



APR. 21

ANGOLA

New rules for exchange operations - individuals

The recent Notice 05/2021 of 14 April issued by Banco Nacional de Angola (the "Notice") introduces new rules and procedures that must be observed by individuals – whether or not they are residents for foreign exchange purposes – when carrying out foreign exchange transactions.

Foreign exchange transactions may only be carried out (i) at the request of customers whose account opening processes have been properly completed, (ii) if the financial capacity of the originator is confirmed, taking into account the proven income earned, to ensure the legitimacy of the possession of the funds in Angolan currency used to purchase the foreign currency or the customers' own resources in foreign currency, and (iii) if the total amount of the requested transaction and the transactions already carried out in the calendar year by the originator are compatible with their financial capacity.

The Notice more than doubles the cumulative annual limit on transactions carried out by foreign exchange residents, from USD 120,000 to USD 250,000. It is also possible to exceed this limit with the exceptional approval of Banco Nacional de Angola.

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The following operations remain exempt and not subject to the annual limit of USD 250,000: (i) payment of health, education, accommodation, transport and legal services expenses, when made directly to the providers of such services or authorised agents, (ii) transfers of funds accumulated by foreign citizens who are foreign exchange residents during their stay in the country and upon termination of their stay in the country, and transfers of funds imported into the country and declared upon entry by foreign citizens who are foreign exchange residents.

Foreign workers who are not foreign exchange residents are still required to pay their income into an account at a financial institution registered in Angola. However, the Notice establishes an exception applicable to oil sector workers, which the National Bank of Angola had already implemented, and which makes these workers subject to specific foreign exchange rules.

The new legislation comes into force on 14 May 2021 and it repeals Notice 17/2020 of 3 August. ■