APR. 21

NEWS

ANGOLA

Amendments to the Private Investment Law

The Private Investment Law (Law 10/18 of 26 June) was amended by Law 10/21 of 22 April.

The new law marks the return of the contractual system to the area of private investment. As a result, the current private investment systems are the following:

i) Prior declaration system

ii) Special system

iii) Contractual system

The contractual system is applicable to projects in any sector. It operates through a negotiation process concerning the conditions to implement the project, and the incentives and facilities to be granted regarding the private investment contract.

The benefits of the three investment systems are those resulting from the Tax Benefits Code currently in force. The benefits of the prior and special declaration arrangements set out in Law 10/18 of 26 June are repealed.

Investors are now exempt from obtaining provisional licences and other authorisations from public administration bodies. It is sufficient to present the Private Investment Registration Certificate. A rule of tacit approval is established in cases where the issuance of opinions, approvals, authorisations, or the undertaking of other acts or formalities is indispensable.

The transfer of dividends abroad is no longer subject to the condition of the full implementation of the private investment project. The investor is only required to ensure the payment of the taxes due and to set up the compulsory reserves.

> **"The transfer of dividends abroad is no longer subject to the condition of the full implementation of the private investment project. The investor is only required to ensure the payment of the taxes due and to set up the compulsory reserves."**

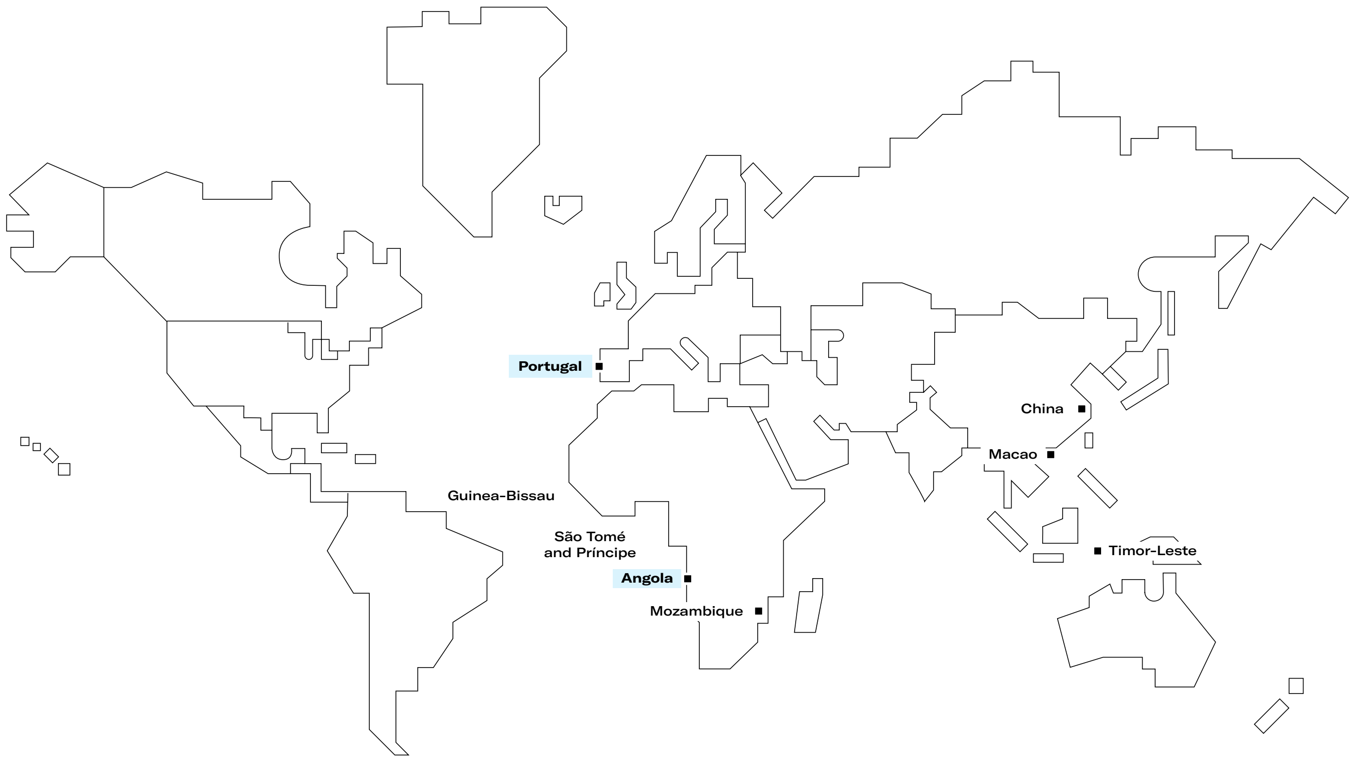
ANGOLA

"The new law provides that projects involving activities outside the scope of the Private Investment Law can be regularised with a simple registration with the competent authority. However, they will not benefit from tax incentives."

Recourse to internal credit by external investors is also no longer subject to the condition of implementation of the investment project.

Besides the priority activity sectors and the development areas, the benefits and facilities granted by the Private Investment Law take into account the value of the investment and the jobs created.

Finally, the new law provides that projects involving activities outside the scope of the Private Investment Law can be regularised with a simple registration with the competent authority. However, they will not benefit from tax incentives. ■



PLMJ COLAB ANGOLA — CHINA/MACAO — GUINEA-BISSAU — MOZAMBIQUE — PORTUGAL — SÃO TOMÉ AND PRÍNCIPE — TIMOR-LESTE