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## New Private Investment Law

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Hot off the press - The new Private Investment Law was just enacted by Law no. 14/15, of 11 August 2015 ("NLIP"), repealing the previous regime enacted by Law no. 20/11, of 20 May 2011.

The NLIP lays the foundations for private investment in the Republic of Angola, and establishes both the principles underlying the grant of incentives and other facilities by the State to this type of investment and the corresponding access regime. The new law applies to foreign investments in any amount and domestic investments in an aggregate amount equivalent to Kz. 50.000.000 or higher.

The NLIP introduces several changes, the following being particularly noteworthy:

- > Foreign investors are afforded the possibility to make investments under USD 1,000,000, being entitled to repatriate their profits, dividends and other capital gains
- > Mandatory partnership with Angolan investors for the purposes of foreign investment is now established for the following economic sectors: i) power and water, ii) hotels and tourism iii) transport and logistics, iv) civil construction, v) telecoms and IT, and vi) media
- > Investments made through shareholders' loans and indirect investment were capped; indirect investment is defined as investment made through loans, capital contributions, proprietary technology and franchising among others;
- > There is a three-year grace period to reimburse investments made through shareholders' loans;
- > Creation of a surtax on capital investment regarding dividends or distributed profit to be levied on the part in excess of the investor's equity;
- > Extension of benefits and/or investment incentives will be determined according to objective criteria;
- > Introduction of new registration rules for investments made through machinery, equipment and other tangible fixed assets; and
- > Government will empower the ministerial authorities tasked with approving investment contracts.

The NLIP comes into force on the date of its publication and applies immediately to investment contracts awaiting approval.