through services concentrated within the same space, physical and/or virtual, with simplified and swift procedures, under the terms to be regulated.

CHAPTER VII

Foreign Exchange Regime and Implementation of Investment Projects

SECTION I

Foreign Exchange Regime

Article 41 (Foreign Exchange Operations)

1. Foreign exchange operations in which is applied what is established by articles 7, 9, 10 and 19 of the present Law are regulated by the norms established in legislation that regulate matters of foreign exchange nature.

2. The carrying out of operations of importation of capitals follows the regulations established by specific legislation of the currency and foreign exchange authority.

Article 42 (Value of Registering Equipment)

Registering private investment as a way of importing machinery, equipment and its components, new or used ones, is carried out through its FOB value in foreign currency and its counter-value in national currency, according to the exchange rate of the National Bank of Angola corresponding to the day of presenting the customs declaration.

Article 43 (Value of Machinery and Equipment)

The value of machinery and equipment is subjected to approval through proper documentation issued by the source by a properly certified entity of asset valuation.

SECTION II

Implementation of the Investment Project

Article 44 (Execution of Projects)

1. The execution of the Investment Project must be initiated within the deadline established in the Certificate of Registration of Private Investment.
2. In properly substantiated cases and upon request of the private investor, the deadline mentioned above in the previous number can be extended.
3. The execution and management of the Private Investment Project must be carried out in strict conformity with the applicable legislation, not being allowed that contributions from abroad be applied to different purposes of those to which they were declared in the investment registration act, nor deviate from the object that has been registered.
4. Transfers carried out in regulated markets do not need any additional formality, with the exception of those established in the Angolan Securities Market Code.

Article 45 (Company Changes)

1. Company changes that involve the increase of social capital, widening of social object, assignment of quotas or transfer of shares, are not bound to previous authorization from the proper bodies of the Public Administration Office that proceed to the registration of investment and granting of benefits established in the present Law, without prejudice of communication under the terms to be regulated.
2. In the case in which changes established in the previous number of the present article involve importing capitals, those are subjected to registration in the competent bodies.
3. Changing or widening the object of the Project is subjected to registration in the competent bodies.

Article 46 (Workforce)

1. The private investor must employ Angolan workers, providing them the necessary professional training and social and wage conditions compatible with their qualifications, being forbidden any type of discrimination.
2. The private investor can, under the terms of the existing legislation, employ foreign qualified workers, having, however, to follow a rigorous training or empowerment program of national technicians, aiming to gradually fill those positions with Angolan workers.
3. The training program and gradual substitution of foreign workforce by national one must be part of the Investment Project documentation, at the moment of registration.

CHAPTER VIII

Infringements and Penalties

Article 47 (Types of Infringements)

The following are considered infringements for purposes of the present Law:

- a) The use of resources from abroad for purposes different from those for which they were declared and registered.
- b) Practicing invoicing that allows the illicit exit of capitals or the misrepresenting of obligations to which the company or association are subjected to, mainly the fiscal nature ones;
- c) The lack of execution of training actions or the non-substitution of foreign workers by national ones in the terms and deadlines established in the Investment Project;
- d) The lack of unjustified execution of the investment within the registered deadlines;
- e) The lack of information transmitted to the competent fiscal bodies, under the terms to be regulated;
- f) The falsification of goods and providing of false declarations.
- g) The over-invoicing of imported machinery and equipment prices in the terms of the present Law;
- h) The carrying out of commercial activity outside the declared commercial scope.

Article 48 (Fines and other Penalties)

1. Without prejudice from other penalties specially established by law, infringements mentioned in the previous article are subjected to the following consequences:
 - a) Imposing of a fine of 1% of the value of the investment, being that tripled in case of infringement recurrence.
 - b) Loss of benefits and other concessions granted under the terms of the present Law;

c) Cancelling of the private investment's registration.

2. The non-execution of projects within the initial declared or extended deadline is subjected to penalties established in paragraph c) of the previous number, followed by payment of a fine in the amount equivalent to granted benefits, added to 1% of the investment value, with the exception of proven force majeure situation.

3. Without prejudice from the penalty established in the present Law, the infringement of paragraph f) of article 47 is, yet, penalized under the terms of Penal Law.

CHAPITRE IX

Final and Transitional Provisions

Article 49 (Previous Investment Projects)

1. The present Law and its regulation do not apply to Investment Projects approved before its coming into effect, continuing these, until the end of its implementation, to be regulated by the legislation provisions and specific terms or contracts, based on which the authorization was granted.

2. The provisions established in the previous number do not apply to private investors that specifically require the submitting of their already approved projects to the regime established by the present Law.

3. Already granted benefits and other concessions established by previous laws remain in effect within the established deadlines, not being allowed their extension.

4. Investment Projects pending at the date of coming into effect of the present Law are registered under its established terms.

Article 50 (Revocation)

All legislation that opposes the provisions established by the present Law is revoked, namely Private Investment Law no. 14/15, of August 11th.

Article 51 (Doubts and Omissions)

Doubts and omissions resulting from interpreting and applying the present Law are addressed by the National Assembly.

Article 52 (Coming into Effect)

The present Law comes into effect at the time of its publication.

Reviewed and approved by the National Assembly, in Luanda, in May 17th 2018.

The President of the National Assembly, Fernando da Piedade Dias dos Santos.

Promulgated in June 13th 2018.

To be published.

The President of the Republic, João Manuel Gonçalves Lourenço.

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