

LEGAL ALERT

NEW PRIVATE INVESTMENT LAW REGULATION

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The new Private Investment Law (approved by Law no. 8/2023, of 9 June) Regulation (Regulation) were recently published, approved by Decree no. 8/2024, of 7 March, Decree No. 43/2009, of 21 August, and Decree no. 20/2021, of 13 April, which approved and amended, respectively, the previous Investment Law Regulation, were repealed.

The new Regulation set out the procedures applicable to the process of approving and carrying out private investments in Mozambican territory, eligible to benefit from tax and non-tax guarantees and incentives and applies to all economic ventures taking place in the Mozambican territory, namely domestic and foreign private investments and public-private partnership ventures, large-scale projects and business concessions, in order to ensure the continuous improvement of the investment environment.

The following main changes stand out:

- The minimum amount of foreign direct investment has been adjusted from MZN 7,500,000 to MZN 6,500,000;
- The request for mere registration of the investment proposal will now be made by submitting the appropriate form completed and signed by the investor or its legal representative in triplicate, alongside the required documents;
- The proposal for mere registration must be analyzed within a maximum of two days counting from the date of the receipt of the proposal;
- Regarding the decision-making bodies, the same are now structured as follows:

- Provincial Governor – with powers to decide on projects with a value not exceeding MZN 3,500,000,000;
 - General Director of APIEX, I.P. – with powers to decide on projects not exceeding the equivalent to MZN 6,500,000,000;
 - Minister responsible for the Finance sector - with powers to decide on projects with a value not exceeding the equivalent to MZN 32,000,000,000;
 - Projects worth more than MZN 32,000,000,000 are subject to the authorization regime.
- The amount for investment authorization by the Council of Ministers is reduced from MZN 37,500,000,000 to MZN 32,000,000,000;
 - The new regulations do not include the regime applicable to Special Economic Zones, Industrial Free Zones and Integrated Tourism Resort Zones.

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