



MORAIS LEITÃO
GALVÃO TELES
SOARES DA SILVA

ALC
ADVOGADOS

BRIEFING

MLGTS LEGAL CIRCLE

THE NEW COMPETITION ACT OF ANGOLA

The Angolan Parliament approved yesterday the proposal for a new Competition Act, which establishes the legal framework for competition in Angola and creates the Competition Regulatory Authority (*Autoridade Reguladora da Concorrência*, or “ARC”), which will enforce it.

The new law, which is inspired by the laws in force in Portugal and in most European countries (which, in turn, gather inspiration from European Union law), comes as a result of the efforts made recently by the Angolan Government to promote growth and economic development, and, once in force, will provide Angola with a modern system of competition enforcement.

The new law has a wide scope, as it applies to both private companies and State-owned companies, and covers all economic activities which produce effects in Angolan territory.

As under the Portuguese and EU regimes, the new law prohibits agreements and practices which restrict competition, both between competitors (“horizontal” practices, of which the most serious example are price-fixing cartels) and between companies and their suppliers or customers (“vertical” practices).

The law also prohibits abusive practices by dominant undertakings (including, among others, the refusal to grant access to essential infrastructure, predatory pricing and the unjustified termination of a business relationship), as well as the abuse by one or more companies of the state of economic dependence of their suppliers or customers.

The new law will also introduce merger control in Angola. All concentrations which meet the market share or annual turnover criteria, to be defined in regulations to be approved, will be subject to mandatory notification to the ARC, and cannot be implemented before clearance.

Prohibited practices and the implementation of concentrations without clearance are punishable with heavy sanctions, which may go up to 10% of the annual turnover of the companies involved.

The law, which had already been approved in general by the Parliament on 9 March and was the object of a final parliamentary approval yesterday (by unanimity), will now be sent for promulgation by the President of Angola and subsequent publication in the official journal (*Diário da República*) before entering into force.

While a number of important provisions for the practical application of the law will still depend upon the approval of further regulations, including the Organic Statute of the ARC, the new Competition Act, when it enters into force, will undoubtedly constitute an important milestone for the Angolan economy and may represent a significant contribution for the promotion of corporate efficiency and the functioning of the national economy.

JOAQUIM VIEIRA PERES

[{+info}](#)

CATARINA LEVY OSÓRIO

[{+info}](#)

IRINA NEVES FERREIRA

[{+info}](#)

PEDRO GOUVEIA E MELO

[{+info}](#)

MLGTS LEGAL CIRCLE
INTERNATIONAL TIES WITH THE PORTUGUESE-SPEAKING WORLD

To address the needs of our Clients throughout the world, particularly in Portuguese-speaking countries, Morais Leitão, Galvão Teles, Soares da Silva has established solid associations with leading law firms in Angola, Macau (China) and Mozambique.

LISBON

Rua Castilho, 165
1070-050 Lisboa
Telephone: (+351) 213 817 400
Fax: (+351) 213 817 499

mlghtslisboa@mlghts.pt

PORTO

Av. da Boavista, 3265 - 4.2
Edifício Oceanvs – 4100-137 Porto
Telephone: (+351) 226 166 950
Fax: (+351) 226 163 810

mlghtsporto@mlghts.pt

MADEIRA

Avenida Arriaga, 73, 1.º, Sala 113
Edifício Marina Club – 9000-060 Funchal
Telephone: (+351) 291 200 040
Fax: (+351) 291 200 049

mlghtsmadeira@mlghts.pt

In association

LUANDA, ANGOLA
ALC Advogados

MAPUTO, MOÇAMBIQUE
Mozambique Legal Circle

MACAU, CHINA
MdME | Lawyers | Private Notary

Member

LexMundi
World Ready