1. Pre-Shipment Inspection (PSI) mandate

MANDATE AUTHORISED BY: Ministry of Finance
APPLICABLE REGULATION(S): Presidential decree No. 41/06 dd. 17/07/06. Executive decree No. 124/06 dd. 11/09/06, Despacho No. 404/06 dd. 11/09/06, Official letter No. 8009/22/DTC/AV/06 dd. 23/11/06 cancelling Annex 5 to the Despacho No. 124/06.
APPOINTED PSI COMPANY (IES): BUREAU VERITAS, COTECNA, SGS
SELECTION OF PSI COMPANIES: At discretion of importers
TYPE OF PSI SCHEMES:
- Mandatory for all products listed in section 8.
- Voluntary for all products not indicated in section 8. Importers who voluntarily submit their goods to PSI, will benefit from an accelerated clearance system called the “Green channel”, provided goods come into FCLs containers duly sealed by Bureau Veritas.
SCOPE OF DUTIES:
- Quality, Quantity
- Export market price (for foreign exchange purposes)
- Customs classification
- Value for Customs purposes (based on Brussels Definition of Value)
- Assessment of import Duty
MINIMUM VALUE SUBJECT TO PSI: No minimum value
PART SHIPMENTS: Subject to PSI
EXEMPTIONS FROM PSI: See Section 7
GOODS SUBJECT TO MANDATORY PSI: See Section 8

2. Pre-Shipment Inspection Order (P.I.O.) - The instruction for BIVAC to inspect

P.I.O. NAME: Pedido de Inspeção Pré-embalque (PIP)
ISSUED BY: BUREAU VERITAS Liaison Office upon Importer’s application. However, the importer will have first to have his exporter’s pro forma invoice endorsed by the Ministry of Commerce.
VALIDITY: 6 months not renewable taken from the pro forma invoice endorsement date by the Ministry of Commerce (inspection and shipment of goods (B/L date) completed).
AMOUNT BY WHICH P.I.O. VALUE MAY BE EXCEEDED: 10% of the CFR value. A new PFI is to be endorsed by the Ministry of Commerce for the remaining shipments, where the PIP value has been exceeded.
CHANGES FROM SEA TO AIR: To be approved by the importer
2. Pre-Shipment Inspection Order (P.I.O.) - The instruction for BIVAC to inspect (cont.)

DESTINATION INSPECTION:
- Allowed by Customs upon request from the importer, where goods liable to mandatory PSI have been shipped without inspection. The importer will be fined for any infringement and reoccurrence.
- Re-inspection upon arrival at request of Sanitary, Police, Customs authorities, where containers seals have been broken, or where goods present risk to public health, environment, national industry or to customs revenues collection. The selection will be done at random.

3. Inspection requirements/restrictions

SEALING OF F.C.L CONTAINERS
Required. FCL/LCL containers, if consolidated goods involved one exporter/one importer will also be sealed. Goods submitted to voluntary PSI from importers, if shipped into FCLs, duly sealed by Bureau Veritas, will go through the “Green channel” clearance system.

SECOND-HAND GOODS:
Motor companies are not allowed to import used motor vehicles. Individuals can import used cars regardless of age.

PROHIBITED IMPORTS:
See section 9

RESTRICTED IMPORTS:
See section 10

LABELLING REQUIREMENTS:
Labelling of packaging of imports in Portuguese language is strongly recommended. Obligation will start after 1st January 2007.

Retail packages of goods commonly traded with expiry date, must show the following information: batch number, expiry and/or manufacture date.

Individual packages of foodstuff, perfumery and cosmetics, pharmaceuticals and chemicals must show the following mandatory information as set out in Appendices 1 to 4 of Executive decree No. 124/06:

# Foodstuff: type of product, producer’s name, batch references, preservation, conditions of storage, production / validity dates, fat content, capacity, volume of alcohol etc., in conformity with the product; Instructions for use are recommended to be written in Portuguese. Obligation for use of Portuguese as language will start after 1st January 2007.

# Pharmaceuticals: name of the manufacturer, label, name of the product, basic quantity of content, batch number, origin, manufacture and validity dates, must be shown on each retail package. Instructions for use are recommended to be written in Portuguese. Obligation for use of Portuguese as language will start after 1st January 2007.

# Perfumery and cosmetics: manufacturer’s name, brand name, alcohol content, description, distributor and/or seller, dates etc. In case of glass or other fragile goods, the corresponding indication “Fragile”, “Glass” must be stated.

# Chemicals, including hydrocarbon, oils, lubricants, packed in bottles, cans, barrels, bags, casks or any other form of packaging: name of the product, chemical content, capacity, handling recommendations, relevant IMDG code for dangerous products, gross and net weights, importer’s name and destination. Recommendations for use and protection are recommended to be written in Portuguese. Obligation for use of Portuguese as language will start after 1st January 2007.
3. Inspection requirements/restrictions (cont.)

OTHER SPECIAL REQUIREMENTS:  

# Inspection of foodstuffs, pharmaceuticals, perfumes and cosmetics, and chemicals to be performed by observing the Angola's specific requirements set down in Appendices 1 to 4 of the Executive decree No. 124/06.

# Verification of the production and expiry dates, as well as the remaining storage time at the date of inspection of goods commonly traded with expiry date. The remaining shelf-life must not be less than 25% of the total shelf-life, taking into account the time of transportation, without prejudice to the requirements set out for pharmaceuticals and perfumery and cosmetics. For pharmaceuticals, perfumery and cosmetics, the remaining shelf-life must be more than 50% of the total shelf-life of the product, with a minimum of 6 months.

# Motor vehicles must have left-hand steering and observe the legal requirements of safety, manufacture and circulation

# Quantity and description of free of charge goods for Customs valuation purposes.

4. Price verification/Seller's invoice requirements

BUYING/CONFIRMING COMMISSIONS: No restriction, but must be declared

INSURANCE: No restriction

FINANCIAL INTEREST: No restriction

FINAL INVOICE TO SHOW: # FOB, freight and insurance charges (where applicable), advance payment.

By line item: detailed product description including product name, trademark, model, characteristics (where applicable), origin.

# Free of charge goods for Customs valuation purposes

5. Reporting requirements

FINAL DOCUMENTS REQUIRED BY BUREAU VERITAS TO ISSUE REPORT: Final commercial invoice and transport document (AWB / Bill of Lading etc.) plus any other specific documents that may be requested from exporters like a sanitary certificate, analysis certificate, packing list (for consolidated goods), certificate of origin, free-GMO certificate for any importation of grains, seeds and flours. Final documents are to be issued either in Portuguese or in English.

TYPE OF REPORT ISSUED: Atestado De Verificação (ADV)
Atestado de Não Conformidade (ADNV)

REPORT PURPOSE:

- A label secured by a hologram is stuck on the exporter’s final invoice for payment purposes (L/C) or for his own use upon request.
- A Clean Report of Findings (Atestado De Verificação) is needed by the importer to clear his goods from customs.
- A Non Negotiable Inspection Report (Atestado de Não Conformidade) is issued to the importer if:

(i) inspection reveals non compliance and discrepancies are not corrected, or
5. Reporting requirements (cont.)

REPORT PURPOSE:

(i) complete final documentation is not delivered by the exporter after 30 days following the date of inspection.

The ADNV can be replaced by an ADV if the exporter finally corrects the discrepancies in physical inspection and/or delivers the final documentation.

6. Inspection fees

0.75% of the FOB value, with a minimum fee of UCF* 370 (about 244 USD).

* Tax unit determined by the government

1. Paid by the Importer to Bureau Veritas in the country of importation for:

- both the mandatory and voluntary PSI schemes. 50% payable when inspection service is requested, the remaining when the Importer comes to collect his certificate. 100% when inspection service is requested in case the minimum fees apply.

   Nevertheless, BUREAU VERITAS may invoice the Seller in the event of supplementary inspection visits (in vain or unsatisfactory results). The costs incurred by the Seller in presenting the goods for inspection, such as unpacking, handling, testing, sampling, repacking... are for the account of the Seller.

- destination inspections upon request from the importer where goods liable to mandatory PSI have been shipped without inspection

- destination inspections upon request from the Sanitary, Police and Customs authorities, whenever the results of inspection are non satisfactory

2. Paid by the Sanitary, Police or Customs authorities, whenever the results of destination inspections requested by these authorities, are satisfactory.

7. List of goods exempted from PSI (both voluntary and mandatory schemes)

- Post parcels and commercial samples, not for trade purposes

- Gifts and supplies to diplomatic and consular missions and to United Nations organisations, imported for their own needs;

- Goods transported in accompanied baggage, not for trade purposes

8. List of goods subject to mandatory PSI

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Product description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 01</td>
<td>Live animals</td>
</tr>
<tr>
<td>Chapter 02</td>
<td>Meat and edible meat offal</td>
</tr>
<tr>
<td>Chapter 03</td>
<td>Fish and crustaceans, molluscs and other aquatic invertebrates</td>
</tr>
<tr>
<td>Chapter 04</td>
<td>Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included</td>
</tr>
<tr>
<td>Chapter 05</td>
<td>Other products of animal origin, not elsewhere specified or included</td>
</tr>
<tr>
<td>Chapter 06</td>
<td>Live trees and other plants, bulbs, roots and the like; cut flowers and ornamental foliage</td>
</tr>
<tr>
<td>Chapter 07</td>
<td>Edible vegetables and certain roots and tubers</td>
</tr>
<tr>
<td>Chapter 08</td>
<td>Edible fruit and nuts; peel of citrus fruit or melons</td>
</tr>
<tr>
<td>Chapter 09</td>
<td>Coffee, tea, mate, and spices</td>
</tr>
</tbody>
</table>
8. List of goods subject to mandatory PSI (cont.)

| Chapter 10 | Cereals |
| Chapter 11 | Products of the milling industry, malt, starches, inulin, wheat gluten |
| Chapter 12 | Oils seeds and oleaginous fruits, miscellaneous grains, seeds, and fruit, industrial or medicinal plants, straw and fodder |
| Chapter 13 | Lec, gums resins and other vegetable saps and extracts |
| Chapter 14 | Vegetable plaiting materials, vegetable products not elsewhere specified or included |
| Chapter 15 | Animal or vegetable fats and oils and their cleavage products, prepared edible fats, animal or vegetable waxes |
| Chapter 16 | Preparation of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates |
| Chapter 17 | Sugars and sugar confectionery |
| Chapter 18 | Cocoa and cocoa preparations |
| Chapter 19 | Preparation of cereals, flour, starch or milk, pastry cooks products |
| Chapter 20 | Preparations of vegetables, fruits, nuts, or other parts of plants |
| Chapter 21 | Miscellaneous edible preparations |
| Chapter 22 | Beverages spirits and vinegar |
| Chapter 23 | Residues and waste from the food industries, prepared animal fodder |
| Chapter 24 | Tobacco and manufactured tobacco substitutes |
| Chapter 27 | Mineral fuels, mineral oils, and products of their distillation, bituminous substances, mineral waxes |
| Chapter 28 | Inorganic chemicals, organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes |
| Chapter 29 | Organic chemicals |
| Chapter 30 | Pharmaceutical products |
| Chapter 31 | Fertilizers |
| Chapter 38 | Miscellaneous chemical products |
| Chapter 84 (partial) | Used engines and machinery of Headings 8407, 8408, 8426, 8427, 8429 and 8430 |
| Chapter 87 (partial) | Used motor vehicles, tractors, bicycles and other terrestrial vehicles, parts and accessories thereof, with the exception of the products of Headings 8706, 8707, 8708, 8710, 8713, 8714 and 8715 |
| Chapter 95 (partial) | Toys |

9. List of prohibited goods

- Animals and by-products originated from the following areas affected by epizootics:
  
  # Meat of swine and by products of swine origin from South Africa due to outbreaks of classical swine fever;
  
  # Live cloven-hoofed animals (bovine animals, sheep, goats, swine, buffaloes, antelopes etc.) and animal products thereof, originated from Argentina and, the State of Mato Grosso in Brazil and its neighboring states like Mato Grosso, Sao Paolo, Parana, Goias and Minas Gerais, due to outbreaks of Foot and Mouth Disease (FMD);
  
  # Live poultry and hatching eggs originated from Asian and European countries, due to outbreaks of highly pathogenic Avian Influenza (bird flu disease).

- Distilled beverages containing essences or recognized harmful products as absinthe, ether derived products
PRE-SHIPMENT INSPECTION IS REGULATED BY DECREE NO. 192/02 OF 9TH OF AUGUST 2002, THAT READS:

ARTICLE 2  
(COMPELLARY INSPECTION)

2.1 – It is subject to compulsory PSI (Pre-Shipment Inspection):
   a) Export by companies to Angola with CIF (Cost, Insurance & Freight) equal to or
      over USD 5,000.00 or equivalent in different currency;
   b) Export of goods by single people to Angola with CIF equal or over USD 10,000.00
      or equivalent in different currency, except goods in line e);
   c) Goods with value between USD 1,000.00 and USD 10,000.00 are subject to
      registration at Inspection Company (in Luanda) for statistical purposes;

Even though, goods between this interval of values may be selected by customs for PSI
purposes.

d) Import of goods with CIF value less than USD 5,000.00 and 10,000.00, if total CIF
   value of partial shipments, to same consignee in a trimester becomes higher than
   USD 5,000.00 and USD 10,000.00;
   e) Regardless of CIF value, imports into Angola of the following goods:
      c1) New and used vehicles, passengers and cargo vehicles, yates, other boats and
         sport and recreational boats, as well as all other motor vehicles and their
         accessories;
      c2) Goods imported by Government institutions or other public entities;
      c3) Junk iron;
      c4) Telecommunication, TV and broadcasting equipment.

2.2 – All considered entities willing to import goods subject to mandatory pre-shipment
inspection, shall inform exporters of its compulsory need.

ARTICLE 3  
(GOODS FREE OF PRE-SHIPMENT INSPECTION)

The following goods are free of pre-shipment inspection:
   a) Metal and rare stones;
   b) Antiques and art objects;
   c) Guns and munitions for Army and Security Forces;
   d) Explosives and firework equipment;
   e) Movies;
   f) Live animals;
   g) Newspapers and other periodical publications;
   h) Bank checks;
   i) Printed matters and headed forms;
   j) Accompanied luggage (*);
k) Commercial samples and postal parcels;
l) Donations by foreign Governments or by non-governmental organizations (NGO);
m) Emergency aid.

ARTICLE 7
[PROCEDURES AND CRF (CLEAN REPORT OF FINDINGS) EMISSION]

7.2. PIP is granted on presentation of proforma at BIVAC representative offices. Proforma invoice(s) must present the following information:
   a) Name, address, telephone/fax/e-mail of the exporter;
   b) Name, address, telephone/fax/e-mail of the importer;
   c) Country of origin of the goods;
   d) Embarking country and airport or seaport;
   e) Description and cargo specifications (dimensions, weight, color, technical characteristics, etc.);
   f) Quantity and measuring, or weight unit;
   g) Itemised FOB values;
   h) Total value (separating FOB, freight and insurance);
   i) Payment terms;
   j) Port/airport of destination;
   k) Packing and accommodation;
   l) Optionally, tariff headings from import/export International Harmonised System.

PRE-SHIPMENT INSPECTION SANCTIONS ARE REGULATED BY DECREE NO. 34/02 OF THE 28TH OF JUNE 2002, THAT READS:

ARTICLE 13
(SANCTIONS)

1- Cargoes that were not inspected at the country of origin, when required will force the importer to:
   a) Inspect the goods at destination;
   b) Pay a fine of the equivalent value of customs duties and all other applicable customs taxes, and then follow normal import procedures;
   c) A second attempt of such violation will be considered as reoccurrence, subject to a fine that goes from 4 to 10 times the value of customs duties and other customs applicable taxes.

2- It will also be subject of sanctions, the importer that does not present the CRF in the act of presentation of documents for customs clearance, even if it had been previously issued.

3- With no prejudice to the previous numbers, goods for bonded warehouses that were not pre-inspected at the origin or the non presentation of documents on no. 1 of previous article, will be subject to sanctions, stipulated on no's 1 and 2 of this article and future local inspection.