



JUN. 20

**ANGOLA** 

# **NEWS**

## Regulations on the activities of civil construction and public works, works projects and supervision of works

Presidential Decree 146/20 of 27 May was published to make the criteria for carrying out civil construction and public works, works projects and supervision of works clearer and to make the administrative processes faster. The overall objective is to meet the current challenges of the Angolan economy, which requires solid and competitive companies.

To clarify and speed up civil construction and public works, works projects and supervision of works, and the associated administrative processes, the new decree maintains many of the provisions of its predecessor, Presidential Decree 63/16 of 29 March which is now repealed. The main changes are:

"To clarify and speed up civil construction and public works, works projects and supervision of works, and the associated administrative processes, the new decree maintains many of the provisions of its predecessor."

- O The activities of civil construction and public works, works projects and works supervision depend on a registration title or permit to be granted by the Municipal Administrations, Provincial Governments or IRCCOP, instead of being granted only by the IRCCOP. The registration title must be granted to entities that meet the requirements contained in this Decree and that execute works whose amount does not exceed the maximum fixed value of AOA (kwanza) 35,000,000. The Municipal Administrations are responsible for granting registration titles and 1st and 2nd Class permits, the Provincial Governments are responsible for the granting of 3nd and 4th Class permits, and the IRCCOP is responsible for the remaining classes.
- O The transfer of powers to Municipal Administrations and Provincial Governments to issue the title of registration and permits of the  $l^{\rm st}$ ,  $2^{\rm nd}$ ,  $3^{\rm rd}$  and  $4^{\rm th}$  classes must be preceded by verification by the IRCCOP of the creation of technical, logistical and human conditions necessary in these territorial districts. Until the above conditions are created and to ensure the normal functioning of the issuance of enabling securities, as the regulatory body, the IRCCOP will continue to issue the securities already identified.

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- O The application for registration must be accompanied by the same documents as those required by the repealed decree, whether the applicant is an individual or a legal entity, with the exception of the Criminal Registry Certificate if the applicant is an individual. The new decree does not mention the requirements for carrying on these activities, although the previous decree did.
- O While the previous decree contains an extensive list of the situations that lead to the applicant not fulfilling the requirement of good repute, the new decree only states that individuals or legal entities and their legal representatives are considered suitable to engage in the activity of civil construction and public works provided they are not subject to any judicial or administrative prohibition.
- The requirements for the obtain and maintain the qualifications of sole traders or trading companies through the issue of the applicable permit remain the same:
  - i) Good repute;
  - ii) Technical ability;
  - iii) Economic and financial capacity; and
  - iv) Presentation of work accident insurance.
- O The requirements and documentation for the renewal of the permit and the application for it do not change either. Only minor adjustments have been made in relation to the time periods of the financial health indicators and the accidents at work that have occurred.
- O Economic and financial capacity is now only demonstrated through:
  - i) Overall turnover in contracts made (execution, project and works supervision); and
  - ii) Equity values with a minimum of 5% of the class requesting it.

The indicators of general liquidity, financial autonomy and solvency and their respective classes have been adjusted slightly.

- O The tables of categories of work (Annexes) have also undergone some changes, both in designation and number of categories.
- The minimum number of staff for the Civil Construction Permits has also changed, and a Health and Safety Technician is now required for all classes, in addition to other technicians.

"The requirements for the obtain and maintain the qualifications of sole traders or trading companies through the issue of the applicable permit remain the same."

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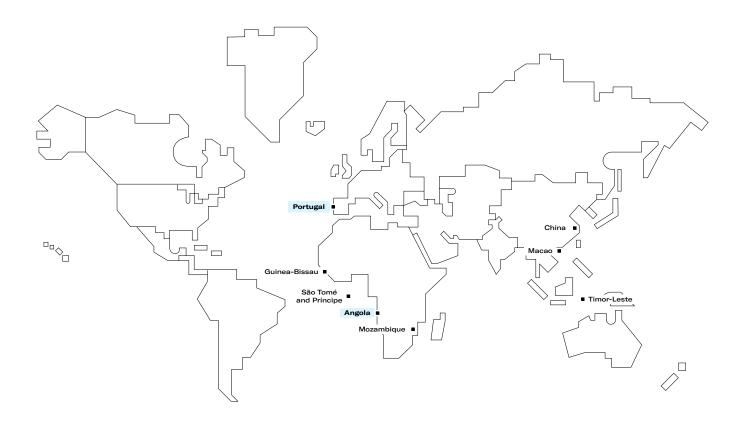
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In the case of applications to carry out civil construction and public works activities, works projects and works supervision which are pending on the date of its entry into force, the provisions of the new Regulations will apply to all acts subsequent to that date.

Applicants whose cases are pending must amend their application in accordance with the provisions of the Regulation within thirty days of the date of publication of Presidential Decree 146/20 of 27 May. If, in the application of the Regulations to acts subsequent to their entry into force, it is necessary to amend those already carried out in the proceedings, the competent services must ensure that any such amendments are limited to what is strictly necessary and are made with the minimum prejudice to those concerned.  $\blacksquare$ 



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