

LEGAL ALERT

ANGOLA

FOREIGN EXCHANGE OPERATIONS

The Angolan National Bank (Banco Nacional de Angola – BNA) has published [Notice no. 15/2019, of 30 December](#), which establishes the rules and procedures applicable to non-foreign exchange residents and which must be observed for foreign exchange operations related to: (a) foreign direct investment; (b) investment in securities (portfolio investment); (c) divestment operations; and (d) income earned by foreign exchange residents from direct investment or portfolio investment (the “Notice”).

The Notice also applies to all foreign exchange transactions relating to “foreign investment projects that were registered with BNA prior to its publication”. Investments made by non-foreign exchange residents in the oil sector are excluded from the scope of the Notice.

The Notice distinguishes foreign direct investment and portfolio investment. Direct investment is investment made in the “creation of new companies or other legal entities” or through the acquisition of shareholdings in non-listed Angolan companies or, if listed in a regulated market when the investment gives the external investor a right of control equal to 10% or more. In turn, portfolio investment represents the investment in securities. In the case of the purchase of securities representing the capital of a listed company, portfolio investment will be considered only when the voting rights associated with the investment are less than 10% of the listed company's capital stock.

The Notice simplified the execution of foreign exchange operations related to foreign direct investment and portfolio investment, eliminating the need for previous licensing with BNA in several foreign investment and divestment operations.

In addition to imposing compliance duties on banking financial institutions responsible to intermediate foreign exchange operations, the Notice also establishes the rules applicable to the execution of foreign investment.

The Notice, which entered into force on the date of its publication, revoked [BNA Notice no. 1/2017, of 3 February](#), [BNA Notice no. 13/2014, of 24 December](#), BNA [Notice no. 14/2014, of 24 December](#), and all the rules of [Instruction no. 1/03, of 7 February](#), that contradict the provisions of the Notice.

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