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NEWS

New Gaming Law comes into force

Law 17/24 of 28 October - the Gaming Law, which repeals Law 5/16 of 17 May, was recently published. The aim of the Gaming Law is to provide the gaming sector in Angola with more efficient rules, developed and adapted to international standards, and to redefine the special tax system applicable to the activity.

The new rules apply to entities that operate games of chance, specifically games of chance in casinos and gaming halls, social games and online games throughout Angola, including on ships and aircraft registered in Angola but operating outside the country.

In general terms, the Gaming Law will define and regulate the principles for the conduct of gaming activities: (i) the procedure for admission to the activity; (ii) the supervision and control of the activity; and (iii) the tax framework, responsible gaming, prevention of and fight against money laundering and terrorist financing.

Any natural or legal person wishing to acquire, directly or indirectly, qualifying holdings in a gaming operator must submit an application for prior authorisation to the Gaming Supervisory Institute (Instituto de Supervisão de Jogos - 'ISJ'). The same applies to situations where the shareholding is increased to reach or exceed one of the limits of 20%, 33% or 50%, or where the entity in which the shareholding is held becomes its subsidiary. In addition to the qualifying shareholding criterion, the Gaming Law also requires prior authorisation for any person who exercises significant influence over the gaming operator through agreements, contracts, clauses in the articles of association or other mechanisms.

With regard to access to the activity, the operation of games of chance, social games and online games is subject to the granting of a licence or concession. In addition, special licences may be granted without a public tender, according to criteria to be defined in specific regulations. The period of validity of these licences for the operation of games of chance, which are the result of a public tender, is increased from 5 (five) to 10 (ten) years and may be renewed for the same period.

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Also within the framework of licences, the LAJ establishes two different regimes for the operation of games of chance. Under the **exclusive regime**, a single company has the exclusive right to operate gaming in a given geographical area, taking into account the size of the investment and the business prospects. However, the **special regime** allows more than one company to operate casinos in the same geographical area, as long as they respect a minimum distance between establishments in order to protect competition.

It is also worth noting the strengthening of the special rules for the protection of personal data, as the Gaming Law establishes a number of rights and obligations for players and bettors in games of chance. Players are entitled to clear information on the rules of the games, to receive their winnings and to have their personal data protected in accordance with the applicable legislation. Gaming operators must also guarantee the security of players' personal data, inform them about the processing of their data and limit the processing of data to what is strictly necessary for the activity.

Online gambling and betting can only be carried out under a licence granted to a public limited company. However, in the case of operations not subject to the exclusivity regime, licences may be awarded to private legal persons governed by Angolan law and having their registered office in Angola. This is done by means of an invitation to tender, provided that they meet the requirements set out in the Gaming Law.

Regarding the validity of the licences, the licence to operate online gaming and betting under the exclusive regime is valid for 10 (ten) years, renewable, while the licence outside the exclusive regime is valid for 5 (five) years.

With regard to the tax framework, the Gaming Law provides for different rates of the special tax on gambling, ranging from a minimum of 1.1% to a maximum of 20% of the gross revenue from gambling activities, depending on the form of gambling in question. It's important to note that the total value of prizes awarded to players is also subject to tax, with rates varying between 10% and 15% depending on the type of game.

With regard to penalties, there has been a relaxation of the measures applicable to offences committed. Depending on the nature of the offence, offenders can be sentenced to up to two years' imprisonment or a fine of up to AOA 50,000,000 (fifty million kwanzas).

Operators already authorised to conduct business at the time of the entry into force of the Gaming Law must amend their corporate structure and ensure compliance with the other obligations laid down in the law within 180 days of the entry into force of the law, i.e. the date of its publication. ■