

LEGAL ALERT

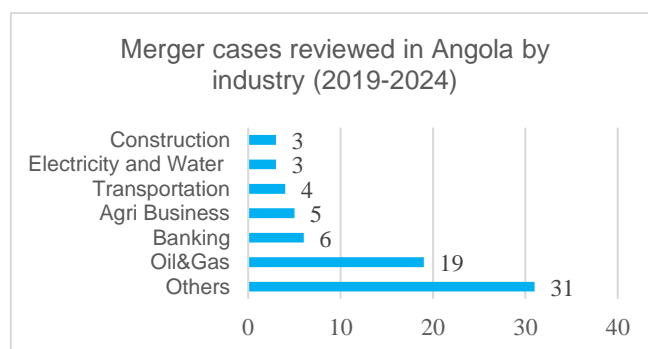
COMPETITION LAW IN ANGOLA, MOZAMBIQUE AND CAPE VERDE: RECENT DEVELOPMENTS

Merger control

The Competition Regulatory Authorities (CRA) of Angola and Mozambique have well-established merger review regimes, which represent the largest part of each authority's caseload.

In 2024 the CRA of Angola cleared 15 merger notifications, two fewer than in 2023. The decisions, all Phase 1 unconditional clearances, concerned the following industries: oil & gas (4 decisions); maritime transport (3); banking (2); construction; quality management; shipbuilding; cargo transport and port services (1 each).¹

Between 2019, when it started operations, and the end of 2024 the CRA issued 71 clearance decisions (two of which with commitments).² The majority concerned the oil & gas industry and related services, as can be seen in the chart below:



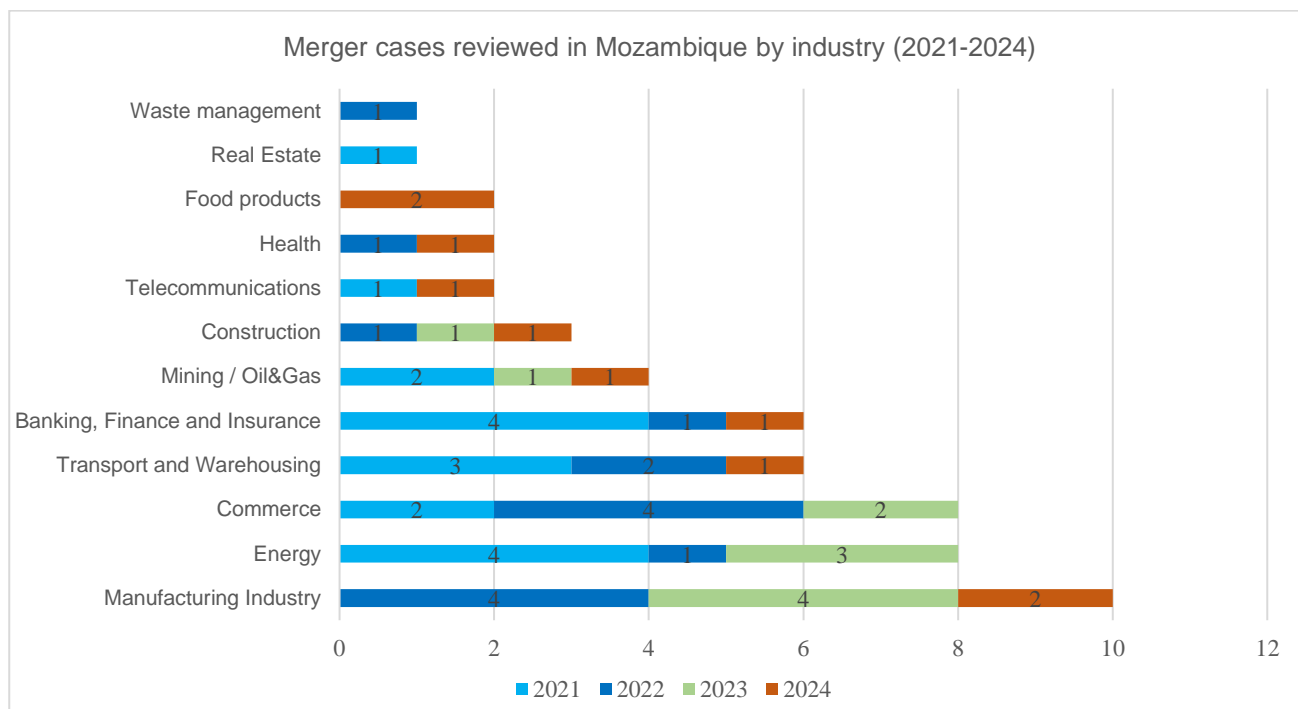
¹ Interview of CRA President Eugénia Pereira, *Jornal de Angola*, 30 December 2024 (JdA Interview), p. 19, and case information available at the ARC's website. One decision (no. 03/2024) is not available on the CRA's website.

² JdA Interview, p. 19, and case information available at the ARC's website.

The average review of the CRA of Angola during 2024 took 81 days. This represented a slight increase compared to previous years (72 days in 2022 and 76 days in 2023), but it is still well below the statutory time limit of 120 days in Phase 1 established in the Competition Law.

In 2024, the CRA of Mozambique issued 10 decisions, all Phase 1 unconditional clearances. This represents a slight reduction in its caseload relative to 2023, when the CRA adopted 13 merger decisions (11 unconditional approvals and 2 decisions with commitments). The decisions adopted in 2024 concerned the following sectors: food products (2 decisions); construction; port management; extractive industry; insurance; distribution of pharmaceutical products; and telecommunications. An additional clearance decision in the sugar industry has been adopted by the CRA in January 2025.

In its first four years of activity (it effectively began receiving merger notifications in August 2021, after the [filing fee rules were amended](#)), the CRA has reviewed 53 merger cases, all of which were cleared (four subject to commitments), in the following industries:³



³ Competition Regulatory Authority, *Boletim das Atividades Regulatórias 2021-2023*, August 2024 (for cases 2021-2023), and decisions available at the CRA website (cases for 2024).

The CRA of Mozambique does not report on the average duration of its merger reviews but, in our experience, the CRA usually abides by the 60 calendar days statutory Phase 1 period in unproblematic cases.

On 31 January 2024, the Competition Authority of Cabo Verde (AdC) issued its first clearance decision in a merger control case, concerning the acquisition of Cimpor Cabo Verde, a cement producer, by Taiwan Cement Europe. The AdC, which began operations in 2023, currently accepts [merger notifications that meet the jurisdictional thresholds](#), although the Notification Form regulation has yet to be approved.

Gun jumping

Failure to notify and implementing transactions subject to mandatory filing prior to clearance (gun jumping) remains very high on the CRA's priorities both in Angola and Mozambique:

- The CRA of Angola issued its first gun jumping decision at the end of 2022,⁴ imposing a fine of c. **USD 2.4 million** for an implemented transaction in the oil & gas sector. Under the Competition Law, the fine for gun jumping is set between 1% and 10% of the turnover of the merging parties, with 1% being the minimum fine for competition law infringements in Angola. The President of the CRA recently disclosed that a **second gun jumping fine** was issued in the course of 2024, but further details are not available.⁵ The CRA is reported to have several gun jumping investigations pending;
- The CRA of Mozambique adopted its [first decision for gun jumping in 2022](#), issuing a fine of c. **USD 640,000** on CFAO Motors Moçambique for having implemented the acquisition of Auto Avenida and certain assets of Toyota Moçambique and Toyota Maputo without notifying and waiting for prior clearance from the CRA. Other gun jumping investigations are also reported to be pending;

⁴ The decision was not announced at the time it was adopted, and was only confirmed much later, see *Política de Concorrência em Angola* – Presentation to the *Conselho Consultivo* of the CRA, April 2024, p. 11.

⁵ JdA Interview, p. 17.

- A major development for 2025 is the announcement, by the CRA of Mozambique, of a [six-month exemption from gun-jumping fines](#) for mergers subject to mandatory filing and implemented without prior clearance if they are now notified to the CRA.

This exemption from gun jumping fines (which follows a [similar exemption granted in 2023](#)) applies to transactions implemented up to 31 December 2024 and will be in force until 6 June 2025. The CRA of Mozambique is incentivizing the timely submission of notifications of transactions [which meet the statutory filing thresholds](#), in order to avoid gun-jumping fines, which in Mozambique may amount to up to 5% of the consolidated annual turnover of participating undertakings.

Antitrust

Alongside their active merger control practice, there has been a growing enforcement of antitrust matters both in Angola and in Mozambique, with several investigations launched by each Authority:

- In December 2023, the CRA of Angola issued its first infringement decision, imposing a fine of c. **USD 13 million** on an Angolan company active in the beverages sector for fixing the resale price of products supplied to independent distributors, in breach of the prohibition of anticompetitive vertical agreements.⁶ Several investigations are ongoing, and at the end of 2024 the CRA had four antitrust cases at an advanced stage pending a decision;⁷
- The CRA of Mozambique adopted its [first infringement decision in 2022](#), against the Association of driving schools of Mozambique, for fixing the prices of driving lessons. In the course of the investigation the CRA imposed an interim measure ordering the immediate suspension of the said prices. In the end the CRA chose not to apply a fine and addressed an admonition to the Association, who was expressly warned to refrain from further anticompetitive practices under penalty of incurring severe sanctions;

⁶ CRA Decision no. 160/23, of December 2023, *Diário da República*, II Série, no. 234, p. 24 220.

⁷ JdA Interview, p. 18.

- In September 2022, the CRA of Mozambique imposed a c. **USD 310,000** fine on a cement producer for refusing to comply with the requests for information issued by the CRA, in breach of its cooperation obligations under the Competition Law.
- The CRA of Mozambique is currently running four sectoral inquiries, into the cement, sugar, and air transport industries, as well as into taxi and driving app services.⁸ Several antitrust investigations are also ongoing. Complaints received by the CRA are at the origin of most of its investigations;⁹
- Both authorities wish to incentivize the active cooperation of companies participating in anticompetitive collusive behaviour by implementing a leniency regime. In Angola there are leniency rules in place since 2020 and the CRA of Mozambique launched in April 2024 a public consultation on a draft regulation of the leniency regime, the final version of which has not yet been published. However, neither foresees full immunity from fines for the first company to provide information and evidence to the authority. Under both the Angolan regime and the Mozambican draft, the ‘first in’ will be entitled to a reduction of up to 70% of the fine, which arguably does not provide sufficient incentives for companies to voluntarily report previously unknown anticompetitive conduct to the authority.

Advocacy and Institutional Cooperation

Both CRAs are very active in competition advocacy. The CRA of Angola published several sets of guidelines (*e.g.*, on competition compliance for business associations, bid-rigging, merger notifications, merger remedies, calculation of fines) and has issued policy recommendations to most regulated sectors (*e.g.*, communications, energy, air and road transport, banking). In 2024, it issued guidelines on the competition analysis of public policies and it is currently preparing a report on State aid in Angola and its effects on competition.¹⁰

⁸ *Boletim de Atividades Regulatórias 2021-2023*, p.12.

⁹ Of the 22 investigations opened by the CRA Mozambique between 2021 and 2023, 17 (77%) originated from complaints. See *Boletim de Atividades Regulatórias 2021-2023*, p. 14.

¹⁰ JdA Interview, p. 19.

Similarly, the CRA of Mozambique has also published guidelines for business associations and more recently launched a guide to combat collusion in public procurement, setting out good practices to be followed by public entities and companies.

The CRAs of Angola and Mozambique cooperate actively with each other as well as with the Competition Authority of Portugal, through bilateral cooperation agreements and the [Lusophone Competition Network](#), and regularly organize training sessions and exchange best practices and information, including on cases of mutual interest. The CRA of Angola also has a cooperation agreement in place with the Competition Commission of South Africa and is negotiating a similar agreement with the Brazilian competition authority (CADE).¹¹ Both CRAs are active members of the International Competition Network (ICN), the CRA of Mozambique having been admitted in March 2024.

The CRAs also coordinate closely with national sector regulators on merger reviews and antitrust investigations in industries subject to sector regulation. In this respect, the CRA of Mozambique has noted that it has requested opinions to sectoral regulators in 48 merger review cases between 2021 and 2023.¹²

What to look for in 2025

The stated priorities of both the CRA of Angola and Mozambique are enforcing the merger control rules, with a particular emphasis on gun jumping, and the prohibitions of anticompetitive behaviour, especially hardcore conduct such as cartels and resale price maintenance (vertical price-fixing).¹³ Regarding Cape Verde, in November 2024 the first president of the AdC resigned and a new president was appointed, Miguel Semedo. According to its annual plan, the AdC has established as priorities the approval of the Notification Form Regulation and the reinforcement of the capacity to detect gun jumping conduct.

In view of the potentially very high fines (which can go up to 10% of turnover in Angola and up to 5% in Mozambique) and other serious negative consequences resulting from the infringement of

¹¹ JdA Interview, p. 17.

¹² *Boletim de Atividades Regulatórias 2021-2023*, p. 8.

¹³ JdA Interview, p. 17.

competition law, companies operating in these jurisdictions are well advised to actively monitor their business activities and strategic decisions and ensure that they are compliant with competition law.

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