Executive summary
On 6 March 2017, the Angolan government published a new regulation covering the professional activities of foreign employees in Angola.

Revoking the existing regime, the new regulation covers the maximum number of foreign national employees that local companies may hire, sets out rules on the length of their employment and sets out certain rules concerning their compensation packages.

Employers should assess their ability to be compliant with these new regulation, making any adjustment to policies and procedures as necessary.

Key aspects of the new regulation
The new regime applies to all companies governed by the General Labor Law, in relation to the foreign (non-resident) employees in Angola.

The regulation highlights several requirements for the professional activity of foreign employees in Angola which were already established in the previous regime. One such rules is the general quota for foreign employees which must not exceed 30% of all employees. However, the previous regime allowed for the quota of 30% to be exceeded in exceptional cases, subject to approval by the Authorities, whereas the new regulation does not.

There are a number of additional requirements in the new regulations:
► The new regime reconfirms that foreign nationals should only be hired for a maximum period of 36 months and that their remuneration must be paid in kwanzas.
► It outlines that the employer should ensure the same working conditions for foreign employees and Angolan nationals, in line with the company’s job qualifier schedule.
► The level of allowances and benefits paid directly or indirectly to employees should not exceed more than 50% of their base salary.
► The National Bank of Angola (BNA) is the authority with competence to define the amounts resulting from the employment agreements that can be transferred abroad.
► When a foreign employee is dismissed the employer is required to continue paying remuneration and any housing benefits until communication of the dismissal has been sent to the Migration and Foreigners Services in Angola (SME).
► In relation to the employment agreement signed by a foreign national, the new law requires that it is registered within 30 days of the employee starting the employment in Angola.

This new regulation entered into force on 6 March 2017. Failure to comply with the new rule can lead to penalties. For the quota rule the penalty can be from 7
to 10 times the average monthly wage bill of the employer.

The penalty can be from 5 to 10 times the average monthly salary for breaching the rules on:
► Registration of the employment agreement (including the payment of the administrative fee of 5%), and
► Paying wages in kwanzas, and
► The limit of 50% of the base salary for benefits and allowances.
► Failure to comply with the rule for equal treatment between Angolan and foreign nationals.

Next steps
In light of the changes in the new regulation, employers should evaluate the effects of this new regulation in relation to the labor agreements signed with their foreign employees working in Angola, reviewing the conditions and compensation packages agreed to ensure full compliance with the new law.