



GLA

Global Experience, Local Expertise

July 2013

NATIONAL BANK OF ANGOLA

TRANSLATION OF THE FAQ ON THE NEW FOREIGN EXCHANGE RULES

The official document is available at the following link: <http://www.bna.ao/uploads/%7B53518d88-df54-4b82-bb40-bae0d78cc6f4%7D.pdf>

WHAT CURRENCY SHOULD BE USED TO PAY THE SALARIES OF EMPLOYEES IN ANGOLA?

The salaries of employees who are foreign exchange residents in Angola, irrespective of the sector of activity, must be paid in Kwanzas, the national currency.

WHEN WILL I START TO RECEIVE MY SALARY IN KWANZAS?

As of 1 July 2013, in accordance with the implementation calendar of Law 2/12 of 13 January, defined by Order no. 20/12 of 15 April (article 3 paragraph 3).

IN THE CASE OF SALARIES THAT ARE INDEXED TO A FOREIGN CURRENCY, WHAT EXCHANGE RATE MUST BE USED BY COMPANIES FOR THE CONVERSION OF SALARIES?

Salaries must be paid in national currency. In case of contracts negotiated with indexation clauses, the parties are free to set the exchange rate using as base reference the exchange rate published daily by the National Bank of Angola.

In case of participation in development programmes abroad, the amounts paid by the employer are received abroad in the currency of the host country unless otherwise imposed by the monetary authorities of these countries.

During this period, should any compensation be paid in Angola, same shall be paid in national currency.

CAN EMPLOYEES CONTINUE TO RECEIVE THEIR PENSIONS IN BANKS ACCOUNTS DOMICILED IN FINANCIAL INSTITUTIONS ESTABLISHED IN ANGOLA IN A FOREIGN CURRENCY?

In relation to pensions paid directly by non-resident entities, employees may receive them in their accounts in a foreign currency. If it is the employer that is paying the pensions, it must always do so in national currency.

CAN INDIVIDUALS OR LEGAL ENTITIES THAT HOLD BANK ACCOUNTS WITHDRAW VALUES THAT HAVE BEEN DEPOSITED IN FOREIGN CURRENCY OR MAKE NEW DEPOSITS AFTER 1 JULY 2013?

Yes. Legislation does not provide either for the extinction of foreign currency bank accounts or same to be frozen.

The holders of foreign currency bank accounts may continue to carry out transactions with the values deposited therein in the currency of the relevant account.

IN WHAT CURRENCY MUST REPAYMENTS OF LOANS OBTAINED IN A FOREIGN CURRENCY FROM A BANKING OR FINANCIAL INSTITUTION THAT IS STILL IN EFFECT BE MADE?

Pursuant to the rules in force, in collecting the instalments of credit granted, financial institutions must accept the funds available in their clients' accounts held in any currency, irrespective of the currency originally agreed.



FUNDAÇÃO
PLMJ

Abraão Vicente (detalhe)
Identidade em Construção 2004-09
Colagem, pastel de óleo, acrílico e
carvão s/ papel
(10) 42 x 29,5 cm
Obra da Coleção da Fundação PLMJ

WHAT EXCHANGE RATE WILL BE USED BY FINANCIAL INSTITUTIONS IN THE REPAYMENT OF CREDIT GRANTED IN A FOREIGN CURRENCY?

The exchange rate will be the one that is in force on the date of the transaction (repayment instalment and interest) at the creditor financial institution. Said rate is subject to the limits imposed by the regulations of the National Bank of Angola.

WHAT SHOULD I DO IF I NEED TO ACQUIRE FOREIGN CURRENCY?

If you wish to acquire foreign currency for travelling, you shall always use your commercial bank or a bureau de change. However, when you are abroad you should use an international brand debit or credit card issued by an Angolan bank whenever possible.

If you wish to pay for services or acquire goods, obtain the necessary currency from a commercial bank. Your bank will give you details of the applicable rules.

Avoid buying or selling currency on the street. In addition to being a foreign exchange crime, you cannot be sure of the origin of the currency or whether it is counterfeit.

WHAT SHOULD I DO IF FACED WITH ENTITIES THAT REFUSE TO ACCEPT PAYMENTS IN NATIONAL CURRENCY?

No entity or economic agent may charge for services provided or goods sold in a foreign currency without the express authorisation of the National Bank of Angola.

Any refusal to accept national currency as payment for goods or services sold in Angola is a crime. It is an act that violates the National Currency Law, the Foreign Exchange Law and the Civil Code and, for this reason, should be reported to the police and to the National Bank of Angola.

AM I A FOREIGN EXCHANGE RESIDENT?

In case of individuals, citizens with their legal and usual residence in the country, Angolan citizens who are diplomats, consular representatives or their equivalent carrying out their duties abroad are all foreign exchange residents, as are member of their respective families.

Angolan citizens whose absence from the country for a period of up to 1 year is the result of study or to carry our public duties are also considered to be foreign exchange residents.

This newsletter was prepared by a multidisciplinary team made up of lawyers from GLA – Gabinete Legal Angola and lawyers from PLMJ. This team was brought together under an agreement for international cooperation and membership of PLMJ International Legal Network, in strict compliance with applicable rules of professional ethics.