



June 2020

João Afonso Fialho | jaf@vda.pt

### ANGOLA

#### NEW GOVERNANCE MODEL FOR THE MINING SECTOR

Presidential Decree no. 143/20, of 26 May, has approved the new Governance Model for the Mining Sector (the “**Presidential Decree**”). Pursuant to the Presidential Decree, the newly approved governance model aims to increase the efficiency of the sector by (i) the reduction of the State’s direct participation in mining activities and (ii) the optimization of the role of private agents, (iii) allowing the concentration of strategic functions in the Ministry of Mineral Resources, and (iv) promoting transparency in the industry.

To the above purposes, it is envisaged that functions such as regulation, certification and testing, quality control of mineral resources and inspection of mineral productions shall be ensured by a specialized body of the State's indirect administration: the soon to be created National Agency for Mineral Resources.

According to the new Governance Model for the Mining Sector, the powers and attributions of the agents of the sector are redistributed in the following terms:

- The President of the Republic is the general supervisor of the implementation of the new Governance Model for the Mining Sector;
- The Ministry of Mineral Resources and Oil:
  - Formulates the policies and legislation of the mining sector;
  - Formulates the strategic vision of the mining sector;
  - Ensures intersectoral articulation in the implementation of policies in the mining sector;
  - Coordinates and supervises the activities of the mining sector;
  - Promotes Local Content and value chains of minerals;
  - Guarantees the rights of investors in the mining sector;
  - Approves the multiannual and annual plans for the sector.

- The Ministry of Finance:
  - Supervises and monitors the sector's fiscal framework;
  - Audits the accounts (where applicable);
  - Collects taxes and other revenue of a fiscal nature resulting from mining activity.
- The Geological Institute of Angola is responsible, *inter alia*, for the collection, conservation, management, promotion and provision of geological data, property of the state.
- The National Mineral Resources Agency:
  - Plans, prepares and launches the mining concessions for the market;
  - Negotiates and manages the concession contracts, representing the interests of the Angolan State;
  - Monitors the implementation activities of the concession contracts;
  - Performs public certification and/or testing functions;
  - Monitors the quality and content of minerals in Angola.
- ENDIAMA E.P. is “no longer” the national concessionaire and should focus mostly on its role as mining company.
- SODIAM E.P. maintains its current functions as the public diamond marketing entity and must ensure the implementation of the new diamond marketing policy and the trading operations on the Angolan Diamond Exchange.
- The Angolan Diamond Exchange is an entity to be created by SODIAM E.P. and ENDIAMA E.P. to be responsible for promoting diamond transactions in the country.
- Kimberly Process National Committee is responsible for the legal certification procedures.