

Timber Legality Risk Assessment Angola

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Context:

The Government of Vietnam has signed a Voluntary Partnership Agreement (VPA) with the European Union on Forest Law Enforcement Governance and Trade (FLEGT) in 2018. In this context the Government of Vietnam is supporting legal timber supply chains (import and export). Angola is an important timber supplying country for Vietnam. To support legal timber supply chains between these two countries, stakeholders in Vietnam importing from Angola need access to information on legality requirements for timber and wood products from Angola.

The government, private sector and civil society partners in Vietnam are supported by the German Federal Ministry for Economic Cooperation and Development (BMZ) through the Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH during implementation of their FLEGT VPA. BMZ's support in Vietnam is provided through the GIZ programme on conservation and sustainable use of forest biodiversity and ecosystem services (Forest-Biodiversity Project).

In the specific context of Vietnam, the development of a timber legality assurance system (VNTLAS) needs to pay special attention to the high south-south timber trade and supply chains. This aspect is supported by the German Federal Ministry for Economic Cooperation and Development (BMZ) in cooperation with the **UK Department for International Development (DFID)**. Through its Forest Governance Markets and Climate Programme (FGMC) DFID has co-commissioned the **project "Support to VPA processes in Vietnam, Laos and Cameroon – towards legal timber supply chains between VPA countries"** to the **GIZ Sector Project International Forest Policy (SV IWP)**.

In the context of this project GIZ has commissioned NEPCon to provide a background analyses of timber trade with Vietnam including timber risk assessments and document guides for the ten main supplier countries to Vietnam.

This risk assessment of timber from Angola has been developed as input to the above project commissioned to NEPCon by GIZ.

DISCLAIMER:

The analysis, results and recommendations in this paper represent the opinion of the author(s) and are not necessarily representative of the position of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

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A. Introduction

This Timber Legality Risk Assessment for Angola provides an analysis of the risk of sourcing timber from areas of illegal harvesting and transport.

The risk assessments are developed in collaboration with local forest legality experts and use an assessment methodology jointly developed by FSC and NEPCo and approved by GIZ.

Please see the NEPCo Sourcing Hub for information on the risk assessment methodology:

<https://www.nepco.org/sourcinghub/info/about-nepco-sourcing-hub>.

B. Overview of legality risks

This report contains an evaluation of the risk of illegality in Angola for 6 categories and 26 sub-categories of law. We found:

- Specified risk for 5 sub-categories.
- Low risk for 20 sub-categories.
- No legal requirements for 1 sub-categories.

For **Harvesting permits**, there is a risk that: annual forest exploitation licenses are transferred illegally to third parties (such as foreign national or companies) that are not eligible to hold a license.

For **Timber harvesting regulations**, there is the risk that: timber is harvested below the minimum diameter and beyond their permitted area boundaries.

For **Health and safety**, there is a risk that: health and safety regulations are not met at the forest level and processing facilities.

For **Legal employment**, there is a risk that: workers engaged in forest operations are not registered for social protection by their employers and social security contribution deduction is not made and paid on their behalf by employers and some forest operations also do not pay the current monthly minimum wage.

For **Trade and Transport**, there is a risk that: timber may be transported under falsified documents, stating incorrect volumes.

For **Processing Health and safety**, there is a risk that: no or weak enforcement of health and safety at the processing facilities in the hinterlands.

For **Processing Legal employment**, there is a risk that: workers engaged in wood processing operations are not registered for social protection by their employers and social security contribution deduction is not made and paid on their behalf by employers and some workers also are not paid by the current monthly minimum wage.

Timber source types and risks

There are 4 main timber source types found in Angola. Knowing the “source type” that timber originates from is useful because different source types can be subject to different applicable legislation and have attributes that affect the risk of non-compliance with the legislation. We have analysed the risks for all these source types.

Source Type 1	Natural forest in forest exploitation areas/ public domain (State owned property). Timber rights are awarded through forest concession contract or annual exploitation licenses. No forest concession contracts exist as at the time of this assessment.
Source Type 3	Natural forest - community forest. For subsistence and community use. It can be used for commercial exploitation under authorization the forest when there is sufficient forest resources potential and only under prior consent of the communities. Timber rights awarded through concession or annual exploitation licenses. No forest concession contracts exist at the time of this assessment.
Source Type 4	Plantation forest (Public Plantation). All existing plantation forests are state owned. Exploitation rights are held by concession contract and annual exploitation license. No forest concession contracts exist at the time of this assessment.
Source Type 5	Plantation forest (Private). Private forest plantations are to be established under case by case contract but is not existed yet for timber exploitation.

This table summarises the findings of the timber legality risk assessment by source types.

Legal Category	Sub-Category	Source type		
		1	2	3
Legal rights to harvest	1.1 Land tenure and management rights	Low	Low	Low
	1.2 Concession licenses	Low	Low	Low
	1.3 Management and harvesting planning	Low	Low	Low
	1.4 Harvesting permits	Specified	Specified	Specified
Taxes and fees	1.5 Payment of royalties and harvesting fees	Low	Low	Low
	1.6 Value added taxes and other sales taxes	Low	Low	Low
	1.7 Income and profit taxes	Low	Low	Low
Timber harvesting activities	1.8 Timber harvesting regulations	Specified	Specified	Specified
	1.9 Protected sites and species	Low	Low	Low
	1.10 Environmental requirements	Low	Low	Low
	1.11 Health and safety	Specified	Specified	Specified
	1.12 Legal employment	Specified	Specified	Specified
Third parties' rights	1.13 Customary rights	Low	Low	Low
	1.14 Free prior and informed consent	Low	Low	Low
	1.15 Indigenous/traditional peoples rights	Low	Low	Low
Trade and transport	1.16 Classification of species, quantities, qualities	Low	Low	Low
	1.17 Trade and transport	Specified	Specified	Specified
	1.18 Offshore trading and transfer pricing	Low	Low	Low
	1.19 Custom regulations	Low	Low	Low
	1.20 CITES	Low	Low	Low
	1.21 Legislation requiring due diligence/due care procedures	N/A	N/A	N/A
Processing	1.22 Legal Registration of business	Low		
	1.23 Environmental Requirements for processing	Low		
	1.24 Processing requirements in the timber industry	Low		
	1.25 Health and safety	Specified		
	1.26 Legal employment	Specified		

C. Overview of the forest sector in Angola

Angola has abundant and extensive forest resources and biodiversity with considerable economic potential¹. The extent of forest and other wooded land is estimated at 58,480 million hectares, which is 47% of the country's 12,467 million hectares of land area². Wood stock is estimated at a total of 4.5 billion m³. The Annual Allowable Cut (AAC) is roughly around 500,000 m³³. According to the Ministry of Economic Planning, Angola's wood resources are largely under exploited. It is argued that timber resources within the natural and planted productive forest of approximately 57,450 thousand m³ is under logging conditions and that following the principles of sustainable management in practical terms an average of 1,210,000 m³ of logwood can be exploited throughout the forest, with 360,000 m³ from natural forest and 850,000 m³ from planted forest⁴. It is believed that the real size of the forest in Angola is not known as the country has never carried out a national forest inventory. An on-going national inventory which can bring make key data on the extent of forest resources has not yet been completed.

By law⁵, government is the owner of forests including existing plantations. ⁶Ministry of Agriculture and Forestry (MINAGRIF) is responsible Ministerial Department for the Agricultural and the Forestry Sectors. It is therefore responsible for policy formulation and defining the strategic direction for the forest sector in national development.⁷ Within the MINAGRIF include the National Directorate of Forestry with the responsibility to propose policies and strategies and related activities for the development of the forestry sector. The role of the National Directorate of Forestry is more of an advisory.⁸ The Forestry Development Institution (IDF) is the regulator of the Forestry Sector and in principle the implementing authority of the forest policy and related legislation, programmes and activities. The IDF is however viewed as a major player in the decision making on policy issues and in the development of such policy.

Angola has recovered from long period of civil conflicts which affected the development of the forest sector. The new era of stability and rapid development has been showing high-level commitment to sustainable forest management, which improving the livelihoods of the rural people who largely depend on forest. More importantly, there has been a recognition to diversify Angola's Oil based economic for which forestry sector is identified as a key sector and thus receive better attention than before.

However, as a new forest policy and related elaborate legislation have been established and being implemented, IDF, which is the executive arm of the forestry sector, is challenged by inadequate capacity for its mandate in terms of technical knowledge, skills, experience and the number of professional staff. Consequently, IDF is unable to implement long term forest concession for forest management as established by law and depends on annual license for the exploitation of timber. These annual forest exploitation license award timber exploitation rights based on specific species and species, a practice which has potential to deplete forest of its high-valued timber species.

Official sources state that current timber exploitation at around 200,000 cubic meters on average or about 40% of the annual allowable cutting capacity. Official sources state that timber exploitation in 2018 was at 54,891 m³ round log from the natural forest, and 34,000 m³ round log from the in-forest plantations.

¹ FAO 2010, Global Forest Resources Assessment 2010, Italy, Rome

² IDF, Personal Communication 2019.

³ Ministério da Economia e Planeamento, 2018. Plano de Desenvolvimento Nacional 2018-2022, Vol 1

⁴ FAO 2008, Angola Forestry Sector Project

⁵ Law nr. 9/04 of November 09, 2004, Land Law

⁶ Presidential Decree No. 15/18

⁷ Executive Decree No. 260/18

⁸ Presidential Decree No. 5/14

D. Legality Risk Assessment

LEGAL RIGHTS TO HARVEST

1.1. Land tenure and management rights

Legislation covering land tenure rights, including customary land rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights.

Management rights related to other rights than land and land management is covered under 1.13 (Customary rights) and 1.15 (Indigenous/traditional people's rights)

This indicator also covers legal forest management business registration and tax registration, including relevant legal required licenses (Industrial business and tax registration are covered under 1.22). Risk may be encountered where land rights have not been issued according to prevailing regulations and where corruption has been involved in the process of issuing land tenure and management rights. The intent of this indicator is to ensure that any land tenure and management rights have been issued according to the legislation. The level of corruption in the country or sub-national region is considered to play an important role and corruption indicators (e.g., Corruption Perception Index, CPI) should therefore be considered when evaluating risks

1.1.1. Applicable laws and regulations

1. Constitution of the Republic of Angola, of 21 January 2010:
 - Article 15 (1) (land): Land, that constitutes original property of the state, can be transferred to individuals or corporate bodies, with a view to its rational and full use, under the terms of the Constitution and the law.
 - Article 15 (1) (land): Land is the property of the state and may be transferred to individuals or corporate bodies, with a view to its rational and full use, under the terms of the constitution and the law.
 - Article 16 (natural resources). Natural resources are the property of the state which shall determine the conditions for concessions, surveys and exploitations under the terms of the constitution, the law and international law. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang72591ENG.pdf>
2. Law No. 9/04 of November, (Land Law):
 - Article 5. All lands in Angola are state property. It is the state that transfers land occupied by private individuals, including land under private ownership.
 - Article 10 (natural resources) ownership of state natural resources. Natural resources belong to the state.
 - Article 35 (private property right). Anyone can own a piece of land in the state's private domain to work on it, that is, to cultivate, build houses, raise animals and sell the products they derive from their use of the land. Note: This applies only to Angolan nationals.
 - Article 37 (customary use right). Indicates that the state recognizes the land rights of all families or rural communities that have occupied these lands for several years. This right protects the habits and customs of land-use communities. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang49570.pdf>
3. Presidential Decree No. 15/18 of January 25th approves the Ministry of Agriculture and Forests (MINAGRIF) by the President of the Republic of Angola, as a ministerial department to propose the formulation, conduct, execute and control the policy of the Executive in the fields of agriculture, livestock, forests, security food and food from a development perspective.

- Article 18 (National Directorate of Forests) of the Decree establishes the National Directorate of Forests as the service under the Ministry to be responsible for formulating, promoting and monitoring forest policies and strategies.
 - Article 23 (the Forest Development Institute) establishes the Forest Development Institute, (IDF) as a legal person governed by legal personality and administrative, financial and asset management autonomy to create promotion, coordination and implementation of policies in the field of forestry, wildlife, land and development technology transfer. All forest laws available at http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp
4. Law No. 6/17 of 24 January (Forest and Wildlife Basic Legislation) establishes the norms that seek to guarantee the conservation and rational and sustainable use of forests and wildlife in the national territory, and the general bases of the exercise of activities:
- Article 138 (Holder of Executive Power) gives power to the Executive Director to define the general policy of protection and utilization of forests and wildlife, taking available scientific data on its state and the demands of its sustainable management. Item 3 (b) as approved by the head of the Executive Director, carries out among other activities, to recognize and grant rights of use and exploit forest and wildlife resources;
 - ARTICLE 59 (Forestry Exploration Activities) clarifies that:
 - Logging activities shall be carried out in production forests.
 - In the public domain's natural forests of the State or local authorities, the activity of logging shall be exercised by Angolan natural or legal persons who have been granted the right of logging.
 - The activity of exploitation of forest plantations is carried out by natural and legal persons who fulfil the requirements of this Law.
 - In State-owned forest plantations, activities related to logging operations are carried out by natural or legal persons who conclude with the State that logging concession contract under the terms to be regulated. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>

1.1.3. Legally required documents or records

- Land title certificate
- Community land title certificate

1.1.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry,
- All forest laws are available at: <https://www.legis-palop.org/>

Non-Government sources

1.1.5. Risk determination

Overview of legal requirements

Article 15 of the 2010 Constitution of the Republic of Angola makes state's land can be transferred to individuals or corporate bodies for their use. Article 16 of the same constitution also makes natural resources, including natural forest the property of the State. This then determines the condition for concessions and exploitation among their uses. These provisions are future stated in articles 10 and 35 of Law no. 9/04 of November (Land Law). Article 37 (Customary Use Right) of the Land Law indicates that the State's recognition of land rights of families or rural communities that have occupied the lands for several years.

The institutional arrangement for the management of forests is also legally defined. The Presidential Decree No. 15/18 of January approved the Ministry of Agriculture and Forests (MINAGRIF) as the ministerial department of the Executive (Government) responsible for policy in the forests subsector. Article 18 of the Presidential decree establishes the National Directorate of Forests under the MINAGRIF to be responsible for the formulation, promotion and monitoring of forest policies and strategies. The Forest Development Institute (IDF) is established by Article 23 of the Presidential Decree No. 15/18 of January and given Executive powers by Article 138 of Law No. 6/17 of January (Forest and Wildlife Basic Law) as a legal person with administrative, financial and asset management autonomy to implement policies in the forest and wildlife sector.

Article 59 of the Forest and Wildlife Basic Law clarifies that logging activities can be carried out in production forests which can be natural forest in the public domain or under local authorities and in forest plantations. The article further clarifies that only natural or legal Angolans can exercise logging rights in natural forests. In State-owned forest plantations, natural or legal persons can exercise the right to carry out logging activities under logging concession contracts, under terms that are yet to be regulated.

Description of risk

Stakeholders acknowledge and accept that land and natural forests are State property. During the research for this risk assessment, stakeholders, including civil society organisations (CSOs), also confirmed that the State recognises customary use rights of land and forest for subsistence use. An example of this is government with the support an NGOs working with local communities have been able to give community land certificate for some communities in Southern Angola to demonstrate government recognition of community land tenure rights.

The authority of the MINAGRIF (regarding policy development and monitoring) and IDF's implementation authority are also recognised and accepted by the stakeholders. However, CSOs have been sceptical of the current technical capacity of the IDF to carry out its legal mandate adequately. Capacity issues have also been recognised by the IDF and as a result, they are rolling out policy in a step-wise approach commensurate with their current capacity. For example, according to the IDF, no long-term forest concession has been given out because they do not have the experience and the capacity to manage the process. Instead, more manageable annual licenses are being issued.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are breached are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.1.6. Risk designation and specification

Low risk

1.1.7. Control measures and verifiers

N/A

1.2. Concession licenses

Legislation regulating procedures for the issuing of forest concession licenses, including use of legal methods to obtain concession license. Especially bribery, corruption and nepotism are well-known issues in connection with concession licenses. The intent of this indicator is to avoid risk related to situations where organizations are obtaining concession licenses via illegal means such as bribery, or where organizations or entities that are not eligible to hold such rights do so via illegal means. Risk in this indicator relates to situations where due process has not been followed and the concession rights can therefore be considered to be illegally issued. The level of corruption in the country or sub-national region is considered to play an important role and corruption indicators (e.g., Corruption Perception Index, CPI) should therefore be considered when evaluating risks.

1.2.1. Applicable laws and regulations

Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. Establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.

- Article 9 (j) (Sustainable forest and wildlife management instruments) of Law No. 6/17 identifies concession and licensing schemes among others as instruments of sustainable forest and wildlife management.
- Article 10 (Access and use of forest and wildlife resources). Access to and use of forest and wildlife resources for profit and non-profit is subject to obtaining authorization, license or concession contract issued by the Ministerial Department that oversees the Forest and Wildlife Sector by delegation of power to the Holder of Power Executive, under the terms of Law no. 6/17 Forest and Wildlife Basic Law.
- Article 59 (Forestry Exploitation Activities) clarifies that:
 - Logging activities shall be carried out in production forests.
 - In natural forests in the public domain of the State or local authorities, the activity of logging shall be exercised by Angolan natural or legal persons who have been granted the right of logging.
 - The activity of exploitation of forest plantations is carried out by natural and legal persons who fulfil the requirements of this Law.
 - In State-owned forest plantations, activities related to logging operations are carried out by natural or legal persons who conclude with the State, logging concession contract under the terms to be regulated

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>

Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation), regulates the forest and wildlife basic law:

Section III (Access to Forestry Rights):

- Article 52 (schemes for access to logging rights). Clarifies that access to logging rights for both for profit and non-profit is through forest concession and annual logging licenses.

- Article 60 (forms of exploitation under forest concession contract) provides for different concession models for the exploitation of forest resources.
 - Article 61 (forest concession contract award rules) number 1 states the allocation of the right of exploitation as a rule-based on bidding, auctioning and simplified contract under initiative from the applicant to request for preferred area and responsibility to carry out mapping and inventory of the area.
 - Article 15 (protected tree classification procedure) enforce the need for environmental impact assessment in the award of logging rights.
 - Article 54 (transfer of the right of exploitation) clarifies that logging right constituted by forest concession or exploitation license is not transferrable if not for the reason or proven incapacity of the respective holder in which case the heirs duly authorized representatives or their legal representatives takes over.
 - ARTICLE 58 (General Characterization) gives key features of concession contract to include duration processing of products obligations and reforestation depending on the agreement.
 - CHAPTER XIII Infringements Article 168 (sanctions) and ARTICLE 169 (Accessory punishment measures) of the forest regulation provide list of sanctions for infringements against both the forest and wildlife basic law and the forest regulation. Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
 - Joint Executive Decree No. 200/16 on forestry taxes. It establishes the forestry taxes and other charges resulting from the exploitation of forestry products. It also applies to the exploitation of forestry non-timber products, issuing forestry certificates and permits, transport authorization and conducting surveys to update the forestry taxes amounts and the responsibility of the Central and Local Executive Services of the Forestry Development Institute. Available at: <https://www.legis-palop.org/>
 - Law 3/18 of 9 May 2018 (General Tax Law) This law deals with all tax issues in Angola. Available at: <https://www.legis-palop.org/>
 - Law no. 5/98 of 19 June (Law on the Environment) Establishes basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC018069>
1. Decree No. 51/04 of July 23 (Environmental Impact Assessment) approves the Environmental Impact Assessment (EIA) Legislation, aimed at regulating the environmental and administrative procedures related to the implementation of public and private projects. It establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. The Annex lists down all the activities needing an EIA authorization. Available at: <https://www.legis-palop.org/>
 2. Decree No. 59/07 of 13 July on (Environmental Licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. Moreover, the Decree establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC099350>
 3. Executive Decree No. 92/12 (approving the Environmental Impact Assessment administrative procedures). It approves the Environmental Impact Assessment (EIA) terms of reference in order to perform administrative procedures related to the implementation of public and private projects. It establishes model forms and the baselines for carry out studies related to Environmental Impact Assessment necessary for specific projects or activities. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC119510>

1.2.2. Legal authority

- Forestry Development Institute (National level only) of the Ministry of Agriculture and Forest
- National Directorate to Prevention and Environmental Impact Assessment (National level) at the Ministry of Environment
- Ministry of Industry
- General Tax Authority (GAT)

1.2.3. Legally required documents or records

- Concession Agreement (detail procedures for concession contracts not currently available).

1.2.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment; General Tax Administration, Ministry of Commerce,
- All forest laws are available at: <https://www.legis-palop.org/> AAll forest laws are available at http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Available at <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Government of Angola. Law no. 6/17 of 24 January 201. Presidential Decree No. 15/18 approving the Statute of the Ministry of Agriculture and Forestry (MINAGRIF). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2270>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- Joaquim Santana. 2 August 2019. Delay in licensing leads to illegal logging in Angolan province of Kwando Kubango. Available at: <https://macauhub.com.mo/2019/08/02/pt-atraso-na-atribuicao-de-licencas-motiva-abate-ilegal-de-arvores-em-provincia-de-angola/>

1.2.5. Risk determination

Overview of Legal Requirements

Article 9 (j) of the Forest and Wildlife Basic Law no. 6/17 identifies concession and licensing schemes among other instruments for guaranteeing the sustainable use of Angolan forests. Article 10 of the law also clarifies the use of the Angolan forest for both profit and non-profit use subject to authorisation, license or concession contract issued by the Ministry of Agriculture and Forests. Article 52 of Presidential Decree No. 171/18 (the law which regulates the Forest and Wildlife Basic Law) clarifies the access to logging rights for both profit and non-profit use through forest concession and annual logging licenses.

Article 59 of Law No. 9/17 Forest and Wildlife Basic Law also makes it clear that in the natural forests in the public domain of the State or local authorities, the logging can only be conducted by Angolan natural or legal persons that have been granted the right of logging. However, logging activities in forest plantations can be carried out by natural and legal persons who fulfil the requirements of this Law. Also, in State-owned forest plantations, activities related to logging operations can be carried out

by natural or legal persons who conclude with the State in which logging concession contract under the terms to be regulated.

Article 61 (forest concession contract award rules) of Presidential Decree No. 171/18 provides that allocation of the right of exploitation must be based on bidding, auctioning and simplified contract under initiative from the applicant to request for preferred area and responsibility to carry out mapping and inventory of the area.

Article 54 (transfer of rights of exploitation) clarifies that logging right constituted by forest concession or exploitation license is not transferrable if not for the reason or proven incapacity of the respective holder in which case the heirs duly authorized representatives or their legal.

Article 58 (general characterization) of the Forest regulation gives key features of the concession contract. It sets the duration to a maximum of 25 years, the obligation to process products obtained in whole or in part and depending on of the concession contract. There is also the obligation to carry out reforestation within the area of concession or otherwise, depending on concession agreement. Article 168 (sanctions) and Article 169 (accessory punishment measures) of the forest regulation provide the list of sanctions for infringements against both the forest and wildlife basic law and the forest regulation. These include in item e), a fine for transfer the license and forest exploitation to third parties. No forest concession has been issued yet since the law came into force.

Description of risk

As per the Description of Risk in 1.1.5, Angola is yet to issue a forest concession contract since the latest forest laws came into effect. Acknowledging a lack of experience and capacity, forest authorities are currently only issuing annual forest exploitation licenses and want to learn about the management of these before concession contracts are issued.

Risk conclusion

This indicator has been evaluated as low risk. Identified laws are yet to be implemented.

1.2.6. Risk designation and specification

Low risk

1.2.7. Control measures and verifiers

N/A

1.3. Management and harvesting planning

Any legal requirements for management planning, including conducting forest inventories, having a forest management plan and related planning and monitoring, as well as approval of these by competent authorities. Cases where required management planning documents are not in place or are not approved by competent authorities should be considered. Low quality of the management plan resulting in illegal activities may be a risk factor for this indicator as well.

1.3.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. It establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 9 (sustainable forest and wildlife management instruments). List of the various instruments for the sustainable management of forest and wildlife is to include the inventory of resources.
 - Article 53 (Forest Management Plan) identifies the forest management plan as the technical document for predicting the forms of exploitation for commercial purposes of forest or wildlife resources and aims to ensure the management and sustainable use of resources including in particular the species and quantity to be cut, shot or hunted in each period.
 - Article 61 (realization of forest area of the area to be exploited) - demarcation of forest area and initial inventory responsibility of the holder of logging rights. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.
 - Chapter IV Concession Agreement Regime. Article 58 (General Characterization) Logging under a concession contract to be made to include operations under detailed management plans:
 - Article 31 (obligations of the holder of logging rights) item (m) indicates adoption and implementation of fire control and forest fire prevention and firefighting plans of different origin, in particular as regards coal production, shifting agriculture and hunting.
 - Article 77.0 (Procedures) application for and granting of annual forest exploitation license require among other: maps, site description and logging plan.
 - Article 72 (General Characterization) Forest exploitation under annual licenses is subject to in particular by: (a) exploitation of limited quantities and license period limited to the duration of the marketing year forestry; and (b) operation under a simplified forestry plan approved by the grantor. Available at: <http://www.legis-palop.org/>
3. Law no. 5/98 of 19 June (Law on the Environment) establishes basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC018069> and <http://www.legis-palop.org/>
4. Decree No. 51/04 of July 23 (Environmental Impact Assessment) approves the Environmental Impact Assessment (EIA) Legislation, aimed at regulating the environmental and administrative procedures related to the implementation of public and private projects. It establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. The Annex lists down all the activities needing an EIA authorization. Available at: <https://www.legis-palop.org/>

1.3.2. Legal authority

- Forestry Development Institute (IDF) of the Ministry of Agriculture and Forestry
- National Directorate for Prevention and Environmental Impact Assessment from the Ministry of Environment

1.3.3. Legally required documents or records

For Concession contract holders:

- Detailed Forest management plan approved by IDF; or

- Inventory report for where there has been no inventory

For annual forest exploitation license:

- 1/100,000 map of the concession area prepared by the local services of the Institute of Geodesy and Cartography of Angola (IGCA)
- ESIA and Environmental Management Plan
- Logging plan indicating the species to be exploited, the harvesting method the types of products or the equivalent of them proposes to be obtained.

1.3.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment;
- All forest laws available at http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Government of Angola. Law no. 6/17 of 24 January 201. Presidential Decree No. 15/18 approving the Statute of the Ministry of Agriculture and Forestry (MINAGRIF). <https://www.governo.gov.ao/VerLegislacao.aspx?id=2270>
- Personal communication with civil Society organisations and wood processing companies.

1.3.5. Risk determination

Overview of Legal Requirements

Article 9 (Sustainable forest and wildlife management instruments) of the 2017 Forests and Wildlife Basic Law lists the various instruments for the sustainable management of forest and wildlife. Among others, these include the inventory of the resources, the resource management plans of the rights holders and their implementation reports, the program to combat desertification and mitigation the effects of drought, national forest settlement and restocking strategy, and plans for the prevention and control of forest fires and burns.

Within Chapter IV (Concession Agreement Regime) of the Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation), Article 58 (General Characterization) under the list of particular items to be required in concession contracts include:

Operation under detailed management plans approved by the granting authority and based on existing inventory of existing forest resources in the proposed area, or inventory carried out by the applicant in the case of forests where this work has not yet been done.

ARTICLE 31 (Obligations of the holder of logging rights) under item (m) mentions the adoption and implementation of fire control and forest fire prevention and firefighting plans of different origin, in particular as regards coal production, shifting agriculture and hunting.

For annual forest exploitation license, ARTICLE 77.0 (Procedures) of the forest regulation clearly indicate among other application requirements to include:

- A map of scale 1/100,000 scale of the area to be explored, prepared by the local services of the Institute of Geodesy and Cartography of Angola (IGCA), accompanied by description of the intended area and respective area information on the legal situation of the land.
- Description of the proposed forest area if there is no previous forest inventory, describing the forest formations contained in the area and enumerating the main species present.
- Logging plan indicating the species being exploited, the harvesting method and the types of products that the applicant proposes to obtain.
- Environmental Impact Assessment and Environmental Management Plan.

Description of Risk

Legal requirements related to forest management plans and inventories are clearly defined. National level forest plans and inventories are the responsibility of the state. The law requires concession contract holders to take the responsibility for inventory where there are no inventories.

Since no forest concession contracts has been issues in Angola, forest level planning requirements are observed only for annual forest exploitation licenses. The simplified management plan required of annual forest exploitation license holders are made as part of the application process and this has been found to have been enforced.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.3.6. Risk designation and specification

Low risk

1.3.7. Control measures and verifiers

NA

1.4. Harvesting permits

Legislation regulating the issuing of harvesting permits, licenses or other legal document required for specific harvesting operations. It includes the use of legal methods to obtain the permit. Corruption is a well-known issue in connection with the issuing of harvesting permits. Risk relates to situations where required harvesting is carried out without valid permits or where these are obtained via illegal means such as bribery. In some areas, bribery may be commonly used to obtain harvesting permits for areas and species that cannot be harvested legally (e.g., protected areas, areas that do not fulfil requirements of minimum age or diameter, tree species that cannot be harvested, etc.). In cases where harvesting permits classify species and qualities to estimate fees, corruption and bribery can be used to classify products that will result in a lower fee. The level of corruption in a country or sub-national region is considered to play an important role and corruption indicators should therefore be considered when evaluating risks. In cases of illegal logging, harvesting permits from sites other than the actual harvesting site may be provided as a false proof of legality with the harvested material.

1.4.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. It establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 9 (j) (sustainable forest and wildlife management instruments) of Law No. 6/17 identifies concession and licensing schemes among others as instruments of sustainable forest and wildlife management).
 - Article 10 (access and use of forest and wildlife resources). Access to and use of forest and wildlife resources, for profit and non-profit is subject to obtaining authorization, license or concession contract issued by the Ministerial Department that oversees the forest and wildlife sector by delegation of power to the holder of power executive, under the terms of Law no. 6/17 Forest and Wildlife Basic Law.
 - Article 59 (Forestry Exploitation Activities) clarifies that:
 - Logging activities shall be carried out in production forests.
 - In natural forests in the public domain of the State or local authorities, the activity of logging shall be exercised by Angolan natural or legal persons who have been granted the right of logging.
 - The activity of exploitation of forest plantations is carried out by natural and legal persons who fulfil the requirements of this law.
 - In state-owned forest plantations, activities related to logging operations are carried out by natural or legal persons who conclude with the state a logging concession contract under the terms to be regulated. Available at:
<http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Regulates the forest and wildlife basic law.
 - Section III (Access to Forestry Rights), ARTICLE 52 (schemes for access to logging rights) clarifies that access to logging rights for both for profit and non-profit is through forest concession and annual logging licenses.
 - Article 77 (Procedures) gives detail procedures and requirement for the application and issue of annual forest exploitation license.
 - Article 15 (Protected tree classification procedure) triggers the need for Environmental Impact Assessment in the award of logging rights.
 - Article 73 (License Types and Content) clarifies the type of rights that can be in annual logging permits comprises to include logging of timber.
 - Article 54 (transfer of the right of exploitation) clarifies that logging right constituted by forest concession or exploitation license is not transferrable if not for the reason or proven incapacity of the respective holder in which case the heirs duly authorized representatives or their legal representatives takes over.
 - Article 16 (Protected species) 1. Special authorization required for (a) the cutting of specimens of forest species classified as rare, endangered, endangered, or of particular ecological value; (b) cutting of specimens of vulnerable and endemic species.
 - Chapter XIII Infringements Article 168 (sanctions) and ARTICLE 169 (Accessory punishment measures) of the forest regulation provide list of sanctions for infringements against both the forest and wildlife basic law and the forest regulation

Available at: <http://www.legis-palop.org/>

3. Joint Executive Decree No. 200/16 on forestry taxes establishes the forestry taxes and other charges resulting from the exploitation of forestry products. It also applies to the exploitation of forestry non-timber products, issuing forestry certificates and permits, transport authorization and conducting surveys to update the forestry taxes amounts and the responsibility of the Central and Local Executive Services of the Forestry Development Institute. Available at:
<https://www.legis-palop.org/>

4. Law 3/18 of 9 May 2018 (General Tax Law) deals with all tax issues in Angola. Available at: <https://www.legis-palop.org/>
5. Law no. 5/98 of 19 June (Law on the Environment) establishes basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC018069>
6. Decree No. 51/04 of July 23 (Environmental Impact Assessment) approves the Environmental Impact Assessment (EIA) Legislation, aimed at regulating the environmental and administrative procedures related to the implementation of public and private projects. It establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. The Annex lists down all the activities needing an EIA authorization. Available at: <https://www.legis-palop.org/>
7. Decree No. 59/07 of 13 July on (Environmental Licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. Moreover, the decree establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC099350>
8. Executive Decree No. 92/12 (approving the Environmental Impact Assessment administrative procedures) approves the Environmental Impact Assessment (EIA) terms of reference in order to perform administrative procedures related to the implementation of public and private projects. It establishes model forms and the baselines for carry out studies related to Environmental Impact Assessment necessary for specific projects or activities. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC119510>

1.4.2. Legal authority

- Forestry Development Institute (national level only) of the Ministry of Agriculture and Forestry
- National Directorate of Prevention and Environmental Impact Assessment (National level) at the Ministry of Environment
- General Tax Authority (GAT)

1.4.3. Legally required documents or records

- Forest Exploration License.
- Environmental Impact Assessment Report approved by the Ministry of Environment and the Ministry of Agriculture and Forestry.
- Proof of company registration or association at the tax office of the province where forestry operation intends to be carried out.
- Identification of the applicant with proof of national citizenship for the case of a person or social agreement in the case of legal or collective persons.
- Declaration of the traditional authorities and of the municipal administration where it intends to carry out the forest exploitation.
- Fiscal non-debtor declaration issued by the General Tax Authority.
- Partnership agreement recognized at the National Registry Office, in the case of exploration in partnership with locals or foreigners
- Declaration of subjection to current laws and national courts in case of conflict.
- Proof of financial capacity adequate to the volume required, to be provided by a bank statement.
- Proof of ownership of the logging equipment.

- Maps of the location of the area to be exploited, in triplicate, based on the region's map, on a scale of 1/100,000, prepared by the local services of the Institute of Geodesy and Cartography of Angola (IGCA),
- Description of the area including main species list if there is no previous inventory exist for the area.
- Forest plan indicating the species to be exploited, the harvesting method, the types and products proposed to be obtained from the logging operations.

1.4.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment; General Tax Administration, Ministry of Commerce
- All forest laws are available at: <https://www.legis-palop.org/>
- All forest laws are available at: http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Government of Angola. Law no. 6/17 of 24 January 2018.
- Presidential Decree No. 15/18 approving the Statute of the Ministry of Agriculture and Forestry (MINAGRIF). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2270>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- Nazaré Veloso. 9 April 2018. Angolan government increases sanctions related to illegal logging. Available at: <https://macauhub.com.mo/2018/04/09/pt-governo-de-angola-agrava-punicoes-relacionadas-com-o-abate-ilegal-de-arvores/>
- José Evangelista. February 2017. Why illegal deforestation in Angola must stop. Available at: <https://www.howwemadeitinafrica.com/illegal-deforestation-angola-must-stop/57430/>
- ANGOP. 14 October 2017. Government envisages harder penalties to end illegal logging. Available at: https://www.angop.ao/angola/en_us/noticias/economia/2017/9/41/Government-envisages-harder-penalties-end-illegal-logging,2fcc3fa6-c983-40e0-a06e-ca5502d03fb2.html

1.4.5. Risk determination

Overview of Legal Requirements

Angola forest laws prescribe annual forest exploitation licences as one of the means of awarding logging rights. Logging rights in the natural forest is reserved to the citizens of Angola and exploitation of forest plantation for those who meet the requirements of the law. Foreign national can only give administrative and logistical support to Angolan nationals regarding exploitation licences. All existing annual forest exploitation licences are therefore required to be held and operated by Angolan nationals.

Article 9 (j) of the Forest and Wildlife Basic Law no. 6/17 identifies concession and licensing schemes among other instruments for guaranteeing the sustainable use of Angolan forests. Article 10 of the law also clarifies the use of the Angolan forest for both profit and non-profit use subject to authorisation, license or concession contract issued by the Ministry of Agriculture and Forestry. The Presidential

Decree No. 171/18 (the law which regulates the forest and wildlife basic law) Article 52 clarifies the access to logging rights for profit and non-profit through forest concession and annual logging licenses.

Article 59 of Law No. 9/17 Forest and Wildlife Basic Law also makes it clear that, in the natural forests in the public domain of the State or local authorities, the activity of logging can be exercised only by Angolan natural or legal persons who have been granted the right of logging. However, logging activities in forest plantations can be carried out by natural and legal persons who fulfil the requirements of this law. Also, in state-owned forest plantations, activities related to logging operations can be carried out by natural or legal persons who conclude with the state in which logging concession contract under the terms to be regulated.

Article 77 (Procedures) of the same regulation gives detailed procedures and requirements for the application and issue of annual forest exploitation license. Among the many requirements for the application and issuance of annual forest exploitation license is the proof of identification as a citizen of Angola in the case of natural person or social agreement in the case of legal or collective persons. There is also the requirement to proof financial capacity adequate to volume of wood applied for from bank statement as well as proof of ownership of logging equipment.

By the procedures as provided in Article 77 of the forest regulation, when an application is successful and the applicant accepts the technical and administrative conditions, the IDF Director-General issues the annual logging license after payment in the tax office of the area where logging to be carried out, fees and other fees due. Article 54 (transfer of rights of exploitation) clarifies that logging right constituted by forest concession or exploitation license is not transferrable if not for the reason or proven incapacity of the respective holder in which case the heirs duly authorized representatives or their legal. Article 168 (sanctions) and Article 169 (accessory punishment measures) of the forest regulation provide list of sanctions for infringements against both the forest and wildlife basic law and the forest regulation. These include in item e), a fine for transfer the license and forest exploitation to a third parties.

Description of Risk

According to stakeholders and media reports, some Angolan annual license holders have transferred their licenses to foreign companies and nationals, which is contrary to the provisions of Article 54 of the forest regulation. Authorities are aware of reports on this illegal issue as media reports quote authorities for making reference to the sanctions that come with this offence. Personal communication during this assessment also confirmed that authorities know or have heard of reports of such illegal transfer of annual forest exploitation licenses. The main reasons for this illegal transfer are perceived to be inadequate financial capacity of license applicants and therefore authorities have decided to strengthen the verification of financial capacity of applicants and the ownership of equipment with the hope decreasing the likelihood of illegal license transfers. However, the strengthening of the enforcement of this requirement is yet to have been seen, and its effectiveness evaluated.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and not enforced by relevant authorities.

1.4.6. Risk designation and specification

Specified risk

1.4.7. Control measures and verifiers

- The validity of the Forest Exploration License shall be evaluated.

TAXES AND FEES

1.5. Payment of royalties and harvesting fees

Legislation covering payment of all legally required forest harvesting specific fees such as royalties, stumpage fees and other volume-based fees. It also includes payments of the fees based on correct classification of quantities, qualities and species. Incorrect classification of forest products is a well-known issue often combined with bribery of officials in charge of controlling the classification.

1.5.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. It establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 14 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains). Pay fees and other special contributions due to forest and wildlife exploitation are under the terms of this Law. Available at: <https://www.legis-palop.org/> and <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) regulates the forest and wildlife basic law.
 - Article 77 (Procedures) (11) issue of annual logging license is done after payment of established fees and other fees due.
 - Article 78 (License Revalidation) annual logging license which qualifies for revalidated to pay an increase of 5% on the amount of the exploration fees initially established.
 - Article 72 (General Characterization) for annual forest exploitation license holders under item (d) clarifies the obligation to pay logging and reforestation fees.
 - Article 73 (License Types and Content) (1g). The scheme of annual forest exploitation licence indicates the value of the exploitation fee and other fees.
 - Article 31 (e) (Obligations of the holder of logging rights). Timely and full payment of forest operating fees and the provision of bonuses and collateral on any damages to the State. Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>

Joint Executive Decree No. 200/16 on forestry taxes. It establishes the forestry taxes and other charges resulting from the exploitation of forestry products. It also applies to the exploitation of forestry non-timber products, issuing forestry certificates and permits, transport authorization and conducting surveys to update the forestry taxes amounts and the responsibility of the Central and Local Executive Services of the Forestry Development Institute. Available at: <https://www.legis-palop.org/>

1.5.2. Legal authority

- Forestry Development Institute (National level only) of the Ministry of Agriculture and Forestry

- General Tax Administration of Ministry of Finance

1.5.3. Legally required documents or records

- Exploitation license (indicates the total volume of timber and volume of specific species approved in the license)
- Certificate of origin and transit permit (indicates the species and the volume harvested and being transported and for which the applicable fees are calculated)
- Bank payment receipts (30% payment for reforestation and 10% for local administration)

1.5.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, and the General Tax Administration,
- All forest laws are available at:
http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Government of Angola. Law no. 6/17 of 24 January 201. Presidential Decree No. 15/18 approving the Statute of the Ministry of Agriculture and Forestry (MINAGRIF). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2270>
- Government of Angola. Joint Executive Decree No. 200/16 on forestry taxes. Establishes the forestry taxes and other charges resulting from the exploitation of forestry products. Available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.

1.5.5. Risk determination

Overview of Legal Requirements

Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. Article 14 (Rights and Duties for the pursuit of economic activity in the forestry and wildlife domains). Item 5 (m) requires all natural or legal persons engaged in activities relating to forest and wildlife resources to pay fees and other special contributions due to forest and wildlife exploitation under the terms of the law.

The Presidential decree 171/18 of 23 July 2018 which regulates Law no. 6/17 and the Joint Decree # 200/16 26 April 2016 of Ministry of Finance and Agriculture specify the set the of requirements for the calculation of forest fees. (Calculation of the product value upon which the forest product fees are calculated is based on Species class # X the UCF (Fiscal Correction Unit) x Volume). Out of this value, 30% of is required to be paid as reforestation tax and 10% for local administration while the forest enterprise retains the remaining 60%.

The Presidential Decree No. 171/18 approving the Forestry Regulation. Article 77 (Procedures) (11) clearly indicates that the issue of annual logging license is done after payment of fees and other fees due. This is done once the applicant has accepted the technical and administrative conditions. Also, under ARTICLE 78 (License Revalidation) of the Forest regulation, annual forest license which could not

be started or completed during the year of exploitation can be revalidated under specified justifiable conditions which when accepted attracts a payment of an increase of 5% on the amount of the exploration fees initially established. In the same forest regulation under Article 72 (General Characterization) for annual forest exploitation license holders) item (d) clarifies the obligation to pay logging and reforestation fees.

Article 31 (Obligations of the holder of logging rights) of The Presidential Decree No. 171/18 approving the Forestry Regulation. Item (e) requires all timber rights holders are required to make timely and full payment of forest operating fees and the provision of compensation for any collateral damages to the state.

Description of risks

Payment of forest fees and other forest related payments are rigorously enforced. However, there are stakeholder concerns that timber right holders are more knowledgeable in the species and forest operations than the staff of the IDF who are on the ground enforcing these regulations. As described in the legal overview of this section, the species and the volume of the timber are important variable for the calculation of the forest product fee, see findings for 1.16 Classification of species, quantities and qualities and 1.17 Trade and transport.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld.

1.5.6. Risk designation and specification

Low risk

1.5.7. Control measures and verifiers

N/A

1.6. Value added taxes and other sales taxes

Legislation covering different types of sales taxes, which apply to the material being sold, including selling material as growing forest (standing stock sales). Risk relates to situations where products are sold without legal sales documents or far below market price resulting in illegal avoidance of taxes.

1.6.1. Applicable laws and regulations

1. Presidential Decree No. 292/18 of December 3, approving the Legal Regime of Invoices and Equivalent Documents, adjusted to the new Angolan socio-economic reality and adapting the requirements of the VAT Code. Available at: <https://www.legis-palop.org/>
2. Joint Executive Decree No. 200/16 on forestry taxes. It establishes the forestry taxes and other charges resulting from the exploitation of forestry products. It also applies to the exploitation of forestry non-timber products, issuing forestry certificates and permits, transport authorization and conducting surveys to update the forestry taxes amounts and the responsibility of the Central and Local Executive Services of the Forestry Development Institute. Available at: <https://www.legis-palop.org/>
3. Law 3/18 of 9 May 2018 (General Tax Law). This law deals with all tax issues in Angola. Available at: <https://www.legis-palop.org/>

4. The Law No. 7/19 which approves the Value Added Tax Code, it was published on April 24th 2019. Available at: <http://www.agt.minfin.gov.ao/PortalAGT/#!/legislacao/aduaneira/diplomas-legais>

1.6.2. Legal authority

General Tax Administration of the Ministry of Finance

1.6.3. Legally required documents or records

Tax Non-debtor clearance

1.6.4. Sources of information

Government sources

- Personal Communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and the General Tax Administration,
- Government of Angola. 2016. Joint Executive Decree No. 200/16 on forestry taxes. Establishes the forestry taxes and other charges resulting from the exploitation of forestry products. Available at: <https://www.legis-palop.org/>
- General Tax Administration. 2018. Law 3/18 of 9 May 2018 (General Tax Law) This law deals with all tax issues in Angola. Available at: <https://www.legis-palop.org/>

Non-Government sources

Personal communication with civil society organisations and wood processing companies

- Lead Advocates: http://leadadvogados.com/wp-content/uploads/2019/05/Highligtht_Legal-Regime_Facturas.pdf

1.6.5. Risk determination

Overview of Legal Requirements

Value Added Tax (VAT) has only been newly introduced in Angola by Law no. 7/19, on 24 April 2019 and is expected to be in force on October 1st, 2019.

The law put the VAT rate at 14% and VAT is levied upon: a) the transmission of goods and services rendered within the Angolan territory; and b) the importation of goods.

Among the taxpayers subjected to VAT are: a) Any Individual or entity that perform any of the acts to which VAT is levied; b) Any Individual, legal entity or entities that acquire services from non-resident entities without domicile, headquarters or permanent establishment in the national territory; c) The Estate, the governmental entities and other public bodies, Public Institutes, Municipalities, Public Institutions of pension and social security, except when they act within their powers of authority from and as long as no distortions of the competition arise thereafter; d) Political parties and coalitions, trade unions and religious institutions legally constituted, which perform the operations defined as subjected to VAT.

Description of Risk

Given how new VAT is to Angola, implementation of the law has not yet been observed. Because of this, there is a risk that the law is not enforced.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws may not be upheld consistently by all entities or not enforced by relevant authorities.

1.6.6. Risk designation and specification

Specified risk

1.6.7. Control measures and verifiers

1.7. Income and profit taxes

Legislation covering income and profit taxes related to the profit derived from sale of forest products and harvesting activities. This category is also related to income from the sale of timber and does not include other taxes generally applicable for companies or related to salary payments.

1.7.1. Applicable laws and regulations

1. Joint Executive Decree No. 200/16 on forestry taxes. Establishes the forestry taxes and other charges resulting from the exploitation of forestry products. It also applies to the exploitation of forestry non-timber products, issuing forestry certificates and permits, transport authorization and conducting surveys to update the forestry taxes amounts and the responsibility of the Central and Local Executive Services of the Forestry Development Institute. Available at: <https://www.legis-palop.org/>
2. Law 3/18 of 9 May 2018 (General Tax Law) This law deals with all tax issues in Angola. Available at: <https://www.legis-palop.org/>
3. Law No. 21/14, of 22 October; General Tax Code. Available at: <http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mje2/~edisp/minfin216613.pdf> : <https://www.legis-palop.org/>
4. Law No. 9/19, of April 24, 2019, (amends the Income Tax Code (approved by Law no. 18/14 of 22 October). Available at: <https://www.legis-palop.org/>
5. Law no 10/14 of October 22 (Industrial Tax Code). Available at: <https://www.legis-palop.org/>
6. Law 4/19 of April 18, 2019 (amends the Industrial Tax Code Law no. 10/14 of October 22) Available at: http://www.parlamento.ao/glue/AN_Navigation_home.jsp

1.7.2. Legal authority

General Tax Administration of the Ministry of Finance.

1.7.3. Legally required documents or records

- Income tax non-debtor letter from the General Tax Administration upon request

1.7.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and the General Tax Administration
- All laws available at: <https://www.legis-palop.org/>
- All laws available at: http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.js

Non-Government sources

- Personal communication with Civil Society Organisations and private sector of wood processing companies.

1.7.5. Risk determination

Overview of Legal Requirements

The General Tax Code, Law No. 21/14, of October 22; sets the general basis for tax in Angola to include income tax. This was amended by Law No. 9/19, on April 24, 2019. Among the key changes is the enlargement of the basis for taxation by increasing the list of professionals whose salaries are included in the Taxation Group B and the distribution of profits to members of (merely civil) companies, with or without a commercial form of incorporation (Article 1 (f)). This income, when distributed in favour of the partners, is now part of Taxation Group A (Article 3 (2) (d)).

Law no 10/14 of October 22 (Industrial Tax Code) sets the basis for taxation of industrial activity including forest processing. This tax was amended by Law 4/19 of 18 April 2019. Among the key amended is the subjection of persons and entities to industrial tax. That is in addition to commercial entities, the industrial tax now applies to civil firms with or without a commercial activity object, cooperatives, foundations, autonomous funds, public companies and other public or private law bodies with headquarters or place of effective management within the Angolan territory.

Description of Risk

Tax payment obligations are included in the key application processes for concessions and annual forest exploitation licenses, license renewals, transportation of forest production among other measures. These measures have been effective at ensuring tax compliance.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.7.6. Risk designation and specification

Low risk

1.7.7. Control measures and verifiers

TIMBER HARVESTING ACTIVITIES

1.8. Timber harvesting regulations

Any legal requirements for harvesting techniques and technology including selective cutting, shelter wood regenerations, clear felling, transport of timber from felling site and seasonal limitations etc. Typically this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities and elements that shall be preserved during felling etc. Establishment of skidding or hauling trails, road construction, drainage systems and bridges etc. shall also be considered as well as planning and monitoring of harvesting activities. Any legally binding codes for harvesting practices shall be considered.

1.8.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January (Forests and Wildlife Basic Law) establishes the norms that seek to guarantee the conservation and rational and sustainable use of forests and wildlife in the national territory, and the general bases of the exercise of activities
 - Article 59 (forestry exploration activities) 1) Logging activities shall be carried out in production forests.
 - Article 14 (rights and duties for the pursuit of economic activity in the forestry and Wildlife domains) item (f) refrain from harvesting, cutting, hunting, marketing or otherwise causing harm to endangered, endangered and vulnerable species or their habitats.
 - Article 28.0 (size of resources). The Ministerial Department that oversees the Forestry and Faunal Forest which was established by delegation of the Executive Branch, establishes the minimum dimensions, in particular diameters for forest species for exploitation.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential decree 171/18 of 23 July 2018 regulates the law no 6/17 – Forest and Wildlife Basic Law.
 - Article 77 (procedures) gives detail procedures and requirement for the application and issue of annual forest exploitation license to include forest plan indicating harvesting method.
 - Article 37 (forest campaign) defines the forest campaign as the time of the year logging activities in the field are allowed set the period.
 - Article 38 (classification of wood producing species) sets the criteria for classification of timber and timber producing species. Annex 1 of regulation contains the classified list of timber species.
 - Article 60 (forms of and operation under a forest concession contract) item (3) exploitation limited to species list in the forest concession contract. In addition to obedience to the authorized exploitation form by the granting entity, the concessionaire is further obliged to comply with the biometric parameters of the operating inventory, limited to the exploitation of the species listed in in the forest concession contract, including respect for natural regeneration.
 - Article 39 (operating restrictions) in respect of protected species the provisions in Article 16.
 - Article 16 (protected species). Authorisation for logging rare, threatened and endangered species to be given under specified conditions.
 - Chapter XIII (infringements) Article 168 (inquiries and sanctions) list sanction for forest offences to include activities violating the logging requirements. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
3. Law 6/17 of 24 Jan 2017 (environmental impact assessment in forest operation to include authority of the ministry of environment to supervise operation that significantly affect wildlife,

forestry and ecosystem and is a condition for the issuance of annual exploitation license.
Available at: <http://www.legis-palop.org/>

1.8.2. Legal authority

- Forest Development Institute (FDI) of the Ministry of Agriculture
- National Directorate for Prevention and Environmental Impact Assessment from the Ministry of Environment

1.8.3. Legally required documents or records

1. Forest exploitation license
2. Environmental impact assessment report
3. Forest plan in the case of annual forest exploitation licenses

1.8.4. Sources of Information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and The Ministry of Environment.
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Law No. 6/17 on Forest and Wildlife Basic Legislation. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
- Presidential Decree No. 171/18 approving the forestry regulation. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
- Basic Environmental Law No. 5/98. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC099350>
- Executive Decree No. 92/12 approving the Environmental Impact Assessment administrative procedures. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC119510>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.

1.8.5. Risk determination

Overview of Legal Requirements

The basic forest law clearly restricts logging in production forests. The procedures for awarding annual forest exploitation license is to include the submission of a forest plan, which must indicate harvesting method to be used. Felling is required to observe the set down of minimum felling diameter established for each timber species, seasonal limitation (the vegetative rest period, only from 1 November to the end of April of the following year) restricting logging activities to specific operations such as a) evacuation of forest products in the office; (b) extraction of dry fuel material c) wood for community use and e) forest plantation management activities. Clear sanctions are also detailed in the regulation to deter offenders.

Law no. 6/17 - Law on the Bases of Forests and Wildlife, Article 59 (forestry exploration activities) clarifies that logging activities must only be carried out in production forests. In the same law, Article 14 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) item (f) requires timber rights holders to refrain from harvesting, cutting, hunting, marketing or otherwise causing harm to endangered, endangered and vulnerable species or their habitats.

In Article 77 (procedures) of the Presidential Decree No. 171/18 of 23 July 2018, which regulates the forest and wildlife basic law, gives detailed procedural requirements for the application and issue of annual forest exploitation licenses to include a forest plan indicating the species to be exploited, the harvesting method, the types and products proposed to be obtained from the logging operations.

Article 37 (forest campaign) of the presidential decree defines the forest 'campaign' as the time of a year when weather conditions permit logging in natural forest. The period of the forest campaign begins on May 1 and ends on October 31 of the same year. Logging in natural forest is allowed during this period and all logging activities are required to be compulsorily withdrawn by its end. Forest activities at the end of the campaign period is required to be concentrated in the office

Article 38 (classification of wood producing species) directs the classification of timber according to their commercial, scientific value, rarity, utility and strength, timber-producing species are classified as a function of density group and class of technological quality. This classification is set forth in Annex I of the forest regulation. Exploitation is limited to the species listed in the forest concession contract as given under Article 60 (forms of and operation under a forest concession contract) item (3).

Article 39 (operating restrictions) restricts the cutting of protected species in accordance with Article 16 (protected species), which requires logging authorisation under specified conditions.

Specifically, in Article 14 (protected trees), protected trees benefit from the status of natural monuments and are to be identified in territories by signboard indicating the common and scientific names of the species and the classification category. Cutting or mutilation of protected trees is prohibited.

Sanctions for infringements related to logging activities are provided in Chapter XIII (infringements) Article 168 (inquiries and sanctions), including:

- Logging in the vegetative rest period.
- Carry out logging outside the authorized area.
- Logging of species not included in the logging plan or license.
- Harvest of volumes higher than those contained in the logging plan and the logging license.
- Harvesting, cutting or damaging, processing, marketing or displaying products from rare species that are endangered or have ecological, aesthetic, historical or cultural value.

Description of Risk

Some stakeholders have indicated that some annual forest exploitation license holders are known to harvest timber below the minimum diameter and to harvest beyond the boundaries of their permitted areas. Timber harvested in such illegal situations is processed using mobile wood processing machinery before being transported to any of the three functioning timber products warehouses for control and application of timber export permits, phytosanitary certificate, and other documents. Stakeholders have indicated that violations of harvesting restrictions are believed to continue given the on-going improvement of the forestry sector which includes the establishment of annual harvesting quotas for each of the 16 timber producing provinces. Some stakeholder believes that although the authorities have stepped up the enforcement measure, inadequate regulator's technical capacity and logistics such as transport for field supervisors have weakened enforcement efforts. Timber license holders and their foreign partners are also having better technical knowledge of species and forest operations than the regulator, and therefore there is higher risk that the regulator could be easily cheated. Perceived

corruption among government officials and influence of “powerful generals” are also contributing to timber right holders and traders circumventing harvesting requirements.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.8.6. Risk designation and specification

Specified risk

1.8.7. Control measures and verifiers

1.9. Protected sites and species

International, national, and sub national treaties, laws, and regulations related to protected areas allowable forest uses and activities, and/or, rare, threatened, or endangered species, including their habitats and potential habitats. Risk relates to illegal harvesting within protected sites, as well as illegal harvest of protected species. Note that protected areas may include protected cultural sites, including sites with historical monuments.

1.9.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January (Forests and Wildlife Basic Law) establishes the norms that seek to guarantee the conservation and rational and sustainable use of forests and wildlife in the national territory, and the general bases of the exercise of activities.
 - Article 7 (forest heritage) classifies Angola forest in terms of use into protection forests, special purpose forests and production forests.
 - Chapter II rights and duties Article II (obligations of the state). Item (j) ensure the protection of endangered species or endangered and vulnerable ecosystems or in any way requiring measures of special protection.
 - Article 14.0 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) item (f) refrain from harvesting, cutting, hunting, marketing or otherwise causing harm to endangered, endangered and vulnerable species or their habitats. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential decree 171/18 of 23 July 2018 regulates the law no. 6/17 – forest and wildlife basic law.
 - Article 6.0 (permanent protection forests) (1) (22) states that permanent protected forest defined and its purpose stated (5). The exploitation of forest products in permanent protection forests is prohibited, except for subsistence uses or scientific purposes.
 - Article 16 (protected species). Special authorisation is required to be obtained from the Ministry of Agriculture and Forestry on the advice of the Ministry of Environment for (a) the cutting of specimens of forest species classified as rare, threatened and endangered, or of particular ecological value; and (b) cutting of specimens of vulnerable and endemic species.
 - Article 14 (protected trees) (2). Felling or mutilation of protected trees is prohibited.
 - Article 38 (2) (classification of wood producing species) (2). It is incumbent upon the ministerial department holder that oversees the forest sector in coordination with the holder of the ministerial department that oversees the permit and update, as appropriate, the list

of species classification in accordance to the previous paragraph, as well as the list of protected flora species. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

3. Executive decree No. 278/18 establishes the prohibition of Mussivi (*Guibourtia coleosperma*) (timber) logging throughout the national territory for two years. Available at: <http://www.legis-palop.org/>
4. Law No. 38/11 creates the National Parks in Luengue-Luiana, Mavinga and Mayombe within the provinces of Kuando Kubango and Cabinda. Available at: <http://www.legis-palop.org/>
5. Presidential Decree No. 290/18 approves the statute of Maiombe National Park Management Service. Available at: <http://www.legis-palop.org/>
6. Presidential decree No. 264/18 approving the statute of the Luéngue Luiana National Park Management Service. Available at: <http://www.legis-palop.org/>
7. Presidential decree No. 261/18 approving the statute of the Bicular National Park Management Service. Available at: <http://www.legis-palop.org/>
8. Presidential decree No. 260/18 approving the statute of the Cangandala National Park Management Service. Available at: <http://www.legis-palop.org/>
9. Presidential decree No. 259/18 approving the statute of the Cameia National Park Management Service. Available at: <http://www.legis-palop.org/>
10. Presidential decree No. 258/18 approving the statute of the Quiçama National Park Management Service. Available at: <http://www.legis-palop.org/>
11. Presidential decree No. 253/18 approving the statute of the Mavinga National Park Management Service. Available at: <http://www.legis-palop.org/>
12. Presidential decree No. 252/18 approving the statute of the Mupa National Park Management Service. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC182993>

1.9.2. Legal authority

- Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry

1.9.3. Legally required documents or records

- Forest Concession Contract
- Annual Forest Exploitation License
- Special Protected Species Authorisation permit from the Ministry of Agriculture and Forestry

1.9.4. Sources of Information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and The Ministry of Environment.
- All forest laws are available at http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>
- Law No. 6/17 on Forest and Wildlife Basic Legislation. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
- Presidential Decree No. 171/18 approving the forestry regulation. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies

- Timber Alert. 30 December 2018. About 45 truckloads worth of Mussivi African Rosewood logs seized in Menongue. Cuando Cubango, Angola. Available at: <https://www.timbercheck.net/timber-risk-map/alert.php?id=502&title=About+45+truckloads+worth+of+Mussivi+African+Rosewood+logs+seized+in+Menongue>

1.9.5. Risk determination

Overview of Legal Requirements

The Law no. 6/17 of 24 January- (Forests and Wildlife Basic Law), Chapter II Rights and Duties ARTICLE II (Obligations of the State) under Item (j), the State is required to ensure the protection of endangered species, endangered ecosystems and vulnerable or in any way requiring protection special protection measures. Under Article 14.0 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) item (f), timber right holders among other forest use right holders are required to refrain from harvesting, cutting, hunting, marketing or otherwise causing harm to endangered, rare and vulnerable species or their habitats.

The Presidential decree 171/18 of 23 July 2018 which regulates the forest and wildlife basic law no. 6/17 under Article 6.0 (permanent protection forests) item (2) states that permanent protected forests may be natural or planted. Item defines permanent protected forest in terms of their location to include:

- (d) at headwaters and riverbanks within a perimeter 50 meters and a minimum range of 50 to 500 meters, respectively.
- e) around ponds, lakes or water reservoirs within a radius of 50 to 100 meters.

Item 5 prohibits the exploitation of forest products in permanent protection forests, except for subsistence uses or scientific purposes.

Article 16 (protected species) of the forest regulation also requires that special authorisation given by the Ministry of Agriculture and Forestry on the advice of the Ministry of Environment is obtained for a) the cutting of specimens of forest species classified as rare, threatened and endangered, or of particular ecological value; and (b) cutting of specimens of vulnerable and endemic species. Under this regulation the authorizations granted for cutting may subsequently be suspended, reduced in quantities, or prohibited from exporting products obtained if new knowledge of the situation of the species concerned so requires. The Ministry of Agriculture and Forestry is required to keep list of rare, threatened and endangered up to date. Article 14 (protected trees) puts protected trees under the status of monuments and are to be identified on the ground by a sign indicating the common and scientific names of the species and the classification certificate. Felling or mutilation of protected trees is prohibited. Article 38 (2) (classification of wood producing species) of the forest regulation enjoins the Ministerial Department Holder which oversee the forest sector in coordination with the Holder of the Ministerial Department that oversees the environmental permit and update, as appropriate, the list of species classification in accordance species classification criteria given in item (1) of this article as well as the list of species of flora considered protected.

The state by legislation established several national parks for protecting endangered ecosystems and habitats as well as rare, threatened and endangered species. Executive decree 278/18, 7 August 2018 banned the felling of *Guibourtia coleosperma* (Maussive or Rosewood) throughout Angola for two years (from 7 August 2018). The purpose of this ban is to consolidate the evaluation of the species through an on-going national forest inventory. Forest license holders who harvested the tree species must sell within 3 months. Timber check posted a news on 30 December 2018 about the seizure of 902.44 cubic meters Maussive (Rosewood), enough to fill about 45 truckloads in the city of Menongue in Cuando of

Cubango province. It is allegedly harvested by six companies in Menongue and Cuito Cuanavale despite a ban on the logging of Mussivi in Angola.

Description of Risk

Angola has passed a number of legislation protecting species and sites including habitats which are rare, endangered or threatened through a network of protected areas and species under specific protection. Clear definitions are given in the forest legislation to protect important sites and species. Research and consultations with stakeholders so far have not come across any gross violation of these legislative provisions.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.9.6. Risk designation and specification

Low risk

1.9.7. Control measures and verifiers

N/A

1.10. Environmental requirements

National and sub-national laws and regulations related to the identification and/or protection of environmental values including but not limited to those relating to or affected by harvesting, acceptable level for soil damage, establishment of buffer zones (e.g. along water courses, open areas, breeding sites), maintenance of retention trees on felling site, seasonal limitation of harvesting time, environmental requirements for forest machineries, use of pesticides and other chemicals, biodiversity conservation, air quality, protection and restoration of water quality, operation of recreational equipment, development of non-forestry infrastructure, mineral exploration and extraction, etc... Risk relates to systematic and/or large-scale non-compliance with legally required environmental protection measures that are evident to an extent that threatens the forest resources or other environmental values.

1.10.1. Applicable laws and regulations

1. Constitution of the Republic of Angola, of 21 January 2010, [Article 39 of the Angola Constitution] (Environmental rights) (2). The state shall take the requisite measures to protect the environment and species of flora and fauna throughout national territory. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang72591ENG.pdf> and <https://www.legis-palop.org/> ?
2. Law No. 6/17 of 24 January (Forest and Wildlife Basic Law) establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory, and the general bases of the exercise of activities.
 - Article 14.0 (rights and duties for the pursuit of economic activity in the forestry and Wildlife domains) (e) economic activities in forest and wildlife domain to minimize negative environmental damage.

- Article 70 (obligations of the holder of the right of the forest). Holders of forest exploitation rights have the obligations to comply with environmental protection requirements. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
- 3. Presidential decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Regulates the forest and wildlife basic law.
 - Article 95 (competences) item 3. Logging or clearing over areas 200 hectares may require environmental impact assessment at the expense of the person concerned.
 - Article 77 (procedures) gives detail procedures and requirement for the application and issue of annual forest exploitation license to include the approved EIA report.
 - Article 114 (Environmental Impact Assessment - EIA) EIA is to be imposed grantors for a) planting projects in areas larger than 1.000 hectares.
 Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
- 4. Law no. 5/98 of 19 June (Law on the Environment) establishes basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. This law concerns the National Programme of Environmental Management, to be drawn up according to the national legislation. It specifies conditions and requirements to be satisfied by environmental quality standards. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC018069>
- 5. Decree No. 51/04 of July 23 (Environmental Impact Assessment) approves the Environmental Impact Assessment (EIA) Legislation, aimed at regulating the environmental and administrative procedures related to the implementation of public and private projects. It establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. The Annex lists down all the activities needing an EIA authorization. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC119509>
- 6. Decree No. 59/07 of 13 July on (Environmental Licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. Moreover, the decree establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC099350>

1.10.2. Legal authority

- Forestry Development Institute (IDF)
- National Directorate for Prevention and Environmental Impact Assessment from the Ministry of Environment

1.10.3. Legally required documents or records

- Environmental Impact Assessment Report approved by the Environmental Ministry and the Ministry of Agriculture and Forestry.

1.10.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and the Ministry of Environment.
- All laws are available at: <https://www.legis-palop.org/>.

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.

1.10.5. Risk determination

Overview of Legal Requirements

Angola Environmental protection is established from 2010 national constitution. Article 39 (2) (environmental rights as clearly expressed in Article 39 enjoins the state to take required measures to protect the environment and the species of flora and fauna in the country; maintain the ecological balance, ensure the correct location of economic activities and the rational development and use of all natural resources, within the context of sustainable development, respect for the rights of future generations and the preservation of species. Environmental protection is established in forestry and environmental laws. Article 14 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) of the forest and wildlife basic law, No. 6/17 item (e) requires users of forests for economic activities to carry out the activities to minimize the negative environmental impacts of activities on forest ecosystems. Article 70 (obligations of the holder of the right of the forest) of the basic law demand forest exploitation rights holders to sustainably use forest resources to include (a) compliance with existing legislation, in particular of the provisions of this law, the legislation on waters, land, town planning and land use planning and environmental protection, as well as the conditions laid down in the concession contract or community license.

The Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) which regulates the forest and wildlife basic law under Article 114 (Environmental Impact Assessment) requires that EIA to be imposed by grantor: (a) in planting projects in areas larger than 1,000 hectares; (b) in planting projects which the land on which the person concerned already holds title to land by law and land that is granted for forest planting. Article 95 (competences) item 3 of the forest regulation clarifies that logging or clearing of an area over 200 hectares may require prior environmental impact assessment at the expense of the person concerned. Article 77 (procedures) which give the detailed procedure for the award of annual forest exploitation license include the requirement for the applicant to hold an EIA report approved by the Ministry of Environment and the Ministry of Agriculture and Forestry for the area for which the application is made.

The law no. 5/98 of 19 June (Law on the Environment) establishes the basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. This law concerns the National Programme of Environmental Management, to be drawn up according to the national legislation. It specifies conditions and requirements to be satisfied by environmental quality standards. The Decree No. 51/04 (Environmental Impact Assessment) establishes the environmental requirements to be completed to perform any environmental activity. It has an Annex listing all the activities requiring an EIA authorization. The Decree No. 59/07 (Environmental Licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. It establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations.

Description of Risk

Environmental laws are well established including in forest legislations. The environmental laws are well enforced, proven by, for example annual forest exploitation licenses needs an approved EIA report at the application stage.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.10.6. Risk designation and specification

Low risk

1.10.7. Control measures and verifiers

N/A

1.11. Health and safety

Legally required personnel protection equipment for persons involved in harvesting activities, use of safe felling and transport practice, establishment of protection zones around harvesting sites, and safety requirements to machinery used. Legally required safety requirements in relation to chemical usage. The health and safety requirements that shall be considered relate to operations in the forest (not office work, or other activities less related to actual forest operations). Risk relates to situations/areas where health and safety regulations are consistently violated to such a degree that puts the health and safety of forest workers at significant risk throughout forest operations.

1.11.1. Applicable laws and regulations

1. General Labor Law (No. 7/15 of 15 June 2015)
 - Article 8I (general employer obligations). Employer to take necessary measures for occupational health and safety among other obligations including the provision of Personal Protective Equipment (PPEs).
 - Article 83 (obligation of the worker). Workers who have received necessary instructions and do not correctly use collective and individual protection equipment and do not ensure conservation.
 - Article 85 (2) (employer Emergency obligations). Employer obligation to inform the competent authorities of the accident or illness in the event of occupational accidents or illness.
 - Article 87 (authority of the General Labor Inspectorate). Supervision of compliance with regulatory provisions on occupational health and safety is the responsibility of the Inspector General of Labour. Article 91 (medical examination). Medical examinations of worker shall be carried out by health authorities without prejudice to the special examinations and care required by the characteristics of certain types of labor provided in the applicable regulations. Available at: <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99347/118526/F831720958/lei%20geral%20do%20Trabalho%207-15.pdf>

2. Decree No. 9/95 of 21 April 1995 (Decree on the Regulation of the General Labor Inspectorate) It establishes the fundamental purpose of the Inspector General of Labour
 - Article 3 (general assignments) (B). Enforce occupational hygiene, safety and health standards.
 - Article 25 (powers of inspectors) 1. Inspection staffs are permanently vested in their capacity and shall have public authority power. (b) to carry out any examinations, inspections, investigations, inquiries and other steps deemed necessary to ensure that labor standards are complied. Available at:
http://www.ilo.int/dyn/legosh/en/f?p=LEGPOL:503:6501263165076:::503:P503_REFERENCE_ID:167642
3. Decree No. 31/94, of 5 August establishes the principles that include promotion of safety, hygiene and health at work. It repeals all legal and regulatory provisions contrary to this decree. Available at:
<https://www.ilo.org/dyn/natlex/docs/MONOGRAPH/56323/60225/F1112604275/DECRETO%2031%2094.pdf>

1.11.2. Legal authority

- Ministry of Public Administration, Employment and Social Security (MAPESS).

1.11.3. Legally required documents or records

- The Occupational Health and Safety (OSH) Services monthly, quarterly and annual reports for companies with 50 or more employees.

1.11.4. Sources of information

Government sources

Government of Angola: https://www.maptss.gov.ao/?page_id=1102

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- Ahmad I and Barros L C. 2019. Angola Decent Work Check 2019. Amsterdam, Wage Indicator Foundation, February. Available at:
<https://wageindicator.org/documents/decentworkcheck/africa/angola-english.pdf>
- Meusalario, Angola General Labour Law. Health and Safety. Available at:
<https://meusalario.org/angola/lei-geral-do-trabalho/saude-e-seguranca>

1.11.5. Risk determination

Overview of Legal Requirements

The General Labour Law (No. 7/15 of 15 June 2015) article 8I (general employer obligations) requires that employers take necessary measures for occupational health and safety of their workers to include the provision of PPEs. Article 83 (obligation of the worker) also makes it an offence for workers who have received PPEs and the necessary instructions and do not correctly use the collective and individual protection equipment and do not ensure its maintenance. Under Article 85 (2) (employer emergency obligations) employers also has obligation to inform the competent authorities of the accident or illness

in the event of occupational accidents or illness provided that it makes it impossible for the job, within the time limit and in accordance with the procedure laid down in the legislation itself. Article 87 (Authority of the General Labour Inspectorate) recognises supervision of compliance with regulatory provisions on occupational health and safety is the responsibility of the Inspector General of Labour. Article 91 (medical examination) gives permission to health authorities to carry out medical examinations of worker, and shall be carried out by the health authorities without prejudice to the special examinations and care required by the characteristics of certain types of labour provided for in the applicable regulations.

The Decree No. 9/95 of 21 April 1995 (Decree on the Regulation of the General Labour Inspectorate) establishes fundamental purpose of the Inspector General of Labour to inform and advise on matters of legal and employment relations in application of the legislation on working and employment conditions, system of protection of employment and unemployment of workers and payment of contributions of social security, as well as propose the necessary measures to overcome the gaps in labour legislation. Article 3 (General Assignments) (B) of the decree clarifies the enforcement of occupational hygiene, safety and health standards as one of the key assignments of the Inspector General of Labour. Article 25 (powers of inspectors) (1) clarifies that inspection staff of the Labour Directorate are permanently vested in their capacity and shall have the public authority powers deriving therefrom. (b) Carry out any examinations, inspections, investigations, inquiries, and other steps deemed necessary to ensure that labour standards are in fact complied with.

Description of Risk

Angolan laws provide for health and safety of workers at their workplace. The General Inspections Department of the Ministry of Public Administration Labour and Social Security have the legal authority to enforce compliance with health and safety at workplace. According to stakeholders, while enforcement of health and safety requirements in the cities is better, health and safety at the forest level and processing facilities in the hinterlands violate workers health and safety requirements as there is no enforcement or very weak enforcement.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.11.6. Risk designation and specification

Specified risk

1.11.7. Control measures and verifiers

- The Labour Inspectorate of the Ministry of Public Administration, Employment and Social Security (MAPESS) to step up its inspection activities to cover all workplaces at least once a year as provided in the law.
- Importers can request for the Occupational Health and Safety (OSH) Services monthly, quarterly and annual reports for companies with 50 or more employees.

1.12. Legal employment

Legal requirements for employment of personnel involved in harvesting activities including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employer. Furthermore, the points cover observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. Risk relates to situations/areas where systematic or large-scale noncompliance with labour and/or employment laws. The objective is to identify where serious violations of the legal rights of workers take place, such as forced, underage or illegal labour.

1.12.1. Applicable laws and regulations

1. Ratified 34 International Conventions related to Labour
 - C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
 - C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
 - C029 - Forced Labour Convention, 1930 (No. 29)
 - C105 - Abolition of Forced Labour Convention, 1957 (No. 105)
 - C006 - Night Work of Young Persons (Industry) Convention, 1919 (No. 6)
 - C081 - Labour Inspection Convention, 1947 (No. 81)
 - C138 - Minimum Age Convention, 1973 (No. 138) minimum age specified: 14 years
 - C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)
 - C026 - Minimum Wage-Fixing Machinery Convention, 1928 (No. 26)
 - C012 - Workmen's Compensation (Agriculture) Convention, 1921 (No. 12)
 - C017 - Workmen's Compensation (Accidents) Convention, 1925 (No. 17)

Available at:
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational_safety_and_health
2. Constitution of the Republic of Angola, of 21 January 2010,
 - Article: 60 (ban on torture and degrading treatment). No-one shall be subjected to torture, forced labour or cruel, degrading or inhuman treatment.
 - Article 50 (trade union freedoms) (1). It shall be recognised that all workers have the freedom to create trade union organisations to defend their collective and individual interests.
 - Article 21(h) (Fundamental tasks of the state). To promote equal rights and opportunities between Angolans, regardless of origins, race, party affiliations, sex, colour, age or any other form of discrimination. Available at:
<http://extwprlegs1.fao.org/docs/pdf/ang72591ENG.pdf>, <https://www.legis-palop.org/>
3. The General Labour Law (7/2015) of 15 June 2015. The main statute governing all aspects of employment relationships in Angola;
 - Article 13 (capabilities) 1. The relationship with the labour law established with minors between the ages of fourteen (14) and eighteen (18) shall be valid as long as authorized by the legal representative or in his absence by the employment center or the appropriate institution.
 - Article 161 (fixed national minimum wage) 1. The national minimum wage is fixed in periodically manner by the Holder of the Executive Power.
 - Article 5 (prohibition of forced or compulsory labour) 1. Forced or compulsory work is prohibited. 2. It is not by force or compulsory to work
 - Article 7 (related rights as the right to work)
 - Article 4 (right to work)

Available at:

<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99347/118526/F831720958/lei%20geral%20do%20Trabalho%207-15.pdf>

4. Decree no. 9/95 of 21 April (General Labour Inspectorate Regulation) Available at: https://www.ilo.org/dyn/legosh/en/?p=14100:1100:0::NO::P1100_ISO_CODE3,P1100_YEAR:AGO,2014#
5. Presidential Decree No. 136/19 of 5 May (Unique Social Register) Available at: <https://www.lexlink.eu/codigo-simples/angola/671182/cadastro-social-unico-decreto-presidencial-no-13619-de-5-de-maio/14559/por-tema>
6. Decree No. 38/08 of 19 June 2008 establishes the legal regime of binding and contribution of the Compulsory Social Protection.
7. In Chapter III (Contributory Regime) Article 15 (3) provides that the contribution rate for compulsory social protection is set at 3% for the employee and 8% for the employer.
8. Executive Decree No 406/17 of 30 August (Social Solidarity Grant). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
9. Presidential Decree No. 91/17 of 7 June (Single National Guaranteed Minimum Wage). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
10. Law (20-A/1992) of 14 August 1992; (the law on the right to collective bargaining) All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
11. Law (21-D/1992) of 28 August 1992; (Trade Union Law). All labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
12. Law (23/1991) of 15 June 1991; (the Law on Strike). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
13. Presidential Decree No. 40/17 of 6 March; (fixed-term and indefinite employment contracts) are available at: <https://www.lexlink.eu/codigo-simples/angola/651391/contratos-de-trabalho-por-tempo-determinado-e-por-tempo-indeterminado-decreto-presidencial-no-4017-de-6-de-marco/14544/por-tema>
14. List of work prohibited and conditioned to women - Presidential Decree No. 29/17 of 22 February are available at: <https://www.lexlink.eu/codigo-simples/angola/651191/lista-de-trabalhos-proibidos-e-condicionados-as-mulheres-decreto-presidencial-no-2917-de-22-de-fevereiro/14544/por-tema>
15. Temporary Assignment of Workers - Presidential Decree No. 31/17, of 22 February. Available at: <https://www.lexlink.eu/codigo-simples/angola/651209/regime-de-cedencia-temporaria-de-trabalhadores-decreto-presidencial-no-3117-de-22-de-fevereiro/14544/por-tema>
16. Presidential Decree No. 87/19 of 21 March 2019 (adjusts the amount of pensions from the compulsory social protection level). - Repeals Presidential Decree No. 93/17 of 7 June. Available at: <https://www.lexlink.eu/conteudo/angola/laboral-e-seguranca-social/3888683/decreto-presidencial-no-8719/186/por-tema>

1.12.2. Legal authority

- Ministry of Public Administration, Employment and Social Security (MAPESS).

1.12.3. Legally required documents or records

- Employment contract (applicable to some kinds of job).
- Social security clearance letter

1.12.4. Sources of information

Government sources

- Government of Angola, Labour Law. Available at: <https://www.legis-palop.org/>
- Constitution of the Republic of Angola, of 21 January 2010. Available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- ILO (International Labour Conventions ratified by Angola). International Conventions Ratified by Angola. Available at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational_safety_and_health
- Ahmad, I. and Barros, L. C. 2019. Angola Decent Work Check 2019. Amsterdam, Wage Indicator Foundation, February. Available at: <https://wageindicator.org/documents/decentworkcheck/africa/angola-english.pdf>
- Meusalario, Angola General Labour Law. Available at: <https://meusalario.org/angola/lei-geral-do-trabalho/saude-e-seguranca>

1.12.5. Risk determination

Overview of Legal Requirements

Angola has ratified 34 International Conventions related to Labour, namely C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98) C029 - Forced Labour Convention, 1930 (No. 29) C105 - Abolition of Forced Labour Convention, 1957 (No. 105) C006 - Night Work of Young Persons (Industry) Convention, 1919 (No. 6) C081 - Labour Inspection Convention, 1947 (No. 81) C138 - Minimum Age Convention, 1973 (No. 138) Minimum age specified: 14 years C182 - Worst Forms of Child Labour Convention, 1999 (No. 182) C026 - Minimum Wage-Fixing Machinery Convention, 1928 (No. 26), C012 - Workmen's Compensation (Agriculture) Convention, 1921 (No. 12) C017 - Workmen's Compensation (Accidents) Convention, 1925 (No. 17) .

The contents of these have been included in the country's legislation, starting from the highest law which the Constitution of the Republic of Angola of 21 January 2010. Article 60 (ban on torture and degrading treatment) of the constitution clearly states that no-one shall be subjected to torture, forced labour or cruel, degrading or inhuman treatment. Article 50 (trade union freedoms) recognises that all workers have the freedom to create trade union organisations to defend their collective and individual interests while Article 21(h) states that one of the fundamental tasks of the state is to promote equal rights and opportunities between Angolans, regardless of origins, race, party affiliations, sex, colour, age or any other form of discrimination. Several labour laws have been enacted to give meaning to these constitutional provisions.

The General Labour Law (7/2015) of 15 June 2015 is the main statute governing all aspects of employment relationships in Angola. Article 13 (1 and 2) (capabilities) sets the minimum working age. People aged between 14 and 18 require authorisation to work by legal representative or by the employment center or other appropriate institution. The article also gives meaning to the conclusion of work contracts. Though from the General Labour Law, an employment agreement does not need to be made in writing, however, a written employment agreement is required in some cases such as employment agreements entered into with foreign employees and traineeship agreements.

Article 161 (fixed national minimum wage) confirms the periodic setting of a national minimum wage by the holder of the executive power. Article 5 (1 and 2) (prohibition of forced or compulsory labour) states that forced or compulsory work is prohibited. Article 7 (1) (related rights as the right to work) restates the fundamental the right to work and the free exercise of the profession and adds that the fundamental rights of workers shall be: (a) freedom of association and consequent right to organize use and exercise of trade union activity b) the right to negotiate with the collective; c) the right to strike; (d) the right to meet and participate in the business activity of the enterprise. Article 4 (1) (Right to work) reiterates the right to work and bans discrimination to indicate that every citizen has the right to freely choose work, with equal opportunity and without any discrimination based on race, gender, ethnic origin, marital status, social origin and status, religious reasons, political opinion, union affiliation and language.

Decree no. 9/95 of 21 April is the General Labour Inspectorate Regulation. Article 4 (specific assignments) specifies the duties of the General Labour Inspectorate to include checks for the regularity of the processing of social security discounts and the payment of the contributions. The Presidential Decree No. 136/19 of 5 May (unique social register) gives specific regulations on registration for social security. While the decree No. 38/08 of 19 June 2008 establishes the legal regime for a binding and contribution for compulsory social protection. In Chapter III (contributory regime) Article 15 (3) of this law sets the contribution rate for compulsory social protection at 3% for the employee and 8% for the employer.

Description of Risk

Angola's employment laws require employer to comply with the national minimum wage established for their industrial sector. The laws include mandatory registration of all workers for social protection, deduction and payment of social security contribution by the employer at a rate of 3% by the employee and 8% by the employer. However, in some remote forest operations and timber processing facilities, these legal employment requirements are violated. Some workers engaged in forest operations and wood processing are not registered for social protection by their employers and social security contribution deduction not made and paid on their behalf by employers. Some forest operations and wood processing employers also do not pay the current monthly minimum wage of Kz 21454.10 for the agriculture sector.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.12.6. Risk designation and specification

Specified risk

1.12.7. Control measures and verifiers

- Timber rights holders should show the proof that the number of workers whose income tax are paid are also paid social security contributions for each month and explanation given for why the number of works whose social security are paid is not the same as the number paid for pay-as you earn.
- On-site verification to reconcile workers whose income tax are paid with workers social security payment records for any particular month.

THIRD PARTIES' RIGHTS

1.13 Customary rights

Legislation covering customary rights relevant to forest harvesting activities including requirements covering sharing of benefits and indigenous rights. The indicator is relevant to customary rights other than land and land management rights. Customary land and land management rights are covered under 1.1.

1.13.1. Applicable laws and regulations

Law no. 6/17 Forest and Wildlife Basic Law establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.

Article 62 (Types of Rights) 1. Rights to forest resources property transferable to individuals include Right to use subsistence and Right of use and community enjoyment.

- Article 73 (about the position of rights). The right of logging shall be exercised within the strict respect for the rights of third parties.
- Article 14 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains).
- Article 145 (Forest Levies)

1. It is incumbent upon the holder of the executive power to establish a percentage of the revenues from the forest levies applied benefit to communities based on where the forest exploitation takes place.

2. Criteria for fixing rated:

- (a) the market value of the species and subspecies concerned rights of forest exploitation;
- (b) the quantities of forest resources harvesting or cutting or hunting resources;
- (c) the type of forest in which the exploitation takes place;
- (d) the profitability of logging, measured in accordance function of the specimens contained in the concession.

3. A percentage of the value of the fees and fines reverts to the specialized body implementing the measures sustainable management of forests and wildlife, in accordance with applicable law.

4. No forestry fees payable by products from private forest plantations.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>

Presidential decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation) regulates the forest and wildlife basic law.

- Article 32 (harmonization and overlap of rights) (1) allocation of rights to area of forest does not prevent the exercise of equally valid rights of third party rights (b) right of forest exploitation respect third party rights.
- Article 77 (procedures) (3). The preliminary assessment of annual forest license application to the IDF comprising: a) analysis of the legal situation of the intended area in consultation with the services responsible for registration of lands in order to obtain guarantees that there will be no overlap of areas and collision with third party rights.

- Article 21 (subsistence use rights and community law) (5). In the case of expropriation for public utility or other land-use form of customary useful land, the community has the right to assign other land with identical or similar vegetation cover that of the expropriated or disaffected.
- Article 31 (obligations of the holder of logging rights) forest concession agreement b) recognises customary useful domain forest land necessary for the exploitation of under the terms of Law 6/17, January 24;
- Article 26 (intra-community marketing) sales of woody fuels, materials of constraint and non-wood products between neighbours (a) are of tradition and customary use;
- Article 116 (procedures) (1) the process for establishing forest plantations begins with the presentation by the person concerned of a request addressed to the holder of the Ministerial Department which oversees the forest sector, accompanied by the following documents: (i) a copy of the title of land law or of the title of customary useful domain or evidence of the steps already taken with the competent services to obtain them.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

1.13.2. Legal authority

- Forestry Development Institute (IDF) of the Ministry of Agriculture and Forestry

1.13.3. Legally required documents or records

- Map of concession area
- For annual forest exploitation license: 1/100,000 map of the concession area prepared by the local services of the Institute of Geodesy and Cartography of Angola (IGCA),
- For plantation development application: a copy of the title to land or the title of customary useful domain or evidence of the steps already taken with the competent services to obtain them.

1.13.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment.
- All forest laws are available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and r wood processing companies.

1.13.5. Risk determination

Overview of Legal Requirements

The Forest and Wildlife Basic Law (Law no. 6/17), which establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in Angola, as well as the general bases for the exercise of activities related to forestry under Article 62 (b) (Types of Rights) recognises the right to use forest land for community enjoyment. Article 73 (about the position of rights) clarifies that the right of logging shall be exercised within the strict respect for the rights of third parties regarding existing natural and easements within the concession area in particular of access by local communities to the natural resources not covered by the law of forest exploration. Article 14 (rights and

duties for the pursuit of economic activity in the forestry and wildlife domains) item (c) requires that the pursuit of economic activities within the Forestry and the Wildlife sector respect the rights of third parties, in particular of rural communities and holders of other rights to natural resources existing within the area of forestry or wildlife exploitation, in particular as regards easements of water, of passage and mining and (d) respect established sites as being of cultural importance, ecological, economic, religious or spiritual, over which the respective communities have rights.

The Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) which regulates the forest and wildlife basic law under Article 32 (harmonization and overlap of rights) clarifies that (1) the allocation of the right to forestry in a given area does not prevent the exercise of equally valid rights, earlier or later of third parties over other natural features from the same area and (2) that the right of forest exploitation shall be exercised with respect of third-party rights in respect of natural resources and existing services within the concession area especially local communities access to natural resources which are not covered by the law on logging. Article 77 (procedures) (3a) requires that the preliminary assessment by the IDF of annual forest exploitation license applications comprise the analysis of the legal situation of the intended area in consultation with the services responsible for registration of land titles in order to obtain guarantees that there will be no overlap of areas and collision with third party rights.

Article 21 (Subsistence Use Rights and Community Law) of the forest regulation under item (4) guarantees that the right to subsistence use and community enjoyment of forests and wildlife resources is governed by the customary norms and practices of communities and item (5) clarifies that in the case of expropriation of forest land for public utility or other land-use form of customary useful land, the community has the right to assign other land with identical or similar vegetation cover that of the expropriated or disaffected. Article 31 (obligations of the holder of logging rights) of the forest regulation requires that holders of logging rights (b) recognises the customary use forest areas necessary for local exploitation under the terms of Law 6/17 of January 24. Article 26 (Intra-Community Marketing) recognises the sales of woody fuels and non-wood products between neighbours for (a) traditional and customary use. Under article 116 (procedures) related to application for forest plantation development includes (i) a copy of the title of land or title of customary use land or evidence of the steps already taken with the competent services to obtain them.

Description of Risk

The Angolan forest laws have adequate provisions to safeguarding the respect of third-party customary rights from forest harvesting and other operational activities. The assessment of demonstration of respect to third-party customary rights are done right from the application for forest harvesting right process to the operational stage. Such assessments of respect for third party customary rights at the application are rigorously enforced. Consultation with stakeholders also did not come across any evidence of violation of third-party customary rights by logging activities.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.13.6. Risk designation and specification

Low risk

1.13.7. Control measures and verifiers

N/A

1.14. Free prior and informed consent

Legislation covering "free prior and informed consent" in connection with transfer of forest management rights and customary rights to the organisation in charge of the harvesting operation.

1.14.1. Applicable laws and regulations

1. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) regulates the forest and wildlife basic law.
 - Article 22 (safeguarding the right to use for subsistence and community enjoyment) of presidential decree 171/18 of 23 July. No commercial exploitation of forest products must override the right of subsistence and communities living in the area where such exploitation is authorized. The granting of commercial exploitation rights to third parties in community forests should be processed only with prior consent of the people of the resident community.
 - Article 77 (procedures). Application for annual forest exploitation license includes c) statement by traditional authorities and municipal administration where they intend to carry out logging.
 - Article 113 (location of plantations) 1e) commercial or industrial and community plantations or energy sources are located at (e) community land, the planting of which may be established by the communities themselves, or by initiative of others with their prior agreement.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

1.14.2. Legal authority

- Forestry Development Institute (IDF) of the Ministry of Agriculture and Forestry

1.14.3. Legally required documents or records

- Letter of prior consent from the community of where forest exploitation application is made.
- Prior agreement between the communities and an initiator of forest plantation on communities' lands where the plantation is not being done by the communities themselves.

1.14.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment
- All forest laws are available at <https://www.legis-palop.org/>

Non-Government sources

1.14.5. Risk determination

Overview of Legal Requirements

Forest lands are the state's property but community use for subsistence and other uses in forest area is recognised. Granting of commercial exploitation rights to third parties in community forests should be processed only by prior consent of community where application for commercial forest exploitation is made.

The application process for annual forest exploitation license is requiring a statement by traditional authorities and municipal administration where the applicant intends to harvest. Article 22 (safeguarding the right to use for subsistence and community enjoyment) of the Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) makes adequate provisions to include that 1) no commercial exploitation of forest products must override the right of subsistence use and communities living in the area where such exploitation is authorized, and (2) that the granting of commercial exploitation rights to third parties in community forests should be processed only with prior consent of the community. Under Article 77 (procedures) of the forest regulation, an application for annual forest exploitation license must include c) statement by traditional authorities and municipal administration where they intend to carry out logging.

For forest plantations on community lands where plantation development is not by the communities themselves but by another entity, an application for permission for plantation establishment has a prior agreement reached between the community and the project initiator. 1e of Article 113 (location of plantations) requires that commercial or industrial and community plantations or energy sources that are located on community land may be planted by the communities themselves, and if by the initiative of others then prior agreement with the communities is required.

Description of Risk

The provisions as outlined in the applicable laws are enforced and are complied with by applicants.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.14.6. Risk designation and specification

Low risk

1.14.7. Control measures and verifiers

N/A

1.15. Indigenous/traditional peoples' rights

Legislation that regulates the rights of indigenous/traditional people as far as it's related to forestry activities. Possible aspects to consider are right to use certain forest related resources or practice traditional activities, which may involve forest lands. Land and land management rights related to indigenous/traditional peoples' rights are covered under 1.1.

1.15.1. Applicable laws and regulations

1. Ratified international convention related to indigenous people.
2. C107 - Indigenous and Tribal Populations Convention, 1957 (No. 107) 04 Jun 1976, still in force. Available at:
[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational safety and health](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational+safety+and+health)

1.15.2. Legal authority

N/A

1.15.3. Legally required documents or records

N/A

1.15.4. Sources of information

Government sources

- Government of Angola. National Laws: <https://www.legis-palop.org/>
- Constitution of the Republic of Angola of 21 January 2010: Available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- ILO (International Labour Convention) ratified by Angola. Available at: [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational safety and health](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational+safety+and+health)
- International Work Group for Indigenous Affairs (IWGIA). Indigenous peoples in Angola. Available at: <https://www.iwgia.org/en/angola/742-indigenous-peoples-in-angola>

1.15.5. Risk determination

Overview of Legal Requirements

Angola is a signatory state to ILO Convention 107 on Indigenous and Tribal Populations since 1976. However, there is no reference to indigenous people in the Constitution of the Republic of Angola. There is no specific policy or provision in the constitution which can be referenced to indigenous people. Likewise, there are no specific references to indigenous peoples or minorities in Law No. 6/17 on Forest and Wildlife Basic Legislation, the Presidential Decree No. 171/18 approving the Forestry Regulation, or any other domestic law.

The International Work Group for Indigenous Affairs (IWGIA) has concluded that the Government of Angola does not recognise the concept of indigenous peoples as affirmed in international law, despite being a signatory to ILO Convention 107 on Indigenous and Tribal Populations since 1976, though with very limited reporting. The international organisation further states that Angola has not indicated any interest in considering the ratification of ILO Convention 169 on Indigenous and Tribal Peoples, which to all intents and purposes superseded C107 in 1989.

Description of Risk

although stakeholders have confirmed that there are indigenous people in Angola and that the country has ratified international conventions related to indigenous peoples, these laws have not been domesticated in any of the national forest or related laws and therefore does not fall under legality.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.15.6. Risk designation and specification

Low risk

1.15.7. Control measures and verifiers

N/A

TRADE AND TRANSPORT

1.16. Classification of species, quantities, qualities

Legislation regulating how harvested material is classified in terms of species, volumes and qualities in connection with trade and transport. Incorrect classification of harvested material is a well-known method to reduce/avoid payment of legality prescribed taxes and fees. Risk relates to material traded under illegal false statements of species, quantities or qualities. This could cover cases where this type of false classification is done to avoid payment of royalties or taxes or where trade bans on product types or species are implemented locally, nationally or internationally. This is mainly an issue in countries with high levels of corruption (CPI<50).

1.16.1. Applicable laws and regulations

1. Law no. 6/17 Forest and Wildlife Basic Law establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 39 (2) (inventory and classification of species and their habitats). The State shall ensure the implementation of projects of research aimed at the identification and classification of species of wild flora and fauna, as well as of their ecosystems.
 - Article 61 (realization of forest inventory of the area to be explored) 1) where forestry is carried out, the prior identification and inventory works is the responsibility of the right holder. Logging, valid after approval by the department which oversees the forest and wildlife sector. 2). The ministerial department that oversees the forestry and Wildlife sector must accompany the work inventory by the right holder and provide technical assistance on methods, if necessary. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.

- Article 38 (classification of wood producing species). Criteria for classification of timber species and the ministerial departments with authority to carry out timber species classification.
- Article 40 (classification of log and sawn wood) classifies roundlogs and sawn timber in Annex 1 and Annex VIII of the Forest regulation. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

1.16.2. Legal authority

- Forestry Development Institute (IDF) of the Ministry of Agriculture and Forestry

1.16.3. Legally required documents or records

- Certificate of origin
- Transit permit

1.16.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The Ministry of Environment.
- All forest laws are available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.

1.16.5. Risk determination

Overview of Legal Requirements

Article 39 (2) (Inventory and Classification of Species and their Habitats) of Law no. 6/17 Forest and Wildlife Basic Law requires the state to ensure the implementation research projects aimed at the identification and classification of wild flora and fauna species, as well as of their ecosystems.

Within the Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) which regulates the forest and wildlife basic law, Article 38 (1) (classification of wood producing species) gives clear criteria for the classification of timber species. These include commercial value, scientific value, rarity, utility and strength, wood density group and class of technological quality. Detailed list is given in Annex 1 of the regulation of which all timber classification in Angola is required to follow. Article 40 (classification of log and sawn wood), (1) classifies roundlog as wood resulting directly from felled tree stem, is cylindrical or conical in shape, slightly oval or tortuous, of a length of 6.00 meters or more to the dense rainforest, 2.80 meters to the forest open diameter and minimum felling diameter required by law, and (2) classifies lumber as the direct result of splitting of the logs into pieces cut longitudinally by saw, regardless of its section dimensions rectangular or square, and as: (a) square block or fillet; b) board; c) beam; d) vigota; e) barrote; f) clapboard; (i) other commercially accepted forms. The detailed dimensions of these defined sawn wood are given in the Annex VIII of the regulation.

Description of Risk

Angola forest regulations classify timber according to species, wood density and commercial class as well as minimum felling diameter classes. Movement of timber (log and lumber among other products) are to be accompanied by certificate of origin and transit permit from the relevant province and the related documentation are to follow the species classification as given in Annex 1 of the regulation for logs and Annex VIII for sawn wood. These procedures are followed but stakeholders who are concerned that timber operators have better experience and competence in the identification of timber species than the regulator. There is indeed the recognition of inadequate capacity of the IDF, however, there is no evidence that species are not correctly identified, and license holders are able to swap species and able to escape detection by IDF. See finding under trade and transport.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.16.6. Risk designation and specification

Low risk

1.16.7. Control measures and verifiers

N/A

1.17. Trade and transport

All required trading permits shall exist as well as legally required transport document which accompany transport of wood from forest operation. Risk relates to the issuing of documents permitting the removal of timber from the harvesting site (e.g., legally required removal passes, waybills, timber tags, etc.). In countries with high levels of corruption, these documents are often falsified or obtained by using bribery. In cases of illegal logging, transport documents from sites other than the actual harvesting site are often provided as a fake proof of legality with the harvested material.

1.17.1. Applicable laws and regulations

1. Law no. 6/17 of 24 January 2017, Forests and Wildlife Basic Law, establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 86 (product certificate at office). Certificate required to cover forest products harvested as given on the license but could not be transported out of the forest during the forest campaign season.
 - Article 152 (competences of surveillance officers) (li) inspect any vehicle, vessel or aircraft suspect item to be used in hunting contrary to the provisions of this law, or in the transport of any forest products do not come from legal holdings. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.
 - Article 148 (required to display certificates of origin and transit permit). List of forest operators required to display relevant documents. =

- Article 150 (transport of wood in log and sawn). Prohibition of inter provincial transport of list of forest products and the mode of transport.
 - Article 151 (forest product warehouses). Forest product warehouse locations and requirement to firstly present all forest products intended for sales and marketing at a product warehouse for inspection by IDF, the Tax Police, the General Tax Administration, Commerce and Commercial Banking.
 - Article 144 (general restrictions) lists the sources of timber which can be transported, stored, transferred, marketed, or displayed for sale forest products. Section I0 Internal Transit, Article 145 (Required Certificate of Origin and Transit Guide). Requirement for certificate of origin and transit permit for transport of forest products and the administrative process for issuance of these documents.
 - Article 146 (standard and control of certificates of origin). The form and who can request for a certificate of origin.
 - Article 168 (infringements and sanctions). Related to transport and trade in forest products. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
3. Executive Decree No. 308/17 approving Forestry License forms, Certificates of Origin, Storage, Transit Guide and Provisional Wood Transport Authorization for the 2017 Forest Campaign. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC168056>

1.17.2. Legal authority

- Forest Development Institute, Ministry of Agriculture and Forestry
- General Tax Administration, Ministry of Finance

1.17.3. Legally required documents or records

- Exploitation permit
- Certificate of origin
- Transit permit/certificate

1.17.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, The General Tax Administration, and the Ministry of Environment.

Non-Government sources

1.17.5. Risk determination

Overview of Legal Requirements

The Law no. 6/17 of 24 January 2017. Forests and wildlife basic law, Article 86 (product certificate at office) makes provisions for the registration and issuance of certificate to cover forest products harvested as given on the license but could not be transported out of the forest during the forest campaign season. Article 152 (competences of surveillance officers) of the basic law item (li) gives inspection officers the power to inspect any vehicle, vessel or aircraft suspect item to be used in

hunting contrary to the provisions of this law, or in the transport of any forest products do not come from legal holdings.

The executive decree 199/16 of 22 April 2016 prohibits the movement of logs between the provinces. The Presidential Decree No. 171/18 which regulates the basic forest and wildlife law under Article 148 (required to display certificates of origin and transit permit). List of forest actors required to display relevant documents covering their forest products whenever required by the forest inspectorate or by the tax and customs police to include: (a) transporters of forest products; (b) the sellers, in which case the presentation of the transit certificate and guide may also be required by the buyer; (b) processing units for products being processed or being deposited in their yards. For purposes of transit checks, the certificate of origin and a transit guide/permit are required. For products sold by authorized entity, the sales receipt, and copies of the certificate of origin and transit guide provided by the seller, the inspectorate office can retain these documents until full clarification is reached whenever an illegality is suspected. Consignment moving within the same locality from one operator to the other for the purposes of sale, processing, or application: a consignment note, or equivalent document accompanied by copies of the certificate of origin and waybill are required.

Article 150 (transport of wood in log and sawn) of the regulation provides that 1) the inter-provincial transport of the timber in log form is prohibited, except within the same province where the logging activity is carried out, 2) intra-provincial transport of roundwood in containers and tipper trucks are also prohibited. Inter provincial transport of roundwood is to be carried out on vehicles with a platform box with side braces or stanchions in accordance with the models set out in Annex VII or on lorries adapted for transporting timber round form as provided in the regulation.

Article 151 (forest product warehouses). Make provision for forest product warehouses located in confluence zones of production and circulation of forest products with infrastructures and services intended for the reception of forest products, in particular timber from logging areas and semi-processed units for checks and for internal and external marketing by the various forest operators. The article clarifies that no forest products intended for sale or marketing cannot be displayed without first passing through one of the warehouses existing in the country for the purposes of checks by the IDF, the Tax Police, the General Tax Administration, Commerce and Commercial Banking.

Article 144 (general restrictions) of the regulation gives the sources of timber which can be transported, stored, transferred, marketed or displayed for sale as forest products from: (a) annual operating licenses granted in accordance with terms of the forest regulation, b) forestry concessions granted in accordance with the forest regulation, c) established commercial and industrial plantations in accordance with the terms of the forest regulation, (d) community forest plantations established by the terms of the forest regulation, e) from sales made by the state as a result of seizures of infringement of the provisions of this Regulation. The article further states that the possession, importation, exportation, reproduction and /or transit in national territory of genetically forested species as well as their parts or products, is not allowed except under the authorization of the IDF.

Section I0 Internal Transit, Article 145 (Required Certificate of Origin and Transit Guide) of the forest regulation states that 1) no forest products from farms in natural or planted forests be transported within the national territory, by any land or waterway, without their certificates of origin and transit guide based on the operating license or in the forest concession contract. The certificate of origin must be issued and signed by the Head of IDF Provincial Department of the area where forest exploitation is carried out. Transit permit shall be completed and signed by the holders of forest concession contracts, annual logging and plantation operations and checked by: a) resident inspector, in the case of forest concession contracts and exploitation of forest plantations; b) head of the Provincial Department of the IDF of the area where the exploration takes place and in his absence, by the Chief of Technical and Supervisory Section, in the case of annual forest exploration licenses. Forest products coming from outside the Angola and passing through national territory to other countries is to be subject to the

presentation of a certificate of origin and phytosanitary certificate issued by the competent authorities of the country of origin.

Article 168 (infringements and sanctions) details the sanction related to the infringements.

Description of Risk

Angola forest regulations classify timber according to species, wood density and commercial class as well as minimum felling diameter classes. Movement of timber (log and lumber) are to be accompanied by certificate of origin and transit permit from the relevant province. The transit permits in addition to serving as a waybill give good material accounting of the products being transported to include, the total approved quantity, quantity in transport (on the current transit permit) and available balance to be transported. Enforcement measures include the use of weigh bridges at the checkpoints and the use of scanning machines at the ports of export to check wood quantities against declared quantities on the related documents. Variance in declaration timber volumes of more than 10% is offence and attracts sanctions. However, stakeholders believe that corrupt official and influence from “generals” has weakened enforcement efforts and timber can be transported under falsified volumes and therefore a high risk to timber legality.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.17.6. Risk designation and specification

Specified risk

1.17.7. Control measures and verifiers

- *Need for National Wood Tracking system which can reconcile volumes from license through the processing to trade. The IDF has expressed interest in doing this and needs assistance as the department indicated to have no experience in this area.*

1.18. Offshore trading and transfer pricing

Legislation regulating offshore trading. Offshore trading with related companies placed in tax havens combined with artificial transfer prices is a well-known way to avoid payment of legally prescribed taxes and fees to the country of harvest and considered as an important generator of funds that can be used for payment of bribery and black money to the forest operation and personnel involved in the harvesting operation. Many countries have established legislation covering transfer pricing and offshore trading. It should be noted that only transfer pricing and offshore trading as far as it is legally prohibited in the country, can be included here. Risk relates to situations when products are sold out of the country for prices that are significantly lower than market value and then sold to the next link in the supply chain for market prices, which is often a clear indicator of tax laundry. Commonly, the products are not physically transferred to the trading company.

1.18.1. Applicable laws and regulations

- Industrial Tax Code (Law 19/14 of October 22, 2014), Article 50° of the applicable for tax years from 2014 onwards. Amendments on the Industrial Tax Code– Law no. 4/19, of 18 April

- Circular No. 12/DLT/DNI/2014. Available at: General Tax Administration
- Presidential Decree No. 292/18, published 3 December, approved the Legal Regime of Invoices and Equivalent Documents, revoking Presidential Decree No. 149/13 of 1 October.
- All laws are available at: <https://www.legis-palop.org/>
- Presidential Decree No. 171/18 of 23 July 2018 (approving the Forestry Regulation). Regulates the forest and wildlife basic law.
- Article 152 (1d) (export of forest products) d) sales invoice to buyer based on prices reference minimums. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

1.18.2. Legal authority

- External Trade Department, Ministry of Trade
- Forestry Development Institute, Ministry of Agriculture and Forest
- Study, Statistics and Planning Cabinet, the Ministry of Industry
- General Tax Authority, the Ministry of Finance

1.18.3. Legally required documents or records

- Exportation license and REI – Export and Import Registration
- Export permit
- Letters of credit

1.18.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, Ministry of Commerce External Trade Department, The General Tax Administration.
- All laws are available at: <https://www.legis-palop.org/>
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>

Non-Government sources

- Lead Advogados. July 2019. Recent Changes on the Tax Regime. Available at: <http://leadadvogados.com/en/alteracoes-recentes-a-legislacao-fiscal/>
- WTS. December 2017. Global Country TP Guide. Angola. Available at: <https://www.wts.com/wts.com/insights/tp-documentation/country-sheets/wts-country-tp-guide---angola.pdf>

1.18.5. Risk determination

Overview of Legal Requirements

The Industrial Tax Code (Law 19/14 of October 22, 2014), Article 50º of the applicable for tax years from 2014 onwards and as amendments on the Industrial Tax Code– Law no. 4/19, of 18 April call for the obligation of documentation applicable to tax years and transactions beginning or occurring on or

after 1 January 2013. ⁹Taxpayers will have to justify arm's-length pricing in the cases of commercial transactions of the taxpayer with other "special relations" entities, regardless if these transactions are subject to industrial tax. This concerns domestic and cross-border transactions. The rules generally cover commercial transactions including any transaction of goods, rights or services and they also include financial transactions.

An entity-specific transfer pricing file would have to be prepared and submitted to the tax administration within six months of the end of the tax year. This transfer-pricing file, which must be prepared on an annual basis, must detail the relationships and prices established by the large taxpayers with the companies and entities with which they have "special relations." a) describe the taxpayer and the group structure, b) describe the industry/sector, c) identify the related entities with which the taxpayer has carried out transactions and characterise the special relationship existing between them, d) describe and quantify the related transactions, by nature of transaction and by counterparties, e) analyse the split of functions and risks of each transactions between the involved parties, f) select the transfer pricing method to validate the terms and conditions applied, and j) present the transfer pricing economic analyses to validate each transaction. According to the law, transfer pricing dossier have to be prepared according to following structure: a) summary b) macro-economic environment, c) presentation of the entity, d) functional analysis of the entity, e) identification of the related party operations, f) economic analysis of the related party transactions.

Article 152 (1d) (export of forest products) of the Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) make provision for the application to the IDF Director General, requesting the phytosanitary and exports of forest license to include sales invoice to buyer based on reference minimums prices. The forest regulation defines minimum reference prices as the reference prices for export timber calculated based on the average prices practiced in the main international markets, below which the export process will not be allowed.

Description of Risk

Angolan Tax laws have clear guidelines for reporting on transfer pricing on annual basis which are audited annually especially for large taxpayers. The process for approving forest export includes an application for export licence required documentation of which includes product's invoice based on minimum reference prices of international timber prices.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.18.6. Risk designation and specification

Low risk

⁹ WTS Global

1.18.7. Control measures and verifiers

N/A

1.19. Custom regulations

Custom legislation covering areas such as export/import licenses, export bans, product classification (codes, quantities, qualities and species).

1.19.1. Applicable laws and regulations

1. Presidential Legislative Decree No. 3/18 of May 09. Approves the customs tariff of import and export rights. Available at:
<http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mje2/~edisp/minfin216967.pdf>
2. Rectification no. 17-18 Customs Tariff.pdf. Available at:
<http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mje2/~edisp/minfin216968.pdf>
3. Customs Code, approved by Decree-Law No. 5/06 of 4 October. Available at:
<http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mjiy/~edisp/minfin222423.pdf>
4. Customs circulars are available at:
<http://www.agt.minfin.gov.ao/PortalAGT/#!/legislacao/aduaneira/circulares>
5. Presidential legislative decree 3/18 May 2018 (ratification # 17/18 details customs rules for export. Including the ban on log export. Available at: <http://www.legis-palop.org/>
6. Presidential Decree 74/17 of 7 April 2017. Approves the regulations of administrative procedures for licensing of imports, exports and re-exports. Available at:
<http://www.minco.gov.ao/verlegislacao.aspx?id=2251>
 - Article 4 (enrollment in REI) sets out the registration for the application for exporters and importers registration (REI).
7. Importers and exporters are to register with the Ministry of Commerce for REI (I.e. REI Registration).
8. Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. Establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 87 (exports and imports of forest products), 2) export of forest products is allowed only upon presentation of the license. Certificate of origin, transit advice and phytosanitary certificate. 3). Import of forest products needs authorisation from the IDF of the Ministry Agriculture and Forestry 4). The exportation and importation of forest products obey still to the procedures the administrators licensing of imports, exports and re-exports, provided for in the legislation in force. Available at:
<http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
9. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.
10. Article 152 (exporting of forest products) details the process for exporting forest products including the permission requirement for the export of endemic or species classified as vulnerable. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
11. Executive Decree No. 133/19 approving the model forms for phytosanitary certificate of origin to export and re-export plant, and forestry products, pesticides and fertilizers, and the related prior import licence. Available at:
<http://www.fao.org/faolex/results/details/en/c/LEX-FAOC186972>

1.19.2. Legal authority

- National Directorate of External Trade of the Ministry of Commerce
- General Tax Administration (AGT) of the Ministry of Finance
- Commerce and Commercial Banking.
- Forestry Development Institute (IDF) of the Ministry of Agriculture and Forest

1.19.3. Legally required documents or records

- National identity
- Business registration,
- Proof of payment of applicable fees and tax using the registered tax identification
- For the registration process of export and import:
- Exploitation permit
- Certificate of origin
- Transit permit/certificate
- Phytosanitary certificate
- Foreign exchange declaration form (for exported products)
- Parking list
- Sales/purchase invoice (for purchased forest products)
- Declaration of phytosanitary treatment of wood (issued by a company accredited by IDF)
- Declaration of non-tax debtor (tax clearance)
- Declaration of registration at exhibitions and imports (products for exhibition of imported products)
- Permission from IDF for the export of endemic or species classified as vulnerable
- Consignment note or copy of certificate of origin (for products moving within the same locality)
- CITES certificate (for CITES species)
- ID copy
- Export registration and export license (REI) from Ministry of Trade and Export Permit from Ministry of Industry, letters of credit.
- Bank Payment for receipt for export charges if creditable or proof of credit bank transfer corresponding to the amount on invoice issued by a bank outside the country in favour of bank of the exporter account domiciled in Angola.
- Export license for forest products issued by the IDF requires the following:
 - (1) Copy of the export invoice duly signed and stamped.
 - (2) Copy of the certificate of the production data registration from the Ministry of Industry (i for producer company).
 - (3) Acquisition invoice and producer declaration to confirm that the product is made in Angola (applicable only for exporters companies);
 - (4) REI – Export and Import Registration issued by the Ministry of Trade.
 - (5) Copy of a certificate of non-debt to social assurance and finance through the general tax authority.

1.19.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, and the General of Tax Administration, National Directorate of External Trade of the Ministry of Commerce and the Angolan Private Investment and Export Promotion Agency.

- Government of Angola 2018. Presidential Legislative Decree No. 3/18 of May 09 approves the customs tariff of import and export rights available at: <http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mje2/~edisp/minfin216967.pdf>
- Government of Angola 2018. Rectification no. 17-18 customs tariff.pdf. Available at: <http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mje2/~edisp/minfin216968.pdf>
- Government of Angola 2006. Customs Code, approved by Decree-Law No. 5/06 of 4 October Available at: <http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/zmlu/mjiv/~edisp/minfin222423.pdf>
- Government of Angola Customs Circulars. Available at: <http://www.agt.minfin.gov.ao/PortalAGT/#!/legislacao/aduaneira/circulares>
- Government of Angola 2017 Presidential Decree 74/17 of 7 April 2017. Approves the Regulations of Administrative Procedures for Licensing of Imports, Exports and Re-exports. Available at: <http://www.minco.gov.ao/verlegislacao.aspx?id=2251>
- Angolan Private Investment and Export Promotion Agency. Available at: <http://www.aipex.gov.ao/PortalAIPEx/#!/>
- The International Trade Administration (ITA). Available at: <https://www.trade.gov/>
- The General Tax Administration. Available at: www.agtminfin.gov.ao
- Angolan Institute of Accreditation. Available at: <https://desenvolvidopelaangoweb.com/iaac/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies
- US Government sources: <https://www.export.gov/article?id=Angola-regulations-Resources>

1.19.5. Risk determination

Overview of Legal Requirements

The Angolan Customs Code, approved by Decree-Law No. 5/06 of 4 October, sets the customs requirements for general imports and exports, including timber, and is complemented by sector specific requirements. For all exports and imports, the law requires original Air Waybill (AWB)/ Bill of Lading (BL) original commercial invoice (listing HTS codes for each item). Packing list, Angolan Loading Certificate issued in country of shipment. Import License phytosanitary certificate issued by the relevant ministry and in the case of timber by the Ministry of Agriculture and Forestry.

Item 2 (exports and imports of forest products) of Article 87 of the Forests and Wildlife Basic Law (Law no. 6/17 of 24 January 2017) clearly states that the export of forest products is only allowed upon presentation of the exploitation license, certificate of origin, transit permit/advice, and phytosanitary certificate. Item 3 of the same article requires importation of forest products to obtain authorization from the Ministry of Agriculture and Forestry upon presentation of proforma invoices covering the product, phytosanitary certificate, and model certificate of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) issued at source of import.

Article 152 (exporting forest products) of the regulation spells out the required process for exporting forest products. The process begins by application to the IDF director general, requesting the phytosanitary and exports of forest license as well as the foreign exchange declaration form in specified format given in the regulation including the following documents: a) copy of the logging certificate of origin of the product to be exported, accompanied by transit certificate and certificate holders of logging rights; b) receipt of the purchase issued by a company or operator recognized by the IDF in the case of wood purchased from third parties; (c) specification list containing dimensions and

volume of wood pieces; d) sale invoice to buyer based on minimum prices reference e) declaration of phytosanitary treatment of wood issued by a company accredited by the IDF; e) declaration of non-tax debtor; g) declaration of registration at exhibitions and imports h) if proof of bank transfer corresponding to the amount of invoice issued by a bank outside the country in favour of bank of exporter account domiciled in Angola. The export of endemic or classified forest species as vulnerable requires permission from the IDF.

Article 144 (general restrictions) of the regulation gives the sources of timber which can be transported, stored, transferred, marketed or displayed for sale as forest products from: (a) annual operating licenses granted in accordance with terms of the forest regulation, b) forestry concessions granted in accordance with the forest regulation and c) established commercial and industrial plantations in accordance with the terms of the forest regulation, (d) community forest plantations established by the terms of the forest regulation, e) from sales made by the state as a result of seizures of infringement of the provisions of this regulation. The article further states that the possession, importation, exportation, reproduction and/or transit in national territory of genetically forested species as well as their parts or products, is not allowed except under the authorization of the IDF. Article 144 (general restrictions) prohibits the possession, importation, exportation, reproduction and/or transit in national territory of genetically forested species as well as their parts or products, except under the authorization of the IDF.

The Presidential Decree 74/17 of 7 April 2017 approves the Regulations of Administrative Procedures for Licensing of Imports, Exports and Re-exports. Article 4 (enrolment in REI) sets out the registration for the application for Exporters and Importers Registration (REI). Importers and exporters register their REI to the Ministry of Commerce (i.e. REI Registration). REI registration requires a) an ID, b) business registration and c) proof of payment for REI application, The NIF (Tax ID). Export registration certification when issued is to be renewed every year and therefore should always be valid before an entity can make exports. Export documentation is done by freight forwarders and when approved (validation at the external trade department), it then goes to the customs division of the General Tax Administration and National Bank (for the payment of the Letters of credit). Validation includes checks to ensure the exported forest products meets the reference pricing for timber against transfer pricing. The criminal investigation agency also does the checks at the Ministry of trade. Angolan import duty rates were adjusted in August 2018 by Presidential Decree no. 03/18 May 2018. The Presidential Legislative Decree No. 3/18 of May 09 approves the customs tariff of Import and Export Rights. The Rectification no. 17-18 Customs Tariff gives the details of custom tariff.

Description of Risk

The export of timber has to comply with the customs, commerce, tax and the forestry requirements. Export of timber between these ministries and are coordinated and inked by an online system. For any single particular export, the applicable tax, forex, commerce, and forestry requirements have to be met and approved and validated by the Directorate of External Trade before it gives final authorisation for export. The system checked by the National Security Intelligence that carries out regulation audits of exports. An example of a situation is where an exporter was caught after using fake documentation to go through all the system to export.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.19.6. Risk designation and specification

Low risk

1.19.7. Control measures and verifiers

N/A

1.20. CITES

CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna and Flora, also known as the Washington Convention). Note that the indicator relates to legislation existing for the area under assessment (and not e.g., the area from which CITES species are imported).

1.20.1. Applicable laws and regulations

1. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Available at: <https://www.cites.org/eng/disc/parties/chronolo.php>
2. Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law. Establishes the norms that seek to guarantee the conservation, rational and sustainable use of forests and wildlife in the national territory as well as the general bases for the exercise of activities related to them.
 - Article 87 (3) (exports and imports of forest products). Importation of CITES Forest products shall require authorisation by application including CITES permit issued at source.
 - The exportation and importation of forest products follow import, exports and re-exports licensing procedures. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
3. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.
 - Article 155 (supervision and control of imports and exports). The responsibility of the ministerial department that oversees the environmental sector to supervise and control the importation and export of forest products covered by CITES.
 - Article 154 (export and import of CITES species). Export and import of products of species listed in the Convention on the International Trade in Wild Flora and Fauna Species Endangered Species (CITES) requires authorization from the National Administrative Authority of the Convention. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
4. Executive Decree No. 469/15 prohibiting hunting activity and logging within the country of all protected species of wild fauna and flora. These activities are seen as endangering biodiversity, in accordance with CITES. It gives monitoring and controls responsibility to the Ministry of the Environment for supervision and determination of penalties. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC148227>
5. Executive Decree no. 433/16 that validates the CITES Permit. Available at: <http://www.legis-palop.org/>

1.20.2. Legal authority

National Administrative Authority of CITES at the Ministry of Environment

1.20.3. Legally required documents or records

- Application for CITES permit
- CITES permit

1.20.4. Sources of information

Government sources

- Personal communication with staffs at: Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry, CITES Office at National Institute for Biodiversity and Protected Areas, Ministry of Environment.
- Government of Angola. All laws available at: <https://www.legis-palop.org/>. All forest laws are available at:
http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?
- Government of Angola Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Available at: <https://www.governo.gov.ao/VerLegislacao.aspx?id=2281>

Non-Government sources

- The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) available at: <https://www.cites.org/eng/disc/parties/chronolo.php>
- ANGOP. 14 Oct 2017 14:12. Government envisages harder penalties to end illegal logging... Available at: https://www.angop.ao/angola/en_us/noticias/economia/2017/9/41/Government-envisages-harder-penalties-end-illegal-logging,2fcc3fa6-c983-40e0-a06e-ca5502d03fb2.html
- Timber Alert. December 30, 2018. About 45 truckloads worth of Mussivi African Rosewood logs seized in Menongue. Cuando Cubango, Angola. Available at: <https://www.timbercheck.net/timber-risk-map/alert.php?id=502&title=About+45+truckloads+worth+of+Mussivi+African+Rosewood+logs+seized+in+Menongue>

1.20.5. Risk determination

Overview of Legal Requirements

Angola accessioned to the CITES on 02/10/2013 and came into force on 31/12/2013. It has not yet ratified, but has domesticated into legislation. The Law no. 6/17 of 24 January 2017. Forests and Wildlife basic law Article 87 (exports and imports of forest products) makes the importation and exportation of CITES to get prior approval and presentation of CITES certificate during the approval process.

Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) regulates the forest and wildlife basic law. Article 155 (supervision and control of imports and exports) gives the authority to the IDF and DNF of the Ministerial of Agriculture and Forestry and the Ministry of Environment respectively to ensure compliance with the provisions of Articles 153 (importation of forest products), 154 (export and import of CITES species) and 155 of this regulation. The responsibility for the supervision and control of importation and export of forest products covered by CITES species is given to the Ministerial Department at the Ministry of Environment.

Article 154 (export and import of CITES species). The export and import of products of species listed in the (CITES) requires authorization from the national administrative authority. CITES importers and exporters are required to present the following documents: a) in the case of exportation, import license issued by the authorities of the destination country, supported by phytosanitary certificates and CITES expo concerning the species listed in Appendices I, II and III of that convention; and (b) in the case of imports, phytosanitary certificates and export CITES issued by the country of origin concerning species in Appendix I, II and III of Convention, seconded by import license issued by the National Administrative Authority of the Angola Convention.

Executive Decree No. 469/15 prohibiting hunting activity and logging within the country of all protected species of wild fauna and flora. These activities are cited as endangering biodiversity which is against CITES. Monitoring and controls responsibility are given to the Ministry of Environment for supervision and determination of penalties. The Executive Decree no. 433/16 that validates the CITES permit.

Description of Risk

Enforcement of CITES requirements in Angola includes education on importers and exporters of the application process. The application process is centralised with other export application processes but made to the National Directorate of Biodiversity of the Ministry of Environment. Inspection is carried out on the products after receipt of application followed by interview with the applicant to seek clarification of any issues that might not be clear to the issuing authorities. Permits are issued when all doubts are clarified. There has been reports of illegal cutting and export of Mussivi African Rosewood which is a CITES species but has been banned from exploitation and export in Angola. However, this situation is believed to be within the period immediately after the ban and the situation has been brought under control. The authorities have also been effective in effecting arrests.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.20.6. Risk designation and specification

Low risk

1.20.7. Control measures and verifiers

- Improve and strengthen enforcement efforts across all stages of the export process and across borders
- 6.

1.21. Legislation requiring due diligence/due care procedures

Legislation covering due diligence/due care procedures, including e.g. due diligence/due care systems, declaration obligations, and /or the keeping of trade related documents, legislation establishing procedures to prevent trade in illegally harvested timber and products derived from such timber, etc.

1.21.1. Applicable laws and regulations

Angola does not have legislation requiring due diligence covering imported material.

1.21.2. Legal authority

1.21.3. Legally required documents or records

1.21.4. Sources of information

Government sources

N/A

Non-Government sources

N/A

1.21.5. Risk determination

Overview of Legal Requirements

N/A

Description of Risk

N/A

Risk Conclusion

N/A

1.21.6. Risk designation and specification

N/A

1.21.7. Control measures and verifiers

PROCESSING

1.22. Legal Registration of business

Legislation regulating the registration of business and approval of scope of business and processing. The risk is that companies are operating without being in conformance with legal requirements with regards to legal obligations on business registration (business/sawmill license, operation visas, tax payment cards, approvals, etc.).

1.22.1. Applicable laws and regulations

1. Law No. 1/04, Diário da República Nº 13,

Available at:

<http://www.cmc.gv.ao/sites/main/pt/Lists/CMC%20%20PublicaesFicheiros/Attachments/35/Lei%201-04%20-Lei%20das%20Sociedades%20Comerciais.pdf>

2. Simplified Companies Incorporation Procedure (Law 11/15 of 17 June 2015).

Available at: <https://animalexdominis.files.wordpress.com/2018/03/lei-11-15-lei-da-simplificac3a7c3a3o-do-proc-constituic3a7c3a3o-de-soc-comerciais.pdf>

3. Law no. 5/04, September 7 about Industrial Activities Law; Article 26 makes provision for registration with the ministry for industry for entities involved in industrial activities such as processing.

4. Presidential Decree No. 171/18 approving the Forestry Regulation.

- Article 31 (obligations of the holder of logging rights):

January 24, also constitute obligations of the holder of logging rights:

(a) compliance with forest legislation in general and in particular we have the license or the clauses the forest concession agreement.

b) Recognition of customary forest land necessary for the exploitation of under the terms of Law 6/17, January 24.

c) The full utilization of the tree including the stem, the branches, and other wastes by means of license in accordance with Article 98 (2).

(d) In the case of concession of forest exploitation, the primary transformation of the tree resulting from logging in the province of location of the concession.

5. Decree no. 44/05, from July 6 – Industrial Licensing Rules.

6. Decree no. 348/16 from August 10 – Tax Value Update.

7. Decree no. 239/17 from May 30, Regulation on the issuance, assignment and use of industrial permit.

1.22.2. Legal authority

Ministry of Industry and SME

1.22.3. Legally required documents or records

For business registration the interested part shall present:

- An ID (national)
- Sketch of the company's location,
- Plan of the factory premises,
- Documents on the legal status of the land,
- Tax payment card,
- Commercial license,
- Environmental license.

For businessmen, The Government of Angola opens a facilitation process for visa submission through the Foreigners and Migration Service (SME).

1.22.4. Sources of information

Government sources

- www.silai.mind.gov.so
- SME for visa
- Ministry of Industry

Non-Government sources

1.22.5. Risk determination

Overview of Legal Requirements

By law, businesses can register as corporations, limited partnerships, limited co-partnerships, general partnerships, and limited co-partnerships by shares.

Regarding the incorporation per se of an Angolan company, all relevant registration formalities can be executed almost simultaneously using the one stop shop, Guiché Único.

There are commonly forms of companies, which are:

- *Sociedades por Quotas* (SpQs): companies in which the share capital is divided into quotas and the shareholders are jointly and severally liable for their capital investment must have at least two shareholders.

Sociedades Anónimas de Responsabilidade Limitada (SARLs), which resemble joint stock companies. It is companies in which the capital is held by its shareholders and divided into shares, with each shareholder owning a number of shares proportionate to their investment. The liability of each shareholder is limited to the amount of their capital share. It must have at least five shareholders but per the new law, yet to be implemented.

The steps for the register a company in Angola consist of:

- Approval of the new company's name by the companies' registry. This is followed by the execution of the public deed of incorporation before the public notary (which requires the previous deposit in a national bank account of the company's initial share capital). The Angolan Government recently approved the Simplified Companies Incorporation Procedure (Law 11/15

of 17 June 2015), under which the execution of the public deed is no longer mandatory, but this new law is yet to be implemented.

Publication of the new company's by-laws in the Official National Gazette.

- Register of the new company to the Ministry of Public Administration, Employment, and Social Security.
- Registration of the new company before the tax authorities (and payment of the related taxes).

In practical terms, the incorporation of an Angolan entity is normally concluded within one to two weeks of submission of all required corporate documentation.

After incorporation, as a rule, the proper commercial operations certificate (Alvará Comercial) must be obtained from the Ministry of Commerce. Following the new rules for issuing these permits, the related procedure is much simpler, and it is expected that a company can receive its commercial operations certificate in less than one month from the application. In certain cases, it may be required to obtain an additional certificate from the Ministry responsible for the activity the company carries out. The approval time for this second certificate depends on the specific requirements involved and whether any additional facilities' inspections are required.

Reporting requirements

For *Sociedades por Quotas* (SpQs) and *Sociedades Anónimas de Responsabilidade Limitada* (SARLs), there must be an annual general meeting in which the shareholders make resolutions on the management report, financial year's accounts and make a general evaluation of the company's management and auditing bodies (if any).

The general meeting must be in the first three months of each calendar year.

Registration of business and where this is to be done depends on the type of activity. For forest exploitation to register to the FDI of Ministry of Agriculture. For processing goes to the Ministry of Industrial and for trade to register to the Ministry of Trade.

The Angolan economy is open for the market. For that, the government opens facilitation process to attract foreigner's investors. The process or the legal requirements are described above which kind of documents are necessary related with legal obligations of a business registration.

Description of Risk

The only risks we can describe are related with non-complaining the legal requirements of business registration according with the law and regulations described above.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.22.6. Risk designation and specification

Low risk

1.22.7. Control measures and verifiers

1.23. Environmental requirements for processing

Legislation regulating environmental requirements for the timber processing industry, such as air quality, water and waste-water management, use of chemicals, and other requirements relevant for the environment and eco-system services.

1.23.1. Applicable laws and regulations

1. Constitution of the Republic of Angola, of 21 January 2010, [Article 39 of the Angola Constitution] (Environmental rights) (2). The state shall take the requisite measures to protect the environment and flora and fauna species throughout national territory. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang72591ENG.pdf>
2. Law No. 6/17 of 24 January (Forest and Wildlife Basic Law). Establishes the norms that seek to guarantee the conservation and rational and sustainable use of forests and wildlife in the national territory, and the general bases of the exercise of activities.
 - Article 14.0 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) (e) economic activities in forest and wildlife domain to minimize negative environmental damage.
 - Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
3. Law no. 5/98 of 19 June (law on the environment) establishes basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. This Law concerns the National Programme of Environmental Management, to be drawn up according to the national legislation. It specifies conditions and requirements to be satisfied by environmental quality standards. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC018069>
4. Decree No. 51/04 of July 23 (Environmental Impact Assessment) approves the Environmental Impact Assessment (EIA) legislation, aimed at regulating the environmental and administrative procedures related to the implementation of public and private projects. It establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. The Annex lists down all the activities needing EIA authorization. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC119509>
5. Decree No. 59/07 of 13 July (environmental licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. Moreover, the decree establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC099350>

1.23.2. Legal authority

- National Directorate on Prevention and Environmental Impact Assessment (DNPAIA) Ministry of Environment.

1.23.3. Legally required documents or records

- Environmental Permit

1.23.4. Sources of information

Government sources

- Personal communication with staffs at Forest Development Institute (IDF) of the Ministry of Agriculture and Forestry and the Ministry of Environment.
- National Statistics Institute quarterly reports. Available at: <https://www.ine.gov.ao/publicacoes/>
- All laws are available at: <https://www.legis-palop.org/>
- Parliament of Angola: http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp?

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.

1.23.5. Risk determination

Overview of Legal Requirements

Angola environmental protection is established from 2010 national constitution. Article 39 (2) (environmental rights as clearly expressed in Article 39 enjoins the state to take the required measures to protect the environment and flora and fauna species in the country; maintain the ecological balance, ensure the correct location of economic activities and the rational development and use of all natural resources, within the context of sustainable development, respect for the rights of future generations and the preservation of species. Environmental protection is established in forestry and environmental laws. Article 14 (rights and duties for the pursuit of economic activity in the forestry and wildlife domains) of the forest and wildlife basic law, No. 6/17 item (e) requires users of forests for economic activities to carry out the activities to minimize the negative environmental impacts of activities on forest ecosystems.

The Law no. 5/98 of 19 June (law on the Environment) establishes the basic principles to be carried out by the Government of Angola on the following issues: 1) natural heritage protection; 2) ecosystem preservation and 3) environmental conservation, in order to guarantee the quality of human life. This Law concerns the National Programme of Environmental Management, to be drawn up according to the national legislation. It specifies conditions and requirements to be satisfied by environmental quality standards. The Decree No. 51/04 (Environmental Impact Assessment) establishes the environmental requirements to be satisfied in order to benefit from the authorization to perform any environmental activity. It has an Annex listing all the activities requiring an EIA authorization. The Decree No. 59/07 (environmental licensing) regulates environmental licensing of all activities that, because of their nature, location or size, may have a significant environmental and social impact. Particular attention is paid to the regulation of the licensing procedure and of the rights and duties of the licensees. It establishes a national registry of environmental consultants to support in the licensing process. The Annexes provide the license models for both operations and installations.

Description of Risk

Timber processing entities by the law firstly requires environmental permit for installation and for operation. Implication is made to include the sketch of the location, declaration of investment value, business registration, commercial registration, company's public deed and legal status of the land

issued by Provincial Government. Once the application is completed, installation and operating license are issued.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.23.6. Risk designation and specification

Low risk

1.23.7. Control measures and verifiers

N/A

1.24. Processing requirements

Legislation regulation processing of the timber processing industry, such as transformation process thresholds, location of processing, conformance of processing equipment, processing quota, etc).

1.24.1. Applicable laws and regulations

1. The Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law.
 - Article 87 (exports and imports of forest products). The state shall promote the establishment of product processing and processing sites especially logwood, to increase the internal processing capacity, as well as the marketing in the country and export of manufactured products, through specific regulatory measures aimed at dual restriction on logwood exports. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>
2. Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.
 - Chapter IV Concession Agreement Regime. Article 58 (e) (General Characterization). Logging under a concession contract shall be made in accordance with the following articles and in particular by: e) Obligation to process products obtained in whole or in part depending on of the concession contract.
 - Article 24 (4) (limitations on species and diameters). Processing industries operating on the basis of energy produced from wood fuels shall supply their industries through firewood and charcoal obtained from forest concessions or from the exploitation of forest plantations established for this purpose.
 - Article 111 (b) (rights and obligations of holders of forest plantations). The right to use water necessary for the production and processing of forest products.
 - Article 156 (3) (statistical obligations). Timber processing entities among other specified forestry operators are required to provide statistical information, on a monthly and annual basis, documenting product outlets among other information.
 - Article 157 (5) (product registration book). It is an infringement to prevent access to sawmills, carpentry and sales outlets for forest products or refuse to provide information to forestry inspectors.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>

3. Law no. 5/04, from September 07- Industrial Activities Law. Available at: <http://www.legis-palop.org/>
4. Decree no. 44/05, from July 6 – Industrial Licensing Rules. Available at: <http://www.legis-palop.org/> and http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp
5. Decree no. 239/17 from May 30, Regulation on the issuance, assignment and use of industrial permit. Available at: http://www.parlamento.ao/#http://www.parlamento.ao/glue/AN_Navigation_home.jsp

1.24.2. Legal authority

National Directorate of Industry, Ministry of Industry Department of Foreign Trade.

1.24.3. Legally required documents or records

- Industrial permit
- Sketch of the company's location
- Plan of the factory premises
- Documents on the legal status of the land
- Tax ID
- Commercial License
- Environmental License

1.24.4. Sources of information

Government sources

The Law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law.

Article 87 (exports and imports of forest products)

1. The state shall promote the establishment of product processing and processing sites especially logwood to increase the internal processing capacity, as well as the marketing in the country and export of manufactured products, through specific regulatory measures aimed at dual restriction on logwood exports.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang162520.pdf>

Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation). Regulates the forest and wildlife basic law.

- Chapter IV Concession Agreement Regime Article 58 (e) (general characterization). Logging under a concession contract shall be made in accordance with the following articles and in particular by: Obligation to process products obtained in whole or in part depending on of the concession contract.
- Article 24 (4) (limitations on species and diameters). Processing industries operating on the basis of energy produced from wood fuels shall supply their industries through firewood and charcoal obtained from forest concessions or from the exploitation of forest plantations established for this purpose.
- Article 111 (b) (rights and obligations of holders of forest plantations). The right to use water necessary for the production of forestry and the processing of forest products.

- Article 156 (3) (statistical obligations). Timber processing entities among other specified forestry operators are required to provide statistical information, on a monthly and annual basis, documenting product outlets among other information.
- Article 157 (5) (product registration book). It is an infringement to prevent access to sawmills, carpentry and sales outlets for forest products or refuse to provide information to forestry inspectors. Available at: <http://extwprlegs1.fao.org/docs/pdf/ang178389.pdf>
- Law no. 5/04, from September 7- Industrial Activities Law. Available at: <http://www.legis-palop.org/>
- Decree no. 44/05, from July 6 – Industrial Licensing Rules. Available at: <http://www.legis-palop.org/>
- Decree no. 239/17 from May 30, Regulation on the issuance, assignment and use of industrial permit. Available at: <http://www.legis-palop.org/>

Non-Government sources

1.24.5. Risk determination

Overview of Legal Requirements

The law no. 6/17 of 24 January 2017. Forests and Wildlife Basic Law, Article 87 (exports and imports of forest products) requires the state to promote the establishment of product processing and processing sites especially for logs, to increase the internal processing capacity for the domestic and the export make through specific regulatory measure aimed at dual restriction on log exports. This requirement is addressed through the Presidential Decree No. 171/18 of 23 July 2018 (approving the forestry regulation) which regulates the forest and wildlife basic law. Article 58 (e) (general characterization) requires that logging under a concession contract be made to include the obligation for contract holders to process products obtained in whole or in part depending on of the concession contract. Although no such concession contract has been signed yet, it is required that any long-term forest concession signed will be required in the contract terms to process all or part of the timber under the contract as export of round logs is already banned. Article 156 (3) (statistical obligations) requires that timber processing entities among other specified forestry operators provide statistical information, on a monthly and annual basis, documenting product outlets among other information. This is done with the implementation of the products registration book and it is an offense for timber processors among other forestry entities to prevent access to their operating facility or refuse to provide information to forestry inspectors.

Law no. 5/04, of September 7- Industrial Activities Law requires wood processors as any industrial activity to obtain the necessary industrial registration. Decree no. 239/17 of May 30, regulation on the issuance, assignment and use of industrial permit, provides the procedures for obtaining industrial permits.

Description of Risk

Wood processing entities can apply for industrial permit by providing a sketch of the company's location, plan of the factory premises, documents on the legal status of the land, tax identification number, commercial license, and environmental license. These are enforced and complied.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.24.6. Risk designation and specification

Low risk

1.24.7. Control measures and verifiers

- N/A

1.25. Health and Safety in the timber processing sector

Legally required personnel protection equipment for persons involved in the timber processing sector. The health and safety requirements that shall be considered relating to the processing/factory (not office work, or other activities less related to the actual processing). Risk relates to situations/areas where health and safety regulations are consistently violated to such a degree that puts the health and safety of workers at significant risk at any step of the primary and secondary processing.

1.25.1. Applicable laws and regulations

1. General Labor Law (No. 7/15 of 15 June 2015)
 - Article 8I (general employer obligations). Employer to take necessary measures for occupational health and safety among other obligations including the provision of Personal Protective Equipment (PPEs).
 - Article 83 (obligation of the worker). Workers who have received the necessary instructions and do not correctly use the collective and individual protection equipment, and do not ensure its maintenance.
 - Article 85 (2) (employer emergency obligations). Employer obligation to inform the competent authorities of the accident or illness in the event of occupational accidents or illness.
 - Article 87 (Authority of the General Labor Inspectorate). Supervision of compliance with regulatory provisions on occupational health and safety is the responsibility of the Inspector General of Labour.
 - Article 91 (medical examination). Medical examinations of worker shall be carried out by the health authorities without prejudice to the special examinations and care required by the characteristics of certain types of labor provided for in the applicable regulations. Available at:
<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99347/118526/F831720958/lei%20geral%20do%20Trabalho%207-15.pdf>
2. Decree No. 9/95 of 21 April 1995 (decree on the regulation of the General Labor Inspectorate). It establishes the fundamental purpose of the Inspector General of Labour.
 - Article 3 (general assignments) (B). Enforce occupational hygiene, safety and health standards.
 - Article 25 (powers of inspectors) 1. Inspection staff are permanently vested in their capacity and shall have the public authority powers deriving therefrom. (b) to carry out any examinations, inspections, investigations, inquiries and other steps deemed necessary to ensure that labor standards are in fact complied with. Available at:

http://www.ilo.int/dyn/legosh/en/f?p=LEGPOL:503:6501263165076:::503:P503_REFERENCE_I D:167642

3. Decree No. 31/94, of August 5, which establishes the principles that include the promotion of safety, hygiene and health at work. It repeals all legal and regulatory provisions contrary to this decree. Available at:
<https://www.ilo.org/dyn/natlex/docs/MONOGRAPH/56323/60225/F1112604275/DECRETO%2031%2094.pdf>

1.25.2. Legal authority

- Ministry of Public Administration, Employment and Social Security (MAPESS).

1.25.3. Legally required documents or records

- The Occupational Health and Safety (OSH) services monthly, quarterly and annual reports for companies with 50 or more employees.

1.25.4. Sources of information

Government sources

- Inspectorate-General of Labor of the Ministry of Public Administration, Labor and Social Security.
- The General Labour Law (No. 7/15 of 15 June 2015) Available at:
<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99347/118526/F831720958/lei%20geral%20do%20Trabalho%207-15.pdf> and
<https://www.lexlink.eu/conteudo/angola/laboral/1535595/lei-no-715/188/por-tema>
- Decree No. 9/95 of 21 April 1995 (Decree on the Regulation of the General Labour Inspectorate). Available at:
http://www.ilo.int/dyn/legosh/en/f?p=LEGPOL:503:6501263165076:::503:P503_REFERENCE_I D:167642
- Decree No. 31/94, of August 5, which establishes the principles that include the promotion of safety, hygiene and health at work. Available at:
<https://www.ilo.org/dyn/natlex/docs/MONOGRAPH/56323/60225/F1112604275/DECRETO%2031%2094.pdf>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- Ahmad I. and Barros, L. C. 2019, Angola Decent Work Check 2019. Amsterdam, Wage Indicator Foundation, February. Available at:
<https://wageindicator.org/documents/decentworkcheck/africa/angola-english.pdf>
- Meusalario, Angola General Labour Law. Health and Safety. Available at:
<https://meusalario.org/angola/lei-geral-do-trabalho/saude-e-seguranca>

1.25.5. Risk determination

Overview of Legal Requirements

The General Labour Law (No. 7/15 of 15 June 2015) Article 8I (general employer obligations) requires that employers take necessary measures for occupational health and safety of their workers to include

the provision of PPEs. Article 83 (obligation of the worker) also makes it an offence for workers who have received PPEs and the necessary instructions and do not correctly use the collective and individual protection equipment, and do not ensure its maintenance. Under Article 85 (2) (employer emergency obligations). Employers also has obligation to inform the competent authorities of the accident or illness in the event of occupational accidents or illness provided that it makes it impossible for the job, within the time limit and in accordance with the procedure laid down in the legislation itself. Article 87 (Authority of the General Labour Inspectorate) recognises supervision of compliance with regulatory provisions on occupational health and safety is the responsibility of the Inspector General of Labour. Article 91 (medical examination) gives permission to health authorities to carry out medical examinations of worker without prejudice to the special examinations and care required by the characteristics of certain types of labour provided for in the applicable regulations.

The Decree No. 9/95 of 21 April 1995 (Decree on the Regulation of the General Labour Inspectorate) establishes that the fundamental purpose of the Inspector General of Labour is to inform and advise on matters of legal and employment relations in application of the legislation on working and employment conditions, system of protection of employment and unemployment of workers and payment of contributions of social security, as well as propose the necessary measures to overcome the gaps in labour legislation. Article 3 (general assignments) (B) of the decree clarifies the enforcement of occupational hygiene, safety and health standards as one of the key assignments of the Inspector General of Labour. Article 25 (powers of inspectors) (1) clarifies that inspection staff of the Labour Directorate are permanently vested in their capacity and shall have the public authority powers deriving therefrom. (b) Carry out any examinations, inspections, investigations, inquiries, and other steps deemed necessary to ensure that labour standards are complied.

Description of Risk

Angolan laws provide for health and safety of workers at their workplace. The General Inspections Department of the Ministry of Public Administration Labour and Social Security have the legal authority to enforce compliance with health and safety at workplace. According to stakeholders, while enforcement of health and safety requirements in the cities is better, health and safety at the forest level and processing facilities in the hinterlands violate workers health and safety requirements as there is no enforcement or very weak enforcement.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.25.6. Risk designation and specification

Specified risk

1.25.7. Control measures and verifiers

1. The Labour Inspectorate of the Ministry of Public Administration, Employment and Social Security (MAPESS) to step up its inspection activities to cover all workplaces at least once a year as provided for in the law.
2. Importers can request for the Occupational Health and Safety (OSH) services monthly, quarterly and annual reports for companies with 50 or more employees.

1.26. Legal employment in the timber processing sector

Legal requirements for employment of personnel involved in the timber processing sector including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employer. Furthermore, the points cover observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. Risk relates to situations/areas where systematic or large-scale non-compliance with labour and/or employment laws. The objective is to identify where serious violations of the legal rights of workers take place, such as forced, underage or illegal labour.

1.26.1. Applicable laws and regulations

1. Ratified 34 International Conventions related to Labour.
2. C087 - Freedom of Association and Protection of the Right to Organise
 - Convention, 1948 (No. 87)
 - C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
 - C029 - Forced Labour Convention, 1930 (No. 29)
 - C105 - Abolition of Forced Labour Convention, 1957 (No. 105)
 - C006 - Night Work of Young Persons (Industry) Convention, 1919 (No. 6)
 - C081 - Labour Inspection Convention, 1947 (No. 81)
 - C138 - Minimum Age Convention, 1973 (No. 138) minimum age specified: 14 years,
 - C182 - Worst Forms of Child Labour Convention, 1999 (No. 182) C026 - Minimum Wage-Fixing Machinery Convention, 1928 (No. 26).
 - C012 - Workmen's Compensation (Agriculture) Convention, 1921 (No. 12)
 - C017 - Workmen's Compensation (Accidents) Convention, 1925 (No. 17)

Available at:
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational_safety_and_health
3. Constitution of the Republic of Angola, of 21 January 2010
 - Article: 60 (ban on torture and degrading treatment). No-one shall be subjected to torture, forced labour or cruel, degrading or inhuman treatment.
 - Article 50 (trade union freedoms) (1). It shall be recognised that all workers have the freedom to create trade union organisations to defend their collective and individual interests.
 - Article 21(h) (Fundamental tasks of the state) to promote equal rights and opportunities between Angolans, regardless of origins, race, party affiliations, sex, colour, age or any other form of discrimination.

Available at: <http://extwprlegs1.fao.org/docs/pdf/ang72591ENG.pdf>
4. The General Labour Law (7/2015) of June 15 2015. The main statute governing all aspects of employment relationships in Angola;
 - Article 13 (capabilities) 1. The relationship with the labour law established with minors between the ages of fourteen (14) and eighteen (18) shall be valid as long as authorized by the legal representative or in his absence by the Employment Center or the appropriate institution.
 - Article 161 (fixed national minimum wage) 1. The national minimum wage is fixed, periodically, by the holder of the executive power.
 - Article 5 (prohibition of forced or compulsory labour) 1. Forced or compulsory work is prohibited. 2. It is not by force or compulsory to work.
 - Article 7 (related rights as the right to work)
 - Article 4 (Right to work). Available at:
<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99347/118526/F831720958/lei%20geral%20do%20Trabalho%207-15.pdf>

5. Decree no. 9/95 of April 21 (General Labour Inspectorate regulation). Available at: https://www.ilo.org/dyn/legosh/en/?p=14100:1100:0::NO::P1100_ISO_CODE3,P1100_YE_AR:AGO,2014#
6. Presidential Decree No. 136/19 of 5 May (Unique Social Register) Available at: <https://www.lexlink.eu/codigo-simples/angola/671182/cadastro-social-unico-decreto-presidencial-no-13619-de-5-de-maio/14559/por-tema>
7. Decree No. 38/08 of 19 June 2008 establishes the legal regime of binding and contribution of the Compulsory Social Protection.
 - o In Chapter III (contributory regime) Article 15 (3) provides that the contribution rate for compulsory social protection is set at 3% for the employee and 8% for the employer.
8. Executive Decree No 406/17 of August 30 (social solidarity grant). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
9. Presidential Decree No. 91/17 of June 7 (single national guaranteed minimum wage). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
10. Law (20-A/1992) of August 14, 1992; (the law on the right to collective bargaining). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
11. Law (21-D/1992) of August 28, 1992; (trade union law). All labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
12. Law (23/1991) of June 15, 1991; (the Law on strike). All Labour laws are available at: <https://www.lexlink.eu/legislacao/angola/188/laboral/por-tema>
13. Presidential Decree No. 40/17 of 6 March; (fixed-term and indefinite employment contracts). Available at: <https://www.lexlink.eu/codigo-simples/angola/651391/contratos-de-trabalho-por-tempo-determinado-e-por-tempo-indeterminado-decreto-presidencial-no-4017-de-6-de-marco/14544/por-tema>
14. List of work prohibited and conditioned to women - Presidential Decree No. 29/17 of 22 February. Available at: <https://www.lexlink.eu/codigo-simples/angola/651191/lista-de-trabalhos-proibidos-e-condicionados-as-mulheres-decreto-presidencial-no-2917-de-22-de-fevereiro/14544/por-tema>
15. Temporary assignment of workers - Presidential Decree No. 31/17, of 22 February. Available at: <https://www.lexlink.eu/codigo-simples/angola/651209/regime-de-cedencia-temporaria-de-trabalhadores-decreto-presidencial-no-3117-de-22-de-fevereiro/14544/por-tema>
16. Presidential Decree No. 87/19 of 21 March 2019 (adjusts the amount of pensions from the compulsory social protection level). - Repeals Presidential Decree No. 93/17 of June 7. Available at: <https://www.lexlink.eu/conteudo/angola/laboral-e-seguranca-social/3888683/decreto-presidencial-no-8719/186/por-tema>

1.26.2. Legal authority

Ministry of Public Administration, Employment and Social Security (MAPESS).

1.26.3. Legally required documents or records

- Employment Contract (applicable to some kinds of job).
- Social security clearance letter.

1.26.4. Sources of information

Government sources

- Government of Angola, Labour Law. Available at: https://www.maptss.gov.ao/?page_id=1102
- Constitution of the Republic of Angola, of 21 January 2010: Available at: <https://www.legis-palop.org/>

Non-Government sources

- Personal communication with civil society organisations and wood processing companies.
- ILO (International Labour Conventions ratified by Angola). Available at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_INSTRUMENT_SORT,P11200_COUNTRY_ID:2,102999#Occupational_safety_and_health
- Ahmad I. and Barros, L. C. 2019. Angola Decent Work Check 2019. Amsterdam, Wage Indicator Foundation, February. Available at: <https://wageindicator.org/documents/decentworkcheck/africa/angola-english.pdf>
- Meusalario, Angola General Labour Law. Available at: <https://meusalario.org/angola/lei-geral-do-trabalho/saude-e-seguranca>

1.26.5. Risk determination

Overview of Legal Requirements

Description of Risk

Angola has ratified 34 international conventions related to labour, namely: C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98) C029 - Forced Labour Convention, 1930 (No. 29) C105 - Abolition of Forced Labour Convention, 1957 (No. 105) C006 - Night Work of Young Persons (Industry) Convention, 1919 (No. 6) C081 - Labour Inspection Convention, 1947 (No. 81) C138 - Minimum Age Convention, 1973 (No. 138) Minimum age specified: 14 years C182 - Worst Forms of Child Labour Convention, 1999 (No. 182) C026 - Minimum Wage-Fixing Machinery Convention, 1928 (No. 26), C012 - Workmen's Compensation (Agriculture) Convention, 1921 (No. 12) C017 - Workmen's Compensation (Accidents) Convention, 1925 (No. 17) . These laws are domesticated into the country's legislation starting from the highest law which the Constitution of the Republic of Angola, of 21 January 2010. The Constitution in Article: 60 (ban on torture and degrading treatment) clearly state that no-one shall be subjected to torture, forced labour or cruel, degrading, or inhuman treatment. Article 50 (Trade union freedoms) indicates to recognise that all workers have the freedom to create trade union organisations to defend their collective and individual interests while Article 21(h) one of the fundamental tasks of the state is to promote equal rights and opportunities between Angolans, regardless of origins, race, party affiliations, sex, colour, age or any other form of discrimination.

Several labour laws have been enacted to give meaning to these constitutional provisions. The general Labour Law (7/2015) of June 15, 2015 which is the main statute governing all aspects of employment relationships in Angola. Article 13 (1 and 2)) (Capabilities) sets the minimum working age and gives ages between 14 and 18 as needing authorisation by legal representative or in his absence by the employment center or the appropriate institution. The article also give meaning to the conclusion of work contract. Though from the General Labour Law an employment agreement does not need to be made in writing, however, a written employment agreement is required in some cases such as employment agreements entered into with foreign employees and traineeship agreements.

Article 161 (fixed national minimum wage) confirms the periodic setting of a national minimum wage by the holder of the executive power. Article 5 (1 and 2) (prohibition of forced or compulsory labour) states that forced or compulsory work is prohibited, and it is not by force or compulsory to work. Article 7 (1) (related rights as the right to work) restates the fundamental the right to work and the free exercise of the profession and adds that the fundamental rights of workers shall be: (a) freedom of association and consequent right to organize use and exercise of trade union activity, b) the right to negotiate with the collective, c) the right to strike, (d) the right to meet and participate in the business activity of the enterprise. Article 4 (1) (right to work) reiterates the right to work and bans discrimination to indicate that every citizen has the right to freely choose work, with equal opportunity and without any discrimination based on race, gender, ethnic origin, marital status, social origin and status, religious reasons, political opinion, union affiliation and language.

Decree no. 9/95 of April 21 (General Labour Inspectorate Regulation) Article 4 (specific assignments) specifies the duties of the General Labour Inspectorate to include checks for the regularity of the processing of social security discounts and the payment of the contributions. The Presidential Decree No. 136/19 of May 5 (Unique Social Register) gives specific regulations on registration for social security. While the Decree No. 38/08 of 19 June 2008 establishes the legal regime for a binding and contribution for Compulsory Social Protection. In Chapter III (Contributory Regime) Article 15 (3) of this law sets the contribution rate for compulsory social protection at 3% for the employee and 8% for the employer.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.26.6. Risk designation and specification

Specified risk

1.26.7. Control measures and verifiers

- *Timber processors should show the proof that the number of workers whose income tax are paid are also paid social security contributions for each month and given explanation for why the number of works whose social security are paid is not the same as the number paid for pay-as you earn.*
- On-site verification to reconcile workers whose income tax are paid with workers social security payment records for any month.

Annex I. Timber source types

The table **Timber Source Types in Angola** identifies the different types of sources of timber it is possible to find in the country of origin.

'Timber Source Type' is a term used to describe the different legal sources of timber in a country, in order to allow a more detailed specification of risk. The Timber Source Type is used to clarify:

- which forest types timber can be sourced from legally,
- what the legal requirements are for each source type, and
- if there are risks related to certain source types and not others.

Timber Source Type can be defined by several different characteristics. It may be based on the actual type of forest (e.g. plantation or natural), or other attributes of forests such as ownership, management regime or legal land classification. In this context Timber Source Types are defined and discerned using the following characteristics:

- a. Forest type - refers to the type of forest such as plantation or natural tropical forest, or mixed temperate forest. Often the clearest differentiation is between natural forest and plantations.
- b. Spatial scale (Region/Area) - relating to meaningful divisions of a nation. However, in some cases the assessment may be carried out at national level where that allows the risk assessment to establish risk at a meaningful level. E.g. a small country with uniform legislation and a uniform level of risk in all areas of the country, as national level assessment may be enough. In case there are significant differences in the legal framework or legality risks between different types of ownership (e.g. public forest, private forest, industrial forest), between different type of forest (e.g. natural forest and plantations) and/or between different geographical regions the conformance risk evaluation shall specify these differences when specifying the risk and apply the appropriate control measures.
- c. Legal land/forest classification - refers to the legal classification of land. Focus is on land from where timber can be sourced, and this could entail a number of different legal categories such as e.g. permanent production forest, farmland, protected areas, etc.
- d. Ownership - Ownership of land may differ in a country and could be state, private, communal etc. Ownership of land obviously have impacts on how land can be managed and controlled.
- e. Management regime - Independently of the ownership of the land, the management of forest resources may differ between areas. Management may also be differentiated as private, state, communal or other relevant type.
- f. License type - Licenses may be issued to different entities with a range of underlying requirements for the licensee. A license might be issued on a limited area, limited period of time and have other restrictions and obligations. Examples could be a concession license, harvest permit, community forestry permit etc.

TIMBER SOURCE TYPES IN ANGOLA						
Forest type	Region/Area	Legal Land Classification	Ownership	Management regime	License / Permit Type	Description of source type
Natural Tropical Forest	National level	Permanent production forest	Public forest	Private	Annual Forest Exploitation License	Source Type 1 – Natural Forest
					Concession Contract	Source Type 2 – Natural Forest
Plantation		Permanent production forest	Public forest	Private	Harvest license	Source Type 3 – Plantation Forest

Annex II: List of stakeholders

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NEPCon (Nature Economy and People Connected) is an international, non-profit organisation that builds commitment and capacity for mainstreaming sustainability. Together with our partners, we foster solutions for safeguarding our natural resources and protecting our climate.

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