



August 2017

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PROJECTS – INFRASTRUCTURES, ENERGY & NATURAL RESOURCES

ANGOLA | PRIVATE INVESTMENT: UPDATED RATES AND FEES

Presidential Decree 164/17, of 12 July 2017, which repealed Joint Executive Decree 12/94, of 20 May 1994, and entered into force on the day of its publication, sets the new rates and fees payable to central Government bodies in charge of conducting and supervising private investment projects. The statute also determines how rates and fees are calculated and how revenue must be allocated, and ultimately aligns the private investment fee regime and the procedural framework introduced by Law 14/15, of 11 August 2015 (Private Investment Law).

SCOPE

Natural or legal entities implementing private investment projects and requiring the services of the Private Investment Technical Unit (*Unidade Técnica para o Investimento Privado*) (“UTIP”) and the Private Investment Support Technical Units (*Unidades Técnicas de Apoio ao Investimento Privado*) (“UTAIP”), must pay a rate or fee for the following acts and/or operations:

- private investment projects’ appraisal and approval ;
- investment amount variation and increase;
- reinvestment;
- share transfers (with or without investment);
- issue of CRIP (Private Investment Registration Certificate) duplicate; and
- issue of certificates and/or declarations.

CALCULATION AND PRICE TABLES FOR DIFFERENT ACTS

The amount of rates and fees payable varies according to (i) the economic and financial size of the relevant investment project, and (ii) the nature of the act (document) requested, as per table below:

General Table

Investment Operations		Rate*
Investment Amount (equivalent AKZ amount)	≥ USD 500,000.00 ≤ USD 1,500,000	0.25%
	≥ USD 1,500,000.00 ≤ USD 3,500,000	0.20%
	≥ USD 3,500,000.00 ≤ USD 10,000,000	0.15%
	≥ USD 10,000,000.00	0.10%
Issue of Certificates and Declarations		Fee
Issue of CRIP Duplicate		AKZ 250,000.00
Issue of Certificates and/or declarations		AKZ 100,000.00

* calculated by reference to the relevant investment amount

ASSESSMENT, COLLECTION AND PAYMENT

The UTIP or UTAIP, as applicable, are tasked with assessing fees payable.

Investors/taxpayers must make payment within 15 days as from the day of issue of the assessment notice at tax offices or points. Investors may apply for payment in instalments in exceptional and duly justified cases.

Fees can only be collected after appraisal and approval of the requested act.

ALLOCATION

Total revenue from rates and fees collected under Presidential Decree 164/17 must be transferred to the Public Treasury Account to be made available later as budgeted expenses. For budget allocation purposes, revenue collected will be shared between the Public Treasury and the UTIP and UTAIP that assessed the fees in the proportion of 60%/40%.

FINAL NOTE

Presidential Decree 164/17 significantly reduces private investment related charges and fees and caters to many investors' concerns and requests regarding this matter, while at the same time providing for greater transparency and publicity, which is essential for greater acceptance on the part of taxpayers. Although the statute introduces rather positive changes, it remains silent on fees payable for projects under the Kwanza equivalent of USD 500,000.00, which does nothing for taxpayers' legal security. This issue needs to be clarified and brought in line with the provisions of the Private Investment Law, which does not set a lower threshold for foreign investment operations.