



December 2020

[angola@vdalegalpartners.com](mailto:angola@vdalegalpartners.com)

## ANGOLA

### REGULATIONS ON INVESTMENT OF ABANDONMENT FUNDS OF PETROLEUM CONCESSIONS IN ANGOLAN SOVEREIGN DEBT

Presidential Decree 307/20, of 2 December 2020 (“PD 307/20”) approved the regulations on investment of abandonment funds of petroleum concessions in Angolan sovereign debt (“Regulations”).

PD 307/20 follows the approval of the rules and procedures applicable to the abandonment of wells and decommissioning of oil and gas facilities in Angola, approved by means of Presidential Decree 91/18, of 10 April 2018, which, among other matters, established the terms and conditions of the escrow accounts oil companies are required to open and maintain to fund abandonment operations and allowed the investment of between 5% to 15% of the total amount of such abandonment funds in specific assets, such as the Angolan sovereign debt (denominated in United States Dollars or Euros), which is now reiterated in Article 1.2 of PD 307/20.

The Regulations set forth the principles, guidelines and financial mechanisms that shall govern investments in the Angolan sovereign debt.

PD 307/20 entered into force on the 3<sup>rd</sup> December 2020.