

COUNCIL OF MINISTERS

Decree-Law no. 2/2014 of 2nd of December

Through Decrees no. 67/2007 and 68/2006, both of 26th of December, two Concession Agreements for Exploration and Production, for Areas 1 and 4 of the Rovuma River Basin were approved, which resulted in the discovery of enormous oil and non-associated natural gas fields.

Since there is a need to conclude agreements in order to set out the terms and conditions for the design, construction, installation, ownership, financing, operation, maintenance, well use, installations and related equipment, either on land or at sea, including LNG units, multi-purpose docks, material offloading dock, surface equipment construction base, installations for maritime operations and modifications, optimization of the capacity and respective expansion required for the production, processing, liquefaction, storage, transportation, delivery and sale of natural gas from the oil deposits in Area 1 and/or Area 4 of the Rovuma Basin under subparagraph d) of paragraph 1 of article 204 of the Constitution of the Republic of Mozambique, together with article 1 of Law 25/2014 of 23rd of September, the Council of Ministers resolves as follows:

CHAPTER I

General Provisions

ARTICLE I

Definitions

The meaning of the terms and expressions used in this Decree-Law are set out in Annexure A, which contains the glossary which is an integral part thereof.

ARTICLE 2

Purpose and Scope

1. This Decree-Law and respective annexures that are an integral part of it seeks to establish a special legal and contractual framework applicable to the Rovuma Basin Project.
2. The Rovuma Basin Project shall be implemented through the Rovuma Basin Enterprises under one or more approved development plans, as they may come to be changed.

3. This Decree-Law shall be applied to each Rovuma Basin Enterprise, whether they be conducted only pursuant to Concession Agreements for Exploration and Production or to joint Concession Agreements for Exploration and Production and Government Agreements, as well as pursuant to other contractual agreements that the Government may be a part of pertaining to the implementation of the Rovuma Basin Project.
4. The persons below are subject to the special legal and contractual framework provided for in this Decree-Law:
 - a) Concessionaires of the exploration and production agreements for Area 1 and Area 4;
 - b) Special Purpose Entities directly or indirectly set up by the concessionaire(s) in accordance with subparagraph a) for purposes of the Rovuma Basin Project;
 - c) Persons entering agreements with the Concessionaire(s), under the terms provided for in subparagraph a), or with the Special Purpose Entities provided for in subparagraph b), in relation to the Rovuma Basin Project;
 - d) Subcontractors and any other persons directly involved in the Rovuma Basin Project; and
 - e) Empresa Nacional de Hidrocarbonetos, E.P., also named ENH, its affiliates or any other entity characterized as a State-owned company as part of the Rovuma Basin Project.
5. With the entry into force of this Decree-Law, for all legal purposes nothing will affect the Concession Agreements for Exploration and Production that already exist and are still in force, as well as their effects and any rights secured by the Concessionaires.
6. The Mozambican legislation on this matter shall additionally be applied in all matters that are not covered in the special legal framework set forth in this Decree-Law.

ARTICLE 3

Specific responsibility

The Minister in charge of the oil sector shall be authorized to approve and sign, when the Government is part of, any concession agreement or any other agreement pertaining to the Rovuma Basin Project or thereto related, as provided for in the concession agreements that have already been concluded.

CHAPTER II

Oil Operations

ARTICLE 4

Implementation and Operation

1. Special Purpose Entities may be set up for the purposes of the Rovuma Basin Project in accordance with this article.
2. For purposes of the Rovuma Basin Project and by means of a Government authorization, any Special Purpose Entity shall:
 - a) be set up in Mozambique;
 - b) be subject to Mozambican law;
 - c) have its head-office located in Mozambique;
 - d) be provided with human resources and authorized to independently manage all activities arising from the construction, ownership, operation and use of the relevant Rovuma Basin Project Infrastructures, or thereto related.
3. For purposes of developing financing, sale, maritime transport activities related with the Rovuma Basin Project, with the Government's approval and with due regard to the provisions of paragraph 6 of this article, Special Purpose Entities may exceptionally be set up in any jurisdiction outside the Republic of Mozambique in compliance with the transparency rules applicable to this sector.
4. Unless otherwise agreed, the following are subject to Government's approval:
 - a) articles of association of Special Purpose Entities outside the Republic of Mozambique;
 - b) memorandum of association of any Special Purpose Entities and any amendment thereto;
 - c) transfer of shares or amendment of the control of such Special Purpose Entities, except under the circumstances provided for in paragraph 7 of article 16.
5. All approvals provided for in this article shall be granted by the Minister in charge of the oil sector within 10 (ten) days from the date the respective request is submitted, unless the Government has set a different deadline as part of an approved development plan in accordance with the provisions of paragraph 7 of article 8 of this Decree-Law.
6. Each Special Purpose Entity is bound to submit a report annually on its activities related with any Rovuma Basin Enterprise, and the Government may audit them once a year.
7. Concessionaires and Special Purpose Entities shall not be bound to be listed in any Stock Exchange.

ARTICLE 5

Agreements

1. Each Rovuma Basin Enterprise may be implemented only under the terms pursuant to Concession Agreements for Exploration and Production or under the terms of the joint Concession Agreements for Exploration and Production and Government Agreements, as well as pursuant to other concluded or amended contractual agreements.
2. For purposes of article 178 of Law no. 14/2011 of 10th of August, any contracts or agreements that the Government may be part of and any rights pertaining to the Rovuma Basin Project may only be amended or terminated by mutual agreement or in accordance with the respective contractual provisions.

ARTICLE 6

Public-Private Partnerships, Large-Scale Projects and Business Concessions

1. Rovuma Basin Enterprises are classified as large-scale projects for the purposes of Law no. 15/2011 of 10th of August, unless they are not subject to such law in accordance with paragraph 1 of article 37.
2. ENH participation in the Rovuma Basin Project shall meet the requirements of Mozambican participation provided for in subparagraphs a) and b) of paragraph 1 of article 33 of Law no. 15/2011 of 10th of August.
3. The ENH participation in the Rovuma Basin Project, the State share in the profit petroleum provided for in the Concession Agreements for Exploration and Production and the tax system applicable to Concessionaires shall meet the requirements of tax revenue generation and positive contribution towards public funds provided for in subparagraph d) of paragraph 1 of article 33 of Law no. 15/2011 of 10th of August.
4. The extraordinary direct benefits provided for in subparagraph f) of paragraph 1 of article 33 of Law no. 15/2011 of 10th of August shall be fairly shared through the gradual increase of the share of Profit Petroleum allocated to the Government under the terms of the Concession Agreements for Exploration and Production stemming from any oil price increase.
5. Bearing in mind that the Concession Agreements for Exploration and Production were awarded in accordance with public procurement rules applicable on that date, concluding any new agreement under the terms of paragraph 1 of article 5 of this Decree-Law shall be conducted through negotiation or private treaty with Concessionaires and/or any Special Purpose Entity.

6. Socio-economic benefits provided for in article 34 of Law no. 15/2011 of 10th of August shall be estimated pro-rata within the Rovuma Basin Project through, namely, the provisions of article 10 (Procurement of Goods and Services), article 13 (Rights of Use of the Rovuma Basin Project Infrastructures by Third Parties) and article 19 (Training) of this directive.
7. Pursuant to subparagraph f) of article 34 of Law no. 15/2011 of 10th of August, the Rovuma Basin Project development plan or plans shall include a programme of activities and social responsibility, development and sustainability projects.
8. The requirements arising from Law no. 15/2011 of 10th of August, including any regulation of said Law, shall be met pursuant to this article.

ARTICLE 7

Unification

1. The initial autonomous and coordinated development of 12 (twelve) trillion cubic feet (*tcf*) of natural gas from Area 1 and of 12 (twelve) trillion cubic feet (*tcf*) of natural gas from Area 4 from the oil deposits crossing the boundaries between those areas (*trans-zonal* deposits or *straddling reservoirs*) has been authorized, in accordance with the master production plan (*master depletion plan*) for such oil deposits, jointly developed by the Concessionaires of Area 1 and Area 4.
2. Thanks to this authorization, both Concessionaires of Area 1 and of Area 4 are obliged to submit their respective commercial viability statements pertaining to the trans-zonal deposits (*straddling reservoirs*) located within the boundary of the area of the respective Concession Agreement for Exploration and Production and they undertake to submit the initial autonomous and coordinated development plan or plans of 12 (twelve) trillion cubic feet (*tcf*), as well as to execute such plans following approval by the Government.
3. No later than 6 (six) months after the coming into force of this Decree-Law, Concessionaires shall conclude and submit to the Government a unification agreement, where the gas quantities produced from the developments provided for in the previous paragraph shall be subject to unification.
4. To facilitate negotiations and the agreement between Concessionaires on unification, the Government may appoint an independent expert who, when requested to do so, shall advise on specific issues over which there is no agreement.
5. If the unification agreement is not concluded and submitted by Concessionaires within 6 (six) months from the coming into force of this Decree-Law, the Government shall appoint an independent expert to decide on any issues related with unification

over which there is no agreement. The expert shall make a decision within 12 (twelve) months from the coming into force of this Decree-Law, and for this purpose each Area 1 and Area 4 operator shall forward to the expert their respective unification proposals.

6. The expert shall comply with the adversarial principle, ensuring the general transparency of the process, the confidentiality of the information received from Concessionaires or that he may become aware of when carrying out his duties, and applying the industry's good practices regarding the unification of gas fields.
7. The Government shall notify Concessionaires of the independent expert's decision, which shall be final and binding on the litigant parties. Such decision shall be implemented through a unification agreement concluded between Concessionaires and developed by the expert on a fair and equal basis, in a way that is consistent with applicable engineering, technical and socio-economic principles.
8. Any additional development pertaining to trans-zonal deposits (*straddling reservoirs*) shall be subject to the unification agreement concluded pursuant to paragraphs 3 and 5 of this article, with necessary amendments.
9. If the Concessionaires of a certain area contest the decision on unification issued by the independent expert, the Government may approve any development proposed by the Concessionaires of the area that has not contested the decision of the independent expert appointed by the Government, provided that such development pertains to deposits located within the boundary of the area of the respective Concession Agreement for Exploration and Production.

ARTICLE 8

Development Plan Requirements

1. Each development and production period relating to a Rovuma Basin Enterprise shall last 30 (thirty) years from the date the respective development plan has been approved by the Government, provided that any suspensive conditions provided for therein are met, and such period may be extended under the terms of the respective agreement or under the law.
2. Each Rovuma Basin Enterprise that may cover one or more oil deposits shall be covered by one or more development plans, which shall regulate the development and production operations, as well as liquefaction, delivery and sale, and also the installation, maintenance and operation of the Rovuma Basin Project Infrastructures required for such purpose. Such development plans shall be submitted to the minister in charge of the oil sector in accordance with the provisions of this article. Development plans may be changed in order to cover new and meaningful investments.

3. In those cases where a Rovuma Basin Enterprise covers one or more oil deposits requiring a phased development, Concessionaires may submit various development plans pertaining to such oil deposit or deposits for approval by the Government.
4. Where applicable, a master production plan (*master depletion plan*) may be attached to the initial development plan or plans, which sets out a comprehensive plan for the full and phased development of such oil deposit or deposits, including the forecasting of any subsequent development plans or any amendments to existing development plans.
5. No new development plan may be submitted in relation to a desired Rovuma Basin Enterprise after the 10th (tenth) year from the beginning of the commercial assessment period, as laid down in the Concession Agreements for Exploration and Production, in relation to the oil deposits that are the purpose of such Rovuma Basin Enterprise.
6. The development plan for the Rovuma Basin Enterprises shall include the elements listed in Annexure B.
7. In order to make the development of the Rovuma Basin Enterprises possible, the Government shall ensure that all Rovuma Basin Enterprises are implemented in a coordinated manner, and that no development plan pertaining to any Enterprise submitted by any Concessionaire(s) shall be approved if it is likely to negatively affect the possibility that Concessionaires develop deposits whose rights they are holders of under the respective Concession Agreement for Exploration and Production.
8. In view of the provisions of the previous paragraph, under the Concession Agreements for Exploration and Production pertaining to Area 1 and Area 4, operators shall, within 6 (six) months after the coming into force of this Decree-Law, jointly submit to the Government: i) the master production plan (*master depletion plan*) for trans-zonal deposits (*straddling reservoirs*) provided for in paragraph 1 of article 7 of this Decree-Law; and ii) an implementation plan (*layout*) of the Afungi facilities pertaining to the construction, development and operation of the respective land facilities of Area 1 and of Area 4, as well as maritime facilities connection each Area to the coast.
9. Each development plan drawn up under the applicable Concession Agreement for Exploration and Production or pursuant to the joint terms of the above-mentioned Agreements and Government Agreements shall be submitted to the Minister in charge of the oil sector for Government approval, and it shall comply with the following procedures:

- a) No later than 9 (nine) months after the date the development plan in question has been submitted, the Minister in charge of the oil sector shall review and: i) respond in writing to Concessionaires and Special Purpose Entities, notifying them of the existence of irregularities or shortcomings in the submitted development plan or requesting the provision of additional information that may be necessary for the Government to approve the development plan, and/or alternatively, ii) submit it to the approval of the Government.
 - b) In the case provided for in subpoint i) of subparagraph a) of this paragraph, Concessionaires or Special Purpose Entities shall have a 45 (forty five) day period from the date of receipt of the response from the Minister in charge of the oil sector in order to make the required changes to the development plan, or to provide the additional information concerning such plan. After the submission of such changes or additional information, the Minister in charge of the oil sector shall have 1 (one) month to communicate to the relevant operator whether he approves or rejects the development plan that was submitted.
10. The development plan shall take effect following compliance with the following requirements:
- a) written notification by the Minister in charge of the oil sector of the approval of the development plan;
 - b) written notification by the relevant operator indicating that all suspensive conditions provided for in the development plan have been met.
11. The framework set up under this article, including the requirements laid down in Annexure B, shall only apply to development plans submitted after this Decree-Law comes into force.

ARTICLE 9

Sales

1. Without prejudice to the Government's right to approve sales of natural gas, the right to pursue any marketing and commercialization activities on a joint and dedicated basis in relation to the oil produced from any Rovuma Basin Enterprise, as provided for in the Concession Agreements for Exploration and Production, amounts to an acquired right for purposes of the provisions of paragraph 5 of article 2 of this Decree-Law,
2. Without prejudice to the provisions of the previous paragraph, for purposes of selling the quantities of natural gas owned by the State corresponding to the Oil Production Tax and to the State share of the profit petroleum under the applicable



Concession Agreements for Exploration and Production, ENH shall act as an authorized representative of the Government.

3. The Minister in charge of the oil sector may delegate to ENH his authority under the applicable Concession Agreements for Exploration and Production to approve agreements with a maximum 12 (twelve) months' duration for the sale of Natural Gas.
4. ENH is the entity that represents the State, in its capacity as buyer, in relation to the sales and marketing of Natural Gas intended for national use or for other local industrial developments in projects within the Republic of Mozambique that have been approved by Government. Sale terms and conditions, including volumes and pricing, shall be affordable and set out in contracts concluded with the Concessionaires, taking into account trade conditions in the market.

ARTICLE 10

Procurement of Goods and Services

1. The procurement of goods and services by Concessionaires and by Special Purpose Entities for the Rovuma Basin Project, including in particular services, supplies, materials and construction or works contracts, shall be conducted in accordance with this article in order to ensure that the Rovuma Basin Project is set up complying with the best international standards, in a timely, affordable and safe manner and according to the national preference objective when contracting the supply of goods and services to domestic companies held by Mozambican nationals or legal persons and/or held by Mozambican nationals and/or legal persons in partnership with foreign companies, in order to make a gradual transfer of operational capacity possible and to enhance the private sector of the economy.
2. The people mentioned in paragraph 1 of this article shall individually draw up a local content plan for each Rovuma Basin Enterprise, in accordance with the principles laid down in this article, which shall be approved by the Government together with the approval of the development plan for the Rovuma Basin Enterprise in question. Each local content plan shall define the participation of Mozambican natural or legal persons and Mozambican nationals regarding the supply of any goods and services intended for the Rovuma Basin Enterprise in question, and shall be updated every 3 (three) years by the relevant persons mentioned in paragraph 1 of this article and approved by the Government in order to be adjusted to the growth of the Mozambican oil and gas industry.
3. The local content plan shall be developed in accordance with the following principles:

- a) under the provisions of paragraph 8 of this article, preference for goods and services shall be given to Mozambican natural or legal persons;
 - b) in relation to categories of goods and services requiring specialized know-how, under the provisions of paragraph 8 of this article, preference shall be given to Mozambican natural or legal persons, to foreign companies associated with Mozambican natural or legal persons, through any legally allowed means, including subcontracting or partnerships in the form of companies or other non-corporate partnerships, regardless of the level of equity holdings of each of the Mozambican and foreign associates;
 - c) regarding major contracts and/or contracts for the supply of goods and services or for the provision of services related to technology, patents or special requirements supply, including in particular those relating to the construction, operation and maintenance of the Rovuma Basin Project Infrastructures, the contracting entity may freely acquire them, either through foreign companies or Mozambican natural or legal persons.
4. The applicable local content plan shall set out the amounts and the specification of each category of goods and services mentioned in paragraph 3 of this article.
 5. The people mentioned in paragraph 1 of this article may adopt different rules from the ones laid down in this Decree-Law regarding the procurement of goods and services in the context of projects that are funded in whole or in part with resources from financing from an export credit agency, in so far as the adoption of different rules is expressly provided for as a condition in the financing agreement in question.
 6. Unless otherwise provided for in this article and except in the case of contracts with a value less than USD 3.000.000.000 (three million US dollars) or equivalent amount in any other currency, the procurement of construction or works services, supplies, materials and contracts is subject to tender.
 7. The assessment of the proposals shall take into account several criteria, such as quality, price, delivery deadline and any guarantees offered.
 8. Preference shall be given to goods, materials, services and equipment available in the Republic of Mozambique, provided such goods, materials, services and equipment are competitive in terms of quality and deliverability, comply with international industry standards and do not exceed more than 10% of their price, including on the imported items in question.
 9. In the case of contracts with a value over USD 3.000.000.000 (three million US dollars), but less than USD 25.000.000.000 (twenty five million US dollars), or its equivalent in another currency, the procedure for awarding such contracts shall be subject to the following procedures:

- a) a call for expressions of interest, including a brief summary of the supply to be contracted, shall be published in the most widely circulated newspapers in the Republic of Mozambique and in the webpage of the persons mentioned in paragraph 1 of this article;
 - b) following the assessment of interested tenderers as a result from the public announcement described in the previous subparagraph, calls for concrete tender(s) shall be forwarded to a reasonable number of national and foreign suppliers, on the basis of their respective capacity to provide goods or services, and all successful suppliers shall receive the same specifications;
 - c) a reasonable deadline shall be given for preparing the tenders;
 - d) the specifications, deadlines for preparing the tenders and delivery deadline shall be formulated in order not to unduly exclude competitive suppliers;
 - e) a copy of the tenderer short list shall be forwarded to the National Petroleum Institute for information and registration purposes; and
 - f) the National Petroleum Institute shall be advised of the awarding.
10. In the case of major contracts, which, for purposes of this Decree-Law, consist of contracts with a value over USD 25.000.000.000 (twenty five million US dollars) or its equivalent in another currency, the respective awarding procedure is the one that has been set out in subparagraphs a) to f) of the previous paragraph, but it is also subject to the following procedures:
- a) the National Petroleum Institute shall be advised of the successful tenderer and the reasons for such selection;
 - b) the awarding of the contract shall be subject to a previous approval of the National Petroleum Institute, which, in the event of a refusal, shall be duly substantiated;
 - c) The National Petroleum Institute shall notify the contracting entity of its decision within 30 (thirty) days from the date it has received the approval request.
11. Contracting on a single source procurement or direct adjustment basis shall be allowed, but the tender requirements laid down in subparagraphs 9 and 10 of this article shall not be applicable in this specific situation under the following circumstances:
- a) when just a single supplier may provide the products, materials, services or equipment concerned, as well as when the contracting entity has acquired those same products, materials, services or equipment before from such supplier, in particular due to reasons related to technology, patents or supplies with specialized requirements;
 - b) when the goods and services to be procured must have a uniform standard for existing facilities and infrastructures, in order to ensure complete construction, operation and maintenance compatibility;

- c) when, due to demonstrable market conditions, only the identified supplier is able to supply the goods and services at the required place and within a certain timeframe;
 - d) in emergency situations that may cause irreparable and substantial damage to a Rovuma Basin Enterprise;
 - e) in a war situation or serious disruption of law and order;
 - f) in the case of a tender with no response or, should there be tenderers, none of them has managed to fulfill the tender requirements, if the call for a new tender has a negative impact on a Rovuma Basin Enterprise;
 - g) if the contract pertains to specialized security technology required for a Rovuma Basin Enterprise;
 - h) in the case of real estate leasing for commercial and/or residential purposes; and
 - i) in other circumstances that have previously been authorized by the Government; in all of these circumstances, the contracting entity shall notify the National Petroleum Institute of the awarding of the contract.
12. The selection of funders and financing contracts for Rovuma Basin Enterprises shall not be subject to any tender or local content requirements provided for in this Decree-Law or in other relevant Mozambican legislation.
13. Except in the case of contracts with the persons mentioned in subparagraph a) of paragraph 3 of this article, which shall be government by Mozambican law, the relevant parties are allowed to choose the law that is applicable to any other contract of procurement of goods and services, including the provision of services, supply of goods, engineering, acquisitions, construction, installation, commissioning and works contract or any other contracts, whether they are related to the Rovuma Basin Project Infrastructures or not, as well as to choose international arbitration as a dispute settlement mechanism in any of those procurement contracts.
14. The amounts expressed in US dollars herein contained have been mentioned based on their value in 2014, which must be annually and automatically adjusted by reference to the month of January of the subsequent year, on the basis of the US consumer price index for finished goods.
15. Any activities to be pursued under this article shall be undertaken in accordance with the internal procedures and policies of contracting of goods and services adopted by the persons mentioned in paragraph 1 of this article, which shall be consistent with the best international practice with regard to anti-corruption and safety and quality standard requirements, good reputation and non-inclusion in any penalty list.
16. The provisions of this article shall only apply to goods and services procurement procedures carried out following the entry into force of this Decree-Law, with the



exception of the provisions of paragraph 13 of this article, which shall apply to any contracts concluded after the date of entry into force of this Decree-Law.

CHAPTER III

Land and Rovuma Basin Project Infrastructures

ARTICLE 11

Land Rights

1. Throughout the duration of the Rovuma Basin Project, Concessionaires and/or Special Purpose Entities shall have access, use, benefit and exploration rights over the areas necessary for the implementation of the above-mentioned project, including areas where the respective infrastructures, duly held and registered, are located, as well as the right to secure the special licenses for the coastal and maritime areas used by any Rovuma Basin Enterprise that may be necessary for this Project.
2. Concessionaires and/or Special Purpose Entities shall have property rights, including the right to take out a mortgage, over any Rovuma Basin Project Infrastructures that have been built, or whose construction may have been contracted, by any of such entities:
 - a) on land that may be subject to a temporary or final land use and benefit right, granted to such Concessionaire and/or Special Purpose Entity, including by means of a dissolution of annexation;
 - b) on land that may be subject to a exploration transfer contract entered into between Concessionaires and/or Special Purpose Entities, in their capacity as transferees, and the holder of the temporary or final land use and benefit rights in question, in their capacity as transferor, including by means of a dissolution of annexation; or
 - c) in partially protected areas where the Rovuma Basin Project may be implemented.
3. In the event that there is more than one entity implementing a Rovuma Basin Enterprise that jointly build or promote the construction of infrastructures for the Rovuma Basin Project, the right of ownership over such Rovuma Basin Project Infrastructures jointly built or promoted shall be held by such entities as co-owners, unless otherwise agreed.
4. Upon request from Concessionaires or Special Purpose Entities, the appropriate Land Registry Office shall record the following facts and make any endorsements that may be necessary to the respective descriptions:

- a) temporary or final use and benefit right over land, granted in connection with any Rovuma Basin Enterprise;
 - b) any exploration transfer contract concluded in relation to any land that may be covered by any land use and benefit right mentioned in subparagraph a) of this paragraph;
 - c) property right, including any mortgage, over any Rovuma Basin Project Infrastructures built, or whose construction may be promoted, by an entity implementing a Rovuma Basin Enterprise and that may be holder of any of the rights provided for in subparagraphs a) and b) of this paragraph;
 - d) any other facts subject to registration related with the areas that may be covered by the rights provided for in subparagraph a) of this paragraph, and related with the Rovuma Basin Project Infrastructures built, or whose construction may be promoted, over the above-mentioned areas or in partially protected areas where a Rovuma Basin Enterprise may be implemented.
5. Through the prior authorization of the entity that authorized the request of acquisition of the land use and benefit right or that granted the special license in question, Concessionaires and Special Purpose Entities shall be entitled to:
- a) conclude exploration transfer contracts pertaining to any area that may be covered by the rights provided for in subparagraphs a) and b) of paragraph 4 of this article;
 - b) transfer their rights or their contractual position under any exploration transfer contract pertaining to any area that may be covered by the rights provided for in subparagraphs a) and b) of paragraph 4 of this article;
 - c) transmit or transfer any of their respective rights over any Rovuma Basin Project Infrastructure mentioned in paragraph 2 of this article, including in the course of the foreclosure over such Rovuma Basin Project Infrastructure; and
 - d) transmit or transfer any mortgages over any Rovuma Basin Project Infrastructure mentioned in paragraph 2 of this article.
6. Property registry certificates showing the registration of an exploration transfer shall contain the following special information:
- a) territorial area covered by the exploration transfer contract, including its respective geographical coordinates;
 - b) duration of contract;
 - c) value of contract, if stipulated;
 - d) the rights of transferee and the obligations of the owner of the land use and benefit rights, if applicable; and
 - e) other relevant contractual conditions that the entity requesting the registration may ask for.

7. The property registry certificate showing the registration of a property or mortgage right over any Rovuma Basin Project Infrastructures built, or whose construction may be promoted, by Concessionaires or Special Purpose Entities must contain, in its register, a general description of such Rovuma Basin Project Infrastructures, including their respective total area and geographical coordinates.
8. Throughout the duration of the Rovuma Basin Enterprises, Concessionaires and Special Purpose Entities that hold any of the rights mentioned in paragraph 2 of this article have access, use, benefit and exploitation rights over any partial protection area adjacent to the area over which they hold the above-mentioned rights or that may otherwise be necessary for implementing the Rovuma Basin Enterprises. The appropriate governmental entity shall issue the required special licences in their favour upon request to do so.
9. Each person implementing a Rovuma Basin Enterprise holding any rights that subparagraph b) of paragraph 2 of this article refers to, throughout the duration of their respective Rovuma Basin Enterprises, has equal access and exploration rights over the areas where the common Rovuma Basin Project Infrastructures are located, or may come to be located, based on documents of the same hierarchy and nature. The bankruptcy or insolvency of any person implementing a Rovuma Basin Enterprise shall not affect the access, use and benefit of the common Rovuma Basin Project Infrastructures by any other person implementing a Rovuma Basin Enterprise.
10. The land use and benefit right allocated to Rovuma Basin Land Land, Lda., issued on 12th of December 2012, pertaining to a 7.000 (seven thousand) hectare area located in Cabo Afungi, in Cabo Delgado Province, is hereby confirmed, and will remain valid during the validity period of the Rovuma Basin Project.

ARTICLE 12

LNG Maritime Terminal

1. Concessionaires and Special Purpose Entities have exclusive access and operation rights over the land and sea areas of the GNL Maritime Terminal and over the GNL Maritime Terminal area, through the allocation of a portion of the geographical concession area of Portos de Cabo Delgado, S.A., also called PCD, corresponding to the areas described in the maps in Annexures C and D, under two new direct and exclusive concessions granted by the Government to Concessionaires or Special Purpose Entities, as applicable, the first one pertaining to the materials offloading facility and the second one pertaining to the LNG Maritime Terminal, whose validity periods shall correspond to the Rovuma Basin Project period.
2. In coordination with the appropriate entities that have the necessary authority and port jurisdiction, Concessionaires and Special Purpose Entities shall control and



manage the entry and exit of maritime traffic related to them in the channels and maritime areas flagged in the map in Annexure C and respective coordinates.

3. Concessionaires and Special Purpose Entities, as applicable, are authorized to pursue the following activities in the LNG Maritime Terminal Area:
 - a) without prejudice to the provisions of paragraph 5 of this article, to design, build, install, hold, finance, encumber, use and maintain the materials offloading facility, through the direct concession to be granted to Concessionaires; and
 - b) to design, build, install, hold, finance, encumber, use, maintain, manage and operate the LNG Maritime Terminal, through the direct concession to be granted to Concessionaires during the Rovuma Basin Project period.
4. Under the necessary agreements to be concluded, including shareholder agreements, the operators under each Concession Agreement for Exploration and Production and PCD shall establish a Special Purpose Entity, 40% (forty per cent) of whose share capital shall be held by PCD and 30% (thirty per cent) by each of the above-mentioned operators, for the management and operation of the materials offloading facility, which shall contract the necessary services.
5. After the construction completion guarantees for the First Phase of the Rovuma Basin Project have been met, the concession for the materials offloading facility mentioned in subparagraph a) of paragraph 3 of this article shall be transferred in favour of the Special Purpose Entity mentioned in paragraph 4 of this article.
6. Concessionaires and Special Purpose Entities shall integrate Mozambican nationals into the various levels of the organization of the LNG Maritime Terminal and provide training on all aspects of this terminal's operations, in accordance with the training plan agreed upon by the parties under article 19 of this Decree-Law.
7. For purposes of the provisions in the previous paragraph, the integration of PCD personnel in ship loading operations shall be guaranteed.
8. PCD and other relevant public entities must have access to the LNG maritime terminal facilities, for monitoring and volumetric verification of the loading that has taken place.
9. The National Petroleum Institute controls and monitors the volumes that have been handled, by adopting the best oil industry practices.
10. Through PCD, the State shall provide the port authority services described in Annexure E. Other services described in Annexure F shall be provided by PCD or under the control of the Special Purpose Entity.

11. ENH, as sole State representative for oil operations and Concessionaire of the Concession Contracts for Exploration and Production, shall participate in the whole value chain of the operations carried out under the concessions mentioned in this article.
12. When performing the duties related with the LNG Maritime Terminal as set out in this articles, the entities in question shall provide information and submit periodic reports, including information on the use of the terminal, any paid tariffs and employed personnel, as well as provide all additional documentation pertaining to the LNG Maritime Terminal that may be periodically requested by the Public Administration. The Government shall approve all necessary protocols, procedures and restrictions in the shortest possible manner.
13. In so far as the LNG Maritime Terminal Area includes a partial protection area, the person implementing a Rovuma Basin Enterprise shall have the right to use such area in accordance with a special licence, whose terms and conditions are in Annexure G, and which is flagged in the map in Annexure H of this Decree-Law.
14. It is agreed that each person implementing a Rovuma Basin Enterprise shall have, for the duration of the respective Rovuma Basin Enterprise, equal rights of access over the area, and of use and benefit of the LNG Maritime Terminal in Afungi with regard to such Rovuma Basin Enterprise, based on instruments of the same nature and legal hierarchy, through the establishment of a partnership between Area 1 and Area 4 or in any other manner. The bankruptcy or insolvency of anyone implementing a Rovuma Basin Enterprise shall not affect the access to, use and benefit of the LNG Maritime Terminal and the LNG Maritime Terminal Area by anyone else implementing a Rovuma Basin Enterprise.
15. Upon request, the Government shall issue, in favour of any person implementing a Rovuma Basin Enterprise, any necessary licences or authorizations in accordance with the applicable legislation for purposes of pursuing the activities envisaged in this article.

ARTICLE 13

Right of Use of Rovuma Basin Project Infrastructures by Third Parties

1. The Rovuma Basin Project shall be open to access to the Project Infrastructures by third parties, according to the conditions to be agreed upon by the parties and subject to the Government's approval.
2. For purposes of such access, third parties are deemed to be any entities that have significant quantities of natural gas available with specifications close to the natural

gas specifications of Area 1 and Area 4, although excluding the Concessionaires of Area 1 and Area 4, Special Purpose Entities and the Government.

3. Concessionaires shall give access to third parties provided the following conditions, among other, have been met: (i) existence of Available Capacity in the Rovuma Basin Project Infrastructures in accordance with best international practice for this type of industry; (ii) that the access of third parties does not cause any adverse or harmful effect on the rights of existent owners and users of the Rovuma Basin Infrastructures; and (iii) existence of commercial agreements between the parties.

CHAPTER IV

Exchange Rate Regime

ARTICLE 14

Subjective Scope

This exchange rate regime is applicable to Concessionaires, Special Purpose Entities and each Principal Subcontractor, as well as, when specifically mentioned in this Chapter, Funders, non-resident Subcontractors and expatriate personnel, as persons contemplated in subparagraph d) of paragraph 4 of article 2 of this Decree-Law.

ARTICLE 15

Foreign exchange transactions and procedures

1. Each person mentioned in article 14 of this Decree-Law is entitled to:
 - a) open, maintain and operate one or more national currency bank accounts and one or more foreign currency bank accounts at any bank in the Republic of Mozambique licenced by Banco de Moçambique;
 - b) deposit and keep amounts related to any Rovuma Basin Enterprise in such accounts and use such amounts, in either case, without restriction. However, where applicable, the following payments pertaining to the Rovuma Basin Project shall be deposited in such accounts:
 - i) payment of taxes and other tax obligations in Mozambique;
 - ii) payment of goods and services in Mozambique pursuant to paragraph 7 of this article; and
 - iii) payment to employees in Mozambique pursuant to article 7 of this article;
 - c) purchase national currency from any credit institution authorized by Banco de Moçambique operating in the domestic foreign exchange market, except for the purchase of national currency for paying taxes, in which case such purchase shall be made directly from Banco de Moçambique, complying with the prime rate used by the latter resulting from interbank foreign exchange market quotations.

2. Each of the persons mentioned in article 14 of this Decree-Law is entitled to:
 - a) open, maintain and operate one or more foreign currency bank accounts at any bank in the Republic of Mozambique outside of the Republic of Moçambique;
 - b) receive, deposit and keep in the above-mentioned accounts any amounts related to the Rovuma Basin Project, including the sales revenues from LNG, natural gas and other hydrocarbons and any amounts paid to any Special Purpose Entities, for providing services, including liquefaction; and
 - c) use such amounts for the following purposes:
 - i) payment to Concessionaires resulting from oil sales under Concession Contracts for Exploration and Production;
 - ii) payment to Concessionaires and to Special Purpose Entities related to liquefaction services;
 - iii) payments intended for debt servicing to meet any installments falling due, including interest rates, commissions and other charges and for maintaining other provisions for debt servicing as required under the financing agreements approved by Banco de Moçambique;
 - iv) payments for the reimbursement of supply and loan agreements of affiliate companies, including interests and other charges;
 - v) payments of operational costs and capital expenditure, including goods and services to non-resident subcontractors and to Main Subcontractor, staff remuneration and additional obligations that have to be met outside the country;
 - vi) payments of profits and dividends;
 - vii) payments to the State arising from oil sales under the Concession Contracts for Exploration and Production; and
 - viii) payments and/or distributions due to ENH.
3. Any transfers into the accounts in the Republic of Mozambique provided for in paragraph 1 of this article must be made from the accounts provided for in the previous paragraph for the payments mentioned in subparagraph b) of paragraph 1.
4. After commencement of production of each Rovuma Basis Enterprise, 50% (fifty per cent) of the amount to be transferred as per paragraph 3 of this article shall be converted into national currency at credit institutions that are authorized to operate in the Republic of Mozambique.
5. Each Concessionaire and Special Purpose Entity may, in accordance with the terms of any financing agreements, reimburse funders outside the Republic of Mozambique according to the amortization plan directly from revenue generated from the sale of LNG, natural gas and other hydrocarbons or from any other amounts, including any fees or tariffs for liquefaction services, that are due under any agreements related to



the Rovuma Basin Project that may be deposited in foreign currency bank accounts outside the Republic of Mozambique,

6. It is incumbent upon each Concessionaire and Special Purpose Entity to periodically provide information on the opening and movement of funds of the bank accounts mentioned in paragraph 2 of this article and, in particular, to make available to Banco de Moçambique, with copy to the National Petroleum Institute, copies of the received monthly bank statements, including any income from such bank deposits. The later may audit such accounts once a year. The amounts spent on such audits, when applicable, shall be considered to be recoverable costs, and each Concessionaire and Special Purpose Entity must renounce banking secrecy in relation to Banco de Moçambique, regarding such bank accounts, in order to facilitate such audits.
7. Without prejudice to any withholding tax, any Principal Subcontractor, non-resident Subcontractor or any expatriate worker of the persons provided for in paragraph 4 of article 2 of this Decree-Law is entitled to receive and withhold the whole of, or any part of their respective remuneration in foreign currency outside the Republic of Mozambique. All payments to resident Subcontractors, which under no circumstances shall include a Principal Subcontractor, shall be made exclusively in Mozambique.
8. The registration of project expenditure as a foreign direct investment shall be carried out in accordance with the following requirements:
 - a) through the presentation of a copy of bank bordereaux confirming receipt of foreign currency, whenever the investment is made through a foreign currency inflow, within 10 (ten) days from the respective issue;
 - b) through the presentation of the relevant documentation, whenever the investment is made through the import of any equipment, machines or other material goods, within 10 (ten) days from the respective issue; and
 - c) whenever the investment covers specialist services, through the certification of the auditors, whose report shall include evidence that the related tax obligations to be made on a six-monthly basis have been complied with.
9. Each Concessionaire and Special Purpose Entity may carry out capital operations, including notably taking out loans from Special Purpose Entities created for financing purposes, funders or any of the respective affiliates, and the provision, by such person, of any related sureties or guarantees, in respect of any financing of any Rovuma Basin Enterprise, by means of a prior authorization from Banco de Moçambique, which shall be granted within 5 (five) working days after the date the respective request has been submitted. Should Banco de Moçambique not reply within the above-mentioned deadline, the above-mentioned authorization is deemed to have been granted. Such capital operations shall be considered registered



at Banco de Moçambique through the verifiable receipt of a declaration showing such operation. Any disbursements under such operations shall be registered at Banco de Moçambique in accordance with the following procedures:

- a) through the presentation of a copy of the respective bordereaux or equivalent document, whenever it is the form of a bank transfer, within 10 (ten) days from the disbursement date;
 - b) through the presentation of the relevant documentation, whenever the disbursement is made for direct payment to suppliers of equipment, machines or other material goods, within 10 (ten) days from the respective issue; and
 - c) whenever the disbursement is carried out for direct payment to service providers, through the certification of the auditors, whose report shall include evidence that the related tax obligations to be made on a six-monthly basis have been complied with .
10. Concessionaires and Special Purpose Entities shall provide Banco de Moçambique, on a three-month basis, for information purposes and in agreement with the format set out by the latter, a detailed list of the contracts concluded with non-resident goods and service providers. When it deems necessary, Banco de Moçambique may request that copies of the agreements be submitted, request copies of the agreements, which shall be done in the language the contracts may have been drafted.
11. In order to allow for the execution of the Rovuma Basin Enterprise foreign exchange operations to be monitored, Concessionaires and Special Purpose Entities, as applicable, shall annually forward to Banco de Moçambique, by the 30th of November, a forecast of export revenues, expenditure and taxes due to the Republic of Mozambique for the forthcoming year. In addition, Concessionaires and Special Purpose Entities, as applicable, shall also forward to Banco de Moçambique the annual investment budget by the date indicated above.
12. By prior notification, Banco de Moçambique may visit the Rovuma Basin Project's premises and operational areas. Concessionaires and Special Purpose Entities, as applicable, shall provide all necessary assistance in this regard.

CHAPTER V

Financing and Rights of Funders

ARTICLE 16

Financing

1. Concessionaires and any Special Purpose Entities may obtain financing from funders within or without the Republic of Mozambique, using any financial structure that



they consider most appropriate for the respective Rovuma Basin Enterprise and that has been approved by the Government, including any risk cover agreements in connection with any financing and with the development of the respective Rovuma Basin Enterprise.

2. Concessionaires and Special Purpose Entities are not subject to any “debt/equity” ratios, “capital adequacy” ratios or similar financial ratios, in every case, save for those laid down in Financing Agreements, and may freely mix their equity with debt and otherwise structure and/or agree upon the terms and conditions of the funding of their activities related with any Rovuma Basin Enterprise.
3. Upon Government’s approval pursuant to subparagraph 1 of this article, Concessionaires and any Special Purpose Entities may provide or take out any personal guarantees or enter into commitments and constitute tangible guarantees in relation to their assets in order to guarantee any obligations within any financing arrangement. They may also assign their rights as collateral under any agreement, in particular any insurance and reinsurance agreement, as well as mortgage, pledge or encumber in any other manner all and any assets they may be the owners of, including any Rovuma Basin Project Infrastructures that have been built or used in relation to any Rovuma Basin Enterprise or any bank accounts.
4. Any shares or holdings representing the equity capital of any Concessionaire and Special Purpose Entity may be pledged to funders for purposes of any funding.
5. Any guarantee or mortgage pertaining to real rights on oil Infrastructures shall be registered, maintained and operated by the National Petroleum Institute.
6. After the Government has approved the structure of any financing, including the guarantees to be provided, no additional approval from the Government or from any other public authority or entity shall be required for the constitution of guarantees over rights under any agreements related to the implementation of the Rovuma Basin Enterprises.
7. After the Government has approved the structure of any financing, any funder may exercise its rights and seek any means of redress available under such financing, including the right to enforce any guarantee that was provided, without the need, at the time of such enforcement, of any additional approval from the Government or any other public authority.
8. The right awarded under Decree no. 29.883 of 17th of August 1939 to banks licensed to pursue their business in the Republic of Mozambique, to constitute a pledge in their favour over assets classified as movable assets as guarantee for any financing, without being subject to the divestiture requirement, and with the conclusion of the

corresponding pledge agreement or of any other written document being sufficient for such pledge to be considered valid and effective, shall be extended to funders.

9. The Government shall provide the usual assistance towards the financing of any Rovuma Basin Enterprise, including the conclusion of any direct agreements with their respective funders over any Rovuma Basin Enterprise. In principle, direct agreements shall follow international standards for funding of the project financing type, of similar size and scope, including the possibility, in the event of any contractual non-compliance by Concessionaires and/or Special Purpose Entities, of creditors stepping in and remedying the non-compliance in question.
10. Direct agreements shall not constitute a guarantee, by the State, of assumption of the debt of Concessionaires and/or Special Purpose Entities under the financing arrangement, nor shall they imply any tax risk or financial burden for the State.

CHAPTER VI

Labour system

ARTICLE 17

Subjective and objective scope of application

The labour system laid down in this Decree-Law shall be applicable to all persons referred to in paragraph 4 of article 2 of this Decree-Law who are either employers or employees working in Mozambique.

ARTICLE 18

Workforce

1. The persons listed in paragraph 4 of article 2 of this Decree-Law shall prioritize the contracting of nationals who have the appropriate qualifications at every level of the organization, including specialists holding positions of great technical and managerial complexity, without prejudice to their right of contracting foreign nationals in accordance to this labour system. The implementation of the principle mentioned here shall be subject to the full application of the employee selection rules and requirements laid down in their respective internal policies and procedures adopted by the persons mentioned in paragraph 4 of article 3 of this Decree-Law.
2. The workforce plan for any Rovuma Basin Enterprise must not provide for the contracting of foreign nationals for working positions involving less technical complexity and also for those positions not requiring any technical qualification.
3. The contractual instruments agreed upon with the Government related to the Rovuma Basin Project are classified as investment projects approved by the



Government for purposes of subparagraph 6 of article 31 of Law no. 23/2007 of 1st of August.

4. The contracting of foreign nationals for the Rovuma Basin Project shall be made in accordance with the investment project system approved by the Government. The global aggregate workforce share of foreign nationals to be contracted to work in Mozambique for each Rovuma Basin Enterprise by the respective Concessionaire, Special Purpose Entity and their contractors and subcontractors shall be defined in a workforce plan to be attached and approved as part of the development plan for the relevant Rovuma Basin Enterprises and to be updated in accordance with the next paragraph.
5. Concessionaires and Special Purpose Entities shall submit to the National Employment and Vocational Training Institute, 60 (sixty) days before the end of every calendar year, their updated workforce plan, with an indication of the change in the number of employees according to the various stages and needs of the Rovuma Basin Enterprise in question, for consultation and necessary articulation with the National Petroleum Institute.
6. In addition to the contracting carried out in accordance with paragraph 4 of this article, the relevant persons may employ foreign national under the short-term work system to carry out any type of work, whether of a casual, occasional and unpredictable nature or not, for a maximum of 180 (one hundred and eighty) consecutive or alternate days.
7. Any contracting of foreign nationals beyond the percentage laid down in the workforce plan mentioned in paragraph 4 of this article shall be conducted pursuant to the work permit system.
8. The recruitment of employees by the persons mentioned in paragraph 4 of article 2 of this Decree-Law shall be published in newspapers with largest circulation in the country and through the radio, television and internet pages.

ARTICLE 19

Training

1. Concessionaires and Special Purpose Entities shall submit to the National Employment and Vocational Training Institute, 60 (sixty) days before the end of every calendar year, a training plan for consultation and proper articulation with the National Petroleum Institute aimed at allowing a gradual increase of the percentage of Mozambican nationals working in any Rovuma Basin Enterprise at every level of their organization, as provided for in paragraph 1 of article 18 of this Decree-Law.

2. The training plan mentioned in the previous paragraph shall provide an effective training program of Mozambican workers, in Mozambique or abroad, at each stage and level of operations, taking into account safety requirements and the need to maintain reasonable efficiency standards when conducting operations.
3. The contractual arrangements concluded with the Government related to a Rovuma Basin Enterprise may also provide for the following requirements pertaining to training:
 - a) cooperation regarding training actions for public servants; and
 - b) institutional support and training contributions.

ARTICLE 20

Contracting, Entry and Stay of Foreign Nationals for Work Purposes

1. The contracting of foreign nationals for the Rovuma Basin Project, under the investment project scheme approved by the Government, is conducted with prior notice, pursuant to paragraph 5 of article 18 of this Decree-Law, and subsequent notice within 15 (fifteen) days from the employee's date of entry into the country, in accordance with the formalities laid down in Annexure I.
2. The contracting of foreign nationals for the Rovuma Basin Project under the short-term work system shall be reported to the competent public authority within 15 (fifteen) days after the employee's date of entry into the country, in accordance with the formalities laid down in Annexure I.
3. Compliance with the notice concerning the contracting a foreign employee pursuant to paragraphs 1 and 2 of this article shall be verified when it is submitted. A document certifying it was received shall immediately be issued and handed over to the bearer of such notice.
4. The contracting of foreign nationals beyond the percentage stipulated in the workforce plan mentioned in paragraph 4 of article 18 of this Decree-Law shall be carried out pursuant to the work permit system, upon submission of an application to the Minister in charge of the labour area, in accordance with the formalities laid down in Annexure I.
5. The Minister in charge of the labour area shall respond to the application mentioned in the previous paragraph within a period of not more than 7 (seven) working days from the date of the respective submission.
6. The contracting of foreign nationals under any of the contracting systems provided for in paragraphs 1, 2 and 4 of this article or of any other applicable legislation shall

be subject to the payment of a single fee equal to 5 (five) times the minimum monthly salary in force for the mining industry.

7. Pursuant to Decree no. 63/2011 of 7 December, or any other legislation, whenever it may be necessary to forward to the competent public authority a description of the academic and professional qualifications of a foreign national contracted for the Rovuma Basin Project, such description may take the form of an education certificate, or a vocational education certificate, duly translated and authenticated, and a statement from the employer, relevant Concessionaire or Special Purpose Entity established in Mozambique, as applicable, confirming the legitimacy of the documentation provided. In the event of any substantiated doubt, the public authority may request additional written information.
8. The entry into, stay and exit from the Republic of Mozambique of foreign employees for the Rovuma Basin Project, contracted pursuant to the contracting systems provided for in paragraphs 1, 2 and 4 of this article, shall be carried out based on multiple entry business visas and a stay of 90 (ninety) consecutive or alternate days. Without prejudice of any methods provided for in this article, an Entry Visa appropriate for this industry may be created.
9. Business visas shall be issued by the competent emigration services, at consular services in the home country or country of origin of the foreign national or after his arrival in Mozambique, by completing a specific form for that purpose and the presentation of the following documents:
 - a) passport or equivalent identification document considered valid in Mozambique; and
 - b) application signed by any employer provided for in paragraph 4 of article 2 of this Decree-Law.
10. Foreign employees contracted for the Rovuma Basin Project pursuant to the contracting systems provided for in paragraphs 1 and 4 of this article who need to obtain a foreign resident identification document (DIRE) in accordance with the law may formulate the respective application based on the business visa that allowed them to enter the country and on the subsequent work notice or permit provided for in paragraphs 1 and 4 of this articles, as applicable.
11. The issuing of business visas shall be subject to a single payment of the general fee in force in the country.

ARTICLE 21

Labour laws



1. The persons mentioned in paragraph 4 of article 2 of this decree may use and renew, once or more times, fixed-term and temporary employment contracts during the construction phase of each Rovuma Basin Enterprise.
2. Limits on normal working times applicable to working activities carried out under the Rovuma Basin Project, including those referring to night shifts, are those provided for in this Decree-Law.
3. The persons mentioned in paragraph 4 of article 2 of this Decree-Law are entitled to determine any overtime or uncommon work that may be considered necessary or duly justified or due to force majeure within the Rovuma Basin Project.
4. The 12 (twelve) hours a day working time, as a normal continuous working period, save for administration services, shall be applied to the persons mentioned in paragraph 4 of article 2 of this Decree-Law.
5. The 12 (twelve) hours a day working time laid down in the previous paragraph must include a compensatory rest period, including holidays, to be set out in the employment contract.
6. Working periods based on different rotation schemes, without observing any mandatory rest days, but followed by compensatory and proper rest days, to be determined by the employer according to operational and continuity needs and complying the best international industry practices, may be implemented.
7. Other working practices needed for the Rovuma Basin Project may be implemented, to the extent that they always comply with Mozambican law, with international labour customs of this kind of industry and with social, health and safety requirements that the Rovuma Basin Project funders may decide upon.

CHAPTER VII

Miscellaneous provisions

ARTICLE 22

Accounting records

1. Concessionaires and Special Purpose Entities shall keep books, prepare accounts and financial statements for legal and tax purposes in Mozambique, in Portuguese and in English, and submit to competent authorities all statements, forms and reports required by the applicable legislation in US dollars.
2. All payments made to the Mozambican State, except taxes, shall be made In US dollars, unless agreed otherwise by Concessionaires, Special Purpose Entities and Government.

3. The amounts received, as well as any costs and expenses paid in the national currency, shall be converted into US dollars based on the buying and selling exchange rate of such currencies published by Banco de Moçambique or in accordance with the legislation in force on the transaction date.

ARTICLE 23

Insurance and Reinsurance

1. Taking out insurance outside the Republic of Mozambique shall be subject to prior notification to Instituto de Supervisão de Seguros de Moçambique, with a minimum notice of 10 (ten) working days in relation to the date the insurance in question was taken out. Such notification shall be accompanied by the following documents: i) evidence of refusal to underwrite the risk by at least 3 (three) insurance companies licensed to operate in Mozambique, with the necessary financial capacity to accept high risks, or evidence of the lack of response from such insurance companies within 7 (seven) days from the date of the respective underwriting request, in the form of a declaration from the entity wishing to take out the insurance; and ii) information concerning the foreign insurance company that shall be contracted, the cover amount and main policy conditions.
2. Without prejudice to the provisions of the previous paragraph or as otherwise agreed, the persons mentioned in paragraph 4 of article 2 of this Decree-Law may, without prejudice to any subsequent ratification, take out insurance and reinsurance from foreign insurance companies or insurance companies based outside the Republic of Mozambique without having to obtain any prior approval or opposition from the insurance supervision entity or any other Mozambican public entity.
3. The persons mentioned in the previous paragraph may, at their discretion, offer or make use of:
 - a) self-insurance or non-insurance, in which case such person or any of its affiliated companies bears the risks and no premium is charged;
 - b) captive insurance, that is, insurance through an insurance company wholly owned by such person or any of its affiliated companies, subject to authorization of the insurance supervision entity;
 - c) insurance pertaining to Rovuma Basin Project Infrastructures, in accordance with the provisions of paragraph 1 of this article, including in a fronting programme; the respective policy shall be issued by an insurance company authorized to pursue the insurance business in Mozambique and the competent entity shall report within 24 (twenty four hours) of taking out the above-mentioned insurance.

4. The persons mentioned in paragraph 2 of this article shall take out, at insurance companies authorized to pursue the insurance business in Mozambique, third party motor vehicle liability insurance, workmen's compensation and any other insurance required by law that is generally and not specifically applicable to oil operations.
5. Except in relation to reinsurance, self-insurance, non-insurance, captive insurance, insurance for oil operations, construction activities and Rovuma Basin Project Infrastructures, the persons mentioned in paragraph 2 of this article shall give preference to Mozambican insurance companies with regard to all other insurance when:
 - a) the insurance or fronting instruments offered by insurance companies authorized to pursue the insurance business in Mozambique are comparable to international insurance standards in terms of:
 - i) types of cover;
 - ii) terms and conditions of such cover;
 - iii) financial health of the insurance company;
 - iv) claims management capacity; and
 - v) underwriting capacity.
 - b) Such insurance or fronting instruments offered by insurance companies authorized to pursue the insurance business in Mozambique may be placed at prices that are no more than 10 (ten percent) higher than the price, including related taxes and fees, of comparable insurance cover available in international insurance markets.
6. Should any type of insurance cover required for the Rovuma Basin Project not be obtained under the fronting arrangement from an insurance company authorized to pursue this activity in the Republic of Mozambique in accordance with the above-mentioned terms, the persons mentioned in paragraph 2 of this article are entitled to obtain such insurance from insurance companies and/or international insurance markets, without prejudice to the provisions of paragraph 1 of this article.

ARTICLE 24

Competition

1. Taking into particular account how important natural gas research and exploration is for the national economy, as well as the fact that the Rovuma Basin Project represents a large pioneering investment into this sector, it is in the national and consumers' interest that the specific protection provided for in subparagraph d) of article 4 of Law no. 10/2013 of 11th of April be applied to the Rovuma Basin Project.



2. As a result, the legal provisions in Law no. 10/2013 of 1st of April and any other standards relating to competition shall not be applicable to any contracts or activities conducted by the entities listed in paragraph 4 of article 2 of this statute.

ARTICLE 25

Dispute resolution

1. Without prejudice to specific rules set out in exploration and production concession agreements, any disputes arising from or connected with any matter governed by this ruling shall be settled by Mozambican law.
2. Without prejudice to specific rules provided for in exploration and production concession agreements, the adoption of international arbitration shall occur if the parties are unable to settle their dispute amicably within a maximum period of 90 (ninety) days.
3. In the event of a dispute covered by paragraph 2 of this article, the rules applicable to arbitration proceedings, including the establishment of the court of arbitration, are included in the arbitration provisions of the Exploration and Production Contracts in force at the time, without prejudice to the possibility of changing such rules by agreement between the parties.
4. Without prejudice to the required international arbitration system provided for in this article, ENH or any other public company shall be authorized to conduct international arbitration conventions aimed at settling any disputes arising from any concession contracts or agreements relating to the Rovuma Basin Project, in accordance with the dispute resolution procedures set out in the relevant contracts,

ARTICLE 26

Legal and fiscal stability

1. Concessionaires and Special Purpose Entities incorporated for the Rovuma Basin Project shall benefit from the legal and fiscal provisions laid down in this article.
2. The Republic of Mozambique shall ensure the legal and fiscal stability for the duration of each Rovuma Basin Enterprise, except in the case of the coming into force of new laws or regulations or amendments to the legal instruments in force that determine or lead to smaller scale rates resulting in an aggregate annual value not higher than USD 5.000.000.000 (five million US dollars), as well as to new laws and regulations or to amendments to the laws and regulations in force pertaining to health, safety and environment or to measures taken for reasons of national security in order to ensure power supply during a declared national emergency or

insurrection situation, provided such laws, regulations or measures are generally applicable and consistent with international standards.

3. Following the approval of a new law, regulation or administrative act or the amendment to a new law, regulation or administrative act in force, including any amendment to and/or imposition of new taxes, levies, customs duties, rates, contributions or charges of any other nature, that may adversely affect the economic benefits of the persons indicated in paragraph 1 of article 26 of this ruling in relation to any Rovuma Basin Enterprise, the Government shall restore to those persons the economic benefits that they would have had or received if the above-mentioned amendments had not taken place.
4. For the purposes of the provisions of the previous paragraph, within a 90 (ninety) day period, the parties shall agree on the necessary measures by means of which the Government shall restore the referred economic benefits. This may take place through an act with suspensive effect or by adjustment of the profit petroleum share.
5. Should the parties not reach an agreement within 90 (ninety) days, they shall forward the matter, in the subsequent 30 (thirty) day period, to an independent international expert, to be appointed by the Centre of Expertise of the International Chamber of Commerce (CCI), who shall manage the expert service procedures in accordance with the Expert Service Rules of CCI.

The expert shall make his decision within 90 (ninety) days from the time he was appointed.

6. The expert's decision shall be binding on the parties from the date of the relevant approval or amendment, without prejudice to any of the parties issuing a notification to submit a dispute concerning the disputed matter to arbitration within 30 (thirty) days from the receipt of such decision.

Should a decision not be made by the CCI expert within the 90 (ninety) day period mentioned above, or if any of the parties issues an arbitration notification as provided for above, the matter shall be considered as a dispute for the purposes of the provisions of article 25 of this Decree-Law.

Such arbitration shall constitute a new full judgment (new arbitration) of the matter under consideration.

7. From the date of the appointed expert's decision and until an arbitral award has been made, the parties shall implement the expert's decision.

8. No later than 90 days from the date of delivery of the arbitral award, which is final and binding pursuant to International Law, the parties shall implement the measures laid down in the arbitral award, which shall be applicable from the date of the approval or amendment in question.
9. Should the necessary measures through which the Government shall restore the economic benefits to the persons listed in paragraph 1 of this article include the use of profit petroleum from the Government, for purposes of adjusting the profit petroleum, the adverse effects borne by any Special Purpose Entity are considered to have been borne by Concessionaires in the context of the relevant Concession Agreement for Exploration and Production proportionally to their respective interests.
10. The Government and Concessionaire in the context of each Concession Agreement for Exploration and Production shall meet on the 10th (tenth) and on the 20th (twentieth) year from the shipping date of the first LNG shipment, on the terms set out by each Rovuma Basin Enterprise, in order to agree on any amendments that may be necessary to the stability provisions without affecting their viability and profitability assumptions.

If the parties do not reach an agreement within 90 (ninety) days, Concessionaires shall pay, with effect from the 10th (tenth) year from the shipping date of the first LNG shipment under each Rovuma Basin Enterprise, 4% (four per cent) for Petroleum Production Tax in respect of the 10 (ten) following years of oil operations pertaining to such Rovuma Basin Enterprise.

From the 20th (twentieth) year from the shipping date of the first LNG shipment, Concessionaires shall pay 6% (six per cent) for Petroleum Production Tax in respect of the remaining period of the relevant Concession Agreement for Exploration and Production with regard to such Rovuma Basin Enterprise.

11. Should there be any amendment to a law, regulation or administrative act, including any amendment to taxes, levies, customs duties, rates, contributions or charges of any other nature resulting in a reduction of the applicable corporate income tax rate or of any other taxes on any of the persons mentioned in paragraph 1 of this article, such persons shall not benefit from such reduction, and the rate in force on the effective date of this Decree-Law shall continue to be applied.
12. The above provisions shall not be applicable with regard to any tax benefits to be granted to the Rovuma Basin Project, in the cases where the Government, at its discretion, so determines.

ARTICLE 27

Coming into force



This Decree-Law comes into force on the date of its publication.

Approved by the Council of Ministers, on the 25th of November 2014.

May it be published.

The President of the Republic, ARMANDO EMÍLIO GUEBUZA.

ANNEXURE A

Glossary

“Government Agreement” means an agreement, as may be amended, that has been concluded pursuant to article 34 of the Concession Agreements for Exploration and Production and to this Decree-Law by Concessionaires, any Special Purpose Entities and the Government with regard to midstream activities related to one or more Rovuma Basin Enterprises, which may not contain less favourable conditions than those included in the Concession Agreements for Exploration and Production.

“LNG Maritime Terminal Area” means the land and sea area where the LNG Maritime Terminal shall be located, as well as the related maritime and coastal areas that shall be used for oil operations in the context of the Rovuma Basin Project and the sea channels and entry and exit areas for related maritime traffic, as shown in the maps included in Annexures C and D and with coordinates described therein, as well as any other land and sea area in Mozambique subsequently agreed with the Government.

“Available Capacity” means excess capacity in the existing Rovuma Basin Project Infrastructures, with regard to any person who implements a Rovuma Basin Enterprise and who is the owner of any Rovuma Basin Project Infrastructure.

“Risk Cover Agreements” means any risk cover agreement or other derivative agreements pertaining to interest rates, exchange rates or prices or raw-materials.

“Rovuma Basin Enterprise” means the activities, whether on sea or on land, to be pursued jointly or separately by Area 1 and/or by Area 4 of the Rovuma Basin, which collectively constitute the Rovuma Basin Project.

“Special Purpose Entity” means any entity having a special purpose, including any successor or assignee, that has been approved in accordance with article 4 of this Decree-Law and directly or indirectly incorporated by any of the Concessionaires or their partners or shareholders, by any of their affiliated companies or by one of their partners



or shareholders, for purposes of the Rovuma Basin Project and the Rovuma Basin Lng Land, Lda.

“Financing” means any financing through the incurring of debt, debt refinancing or additional financing, by means of credit, loan, on-loan, security, Risk Cover Agreement or any other means, granted by one or more funders to any Concessionaire or to any Special Purpose Entity, used to finance, reimburse or refinance the full or part of the costs and expenses related to any Rovuma Basin Enterprise.

“Funder” means any entity:

- i) that advances funds, including through the purchase of any securities or credits, provides guarantees or pursues other activities related to the provision or management of Financing, including the organization, subscription or participation in such Financing, concludes Risk Cover Agreements or provides export credit agency support, either in the form of insurance, guarantees or otherwise; or
- ii) that acts as representative or trustee of any person pursuing some of the activities described in the previous subparagraph, holds or performs guarantees or otherwise enforces the rights of such person.

“LNG” means previously processed natural gas in liquid form, below its boiling point at atmospheric pressure or at that point.

“INAMAR” means the National Navy Institute.

“ISPC” means the International Ship and Facility Security Code.

“Rovuma Basin Project Infrastructures” means the facilities on land and at sea and related equipment, including wells, LNG trains, floating LNG facilities, LNG docks, multipurpose docks, materials unloading facilities, sub-base and subsea Infrastructures and equipment, manifolds, flow lines, risers, trunk lines, maritime production facilities for processing, reinjection and compression and base for equipment construction, collectors, sea operation facilities and storage tanks related with oil operations to be used with regard to the Rovuma Basin Project, including any common facilities on land shared between Area 1 and Area 4 for the Rovuma Basin Project, as well as any modifications, expansions or optimization of such Infrastructures.

“MARPOL 73/78” means the International Convention for the Prevention of Pollution from Ships. This Convention was approved in 1973 and amended in 1978.

“OPRC 90” means the International Convention on Oil Pollution Preparedness, Response and Cooperation.



“Mozambican Person” means a legal entity incorporated and registered under Mozambican law, based in Mozambique, whose equity capital is more than 51% (fifty one percent) controlled or held by Mozambican nationals or by Mozambican public or private companies or entities.

“First Phase of the Rovuma Basin Project” means the construction and commissioning of two LNG trains for Area 1 and two LNG trains for Area 4, as well as respective related infrastructure.

“Rovuma Basin Project” means the project concerning the design, construction, installation, ownership, financing, operation, maintenance and use of the Rovuma Basin Project Infrastructures required for extracting, processing, liquefying, storing, transporting, delivering and selling of oil from oil deposits from one or more finds in Area 1 and/or Area 4 in the Rovuma Basin.

“Main Subcontractor” means each contractor hired for engineering, supply of goods or services and construction services and any other subcontractor concluding a main contract with a Concession holder or a Special Purpose Entity as defined in paragraph 10 of article 10 of this Decree-Law.

“SOLAS” means the International Convention for the Safety of Life at Sea.

“STWC” means International Convention on Standards of Training, Certification and Watchkeeping for Seafarers.

“LNG Maritime Terminal” means an international LNG maritime terminal and related infrastructures and facilities in Afungi, including in particular LNG loading docks and condensate loading facilities, navigation equipment and buoys on land and at sea, a multipurpose dock, a surface equipment construction base, a materials offloading facility, maritime operations facilities and storage tanks for dedicated use relating to the Rovuma Basin Project, as well as any other international LNG maritime terminal and related infrastructures and facilities in Mozambique, as they may be subsequently be agreed with the Government, specifically excluding a materials offloading facility, which shall be covered by an autonomous concession as provided for in article 12 of this Decree-Law,

ANNEXURE B

Development Plan Requirements

The Development Plan shall include the following aspects:

- a) Description of the development strategy and model, as well as criteria for the choices made, description of subsequent potential development plans,

connections with other fields and, if required, form of coordination with other oil operations;

- b) Description of geological and engineering aspects of the reservoir, in particular with regard the detailed structure review and evaluation and geological considerations, reservoir engineering considerations and production engineering considerations constituting the basis for choosing the production system;
- c) Description of any eventual additional envisaged research activities;
- d) Production program envisaged and studies on production and transport regularity, including an assessment of the impact of connections to existing or planned facilities and fields;
- e) Allocation of natural gas volumes to the domestic market for project implementation;
- f) Situation of licences for use and benefit of areas on land and authorizations for carrying out oil operations on land and at sea in accordance with the legislation in place;
- g) Technical description of facilities and equipment to be used, including the number and type of wells, production equipment, processing, use of oil as fuel on the production site, gas and water injections, measurement and storage, oil pipelines or gas pipelines between several facilities, including transport system for buyers, storage or loading infrastructures, a well as technical solutions for preventing and reducing the burning of natural gas and hazardous discharges or emissions into the environment;
- h) List of the quality standards to be used;
- i) Information on management systems, including information on development planning, organization and implementation;
- j) General description of the safety system and its objectives, as well as assessment of safety and work environment on which the choice of a certain development concept is based, including a description of emergency technical measures;
- k) Environmental impact assessment;
- m) Information on the project's economic assessments and reviews on which the choice of a certain development concept is based and investment, operational and decommissioning cost estimates, including a description of the project's form of financing;
- n) Description of possible business and financial model chosen for the project's development;
- o) Information on the closure of and removal from the facilities and proposed measures to ensure their respective funding;
- p) A development implementation program; and
- q) An activity, social responsibility, development and sustainability project program, pursuant to article 7 of this ruling.

ANNEXURE C

LNG Maritime Terminal Concession Area Map

(map)

ANNEXURE D

Materials Offloading Facility Concession Area Map

(map)

ANNEXURE E

Port Authority Services

The State exercises its port authority in the concession area over the following services:

- Approval of Port Regulation;
- Collection of port fees or tariffs, in accordance with best international port standards;
- Control and oversight of port activities by an independent authority appointed by the Government for such purpose;
 - Coordinate with other institutions the prevention of and fight against marine oil pollution;
 - Direct the implementation of the National Plan to Fight Against Marine Oil Pollution;
 - Ensure the application of contingency plans of ships, ports and oil terminals, within the context of the OPRC 90 Convention;
 - Propose inspection and audit measures to certain ventures and activities likely to pollute or cause environmental damage;
 - Inspect ships, offshore platforms and oily waste reception facilities and other waste produced aboard, within the context of the Marpol 73/78 Convention;
 - Coordinate search and rescue operations at sea;
 - Inspection and certification of ships and platforms within the context of the SOLAS/MARPOL Convention;
 - Port inspection and certification within the context of the ISPS code; and

- Seafarers' certification within the context of the STCW Convention.
- Publication of navigation documents: charts, tide charts and notices to skippers;
- Specific and general hydrographic surveys and oceanographic studies;
- Licensing and operation of maritime traffic telecommunication systems;
- Licensing and operation of specific maritime facilities;
- Migration control;
- Customs control;
- Plant health control;
- Health control and health and emergency services;
- Fire services;
- Meteorological information; and
- Approval of Port Security Plans and other obligations arising from the ISPS (International Ship and Port Facility Security Code)

During the construction and operation, the role of harbour master is delegated by the port authority to a representative of the Concessionaires or of the Special Purpose Entities, as applicable.

ANNEXURE F

Other Services to be Provided by PCD or Under the Control of the Special Purpose Entity

I. Maritime Services

During the construction period of the LNG Maritime Terminal, and the First Phase of the Rovuma Basin Project, the services listed in this annexure shall be the responsibility of Concessionaire.

Following the period mentioned in the previous paragraph, the following maritime services shall be provided by the PCD or by an entity contracted by the latter:

- Dredging of access channels and berthing areas giving access to the LNG Maritime Terminal, and of the materials offloading facility;
- Periodic probing of channels, manoeuvring areas and docks;
- Entry of ships into port;
- Stay of ships in port, in the area clear for sailing and at the docks;
- Piloting using motorboats or helicopters;
- Ship docking and undocking in berthing and unberthing operations;
- Tugboat supply and operation to LNG ships and to ships at the materials offloading facility;
- Provision and operation of facilities for maritime services supporting the LNG tugboats;



- Small-scale provision and operation related to port/support for vessels/docking;
- Provision and operation of facilities for maritime services supporting small service vessels associated with the port; and
- Coordination with the heliport operator regarding ship operations.

II. Services on Land at the Materials Offloading Facility

The services listed below, although not a Port Authority matter or under its responsibility, are not less vital for the Rovuma Basin Project. Therefore, they shall be subject to the rules of procurement of goods and services, as well as to local content policy rules, included in this Decree-Law.

The operations shall be carried out at the materials offloading facility under the control of the Special Purpose Entity, which shall include PCD, pursuant to paragraph 4 of article 12 of this Decree-Law, as follows:

- Handling of general cargo;
- Crane and land transport operation;
- Handling of materials in open or covered warehouses;
- Waste collection and elimination;
- Fuel supply through the materials offloading facility
- Water and power supply to the materials offloading facility and to users;
- Maintenance of floating materials offloading facilities, including buoys, pontoons, berths;
- Maintenance of fixed materials offloading facilities: docks, storage areas, warehouses, tanks, etc.;
- Road maintenance at the materials offloading facilities, drains, sewers, fences, lighting installations, etc.;
- Maintenance of handling equipment – cranes, towing vehicles, trailers and similar vehicles;
- Emergency response services;
- Coordination o materials offloading facility traffic;
- Collection of income derived from services provided at the materials offloading facility.

ANNEXURE G

SPECIAL LICENCE NO. ____

Terms and Conditions



Licence holder: [identify the relevant person who is implementing a Rovuma Basin Enterprise]_____

Validity: During the entire period over which the contractual instruments for the Rovuma Basin Enterprises are in force, an extendable period pursuant to the law.

Purpose: Design, construction, installation, ownership, financing, operation, management, operation and use of a LNG Maritime Terminal, of a materials offloading facility, as well as maritime terminal service provision, in accordance with the provisions of Decree-Law [insert the reference of the Decree-Law governing the Rovuma Basin Project].

Objective: Grant the licence holder the required authorization and the rights to carry out the following activities:

- a) design, build, install, hold the ownership of, finance, encumber, manage, operate, control and regulate access to and use of a LNG Maritime Terminal;
- b) design, build, install and finance the materials offloading facility, as well as hold the ownership of, manage, control and regulate access to it until the construction completion guarantees are concluded, at which time the Special Purpose Entity mentioned in paragraph 5 of article 12 of the above-mentioned Decree-Law shall assume the ownership, management, control, access regulation and use of the materials offloading facility;
- c) load, offload and cool down LNG ships and traffic from other vessels related to the Rovuma Basin Project; and
- d) provide maritime terminal services, including, in particular, cargo handling; storage; provision at sea and on land of fuel, water and power to vessels (supply or bunkering services); moving of ships between points of the LNG Maritime Terminal Area; cooling services for LNG ships; and ship supply.

Licence registration: To be made at the National Registration Services, and any subsequent amendment, including the construction of any buildings and facilities in the LNG Maritime Terminal Area or any transfer or encumbrance, shall be duly recorded at the above-mentioned entity.

Special Conditions:

1. This licence shall have the same duration, amendment, renewal and termination of rights and obligations as those provided for in the related contractual instruments for the Rovuma Basin Project.
2. With the transmission of the related contractual instruments for the Rovuma Basin Project, this licence shall be transferred to the new beneficiary of such contractual instruments.
3. The detailed maps describing the LNG Maritime Terminal Area in Afungi, in Cabo Delgado Province, are an integral part of this licence.

Licensor

Minister of Agriculture
Communications

Minister of Transport and

ANNEXURE H

Partial Protection Area Map

(map)

ANNEXURE I

Formalities for Contracting Foreign Nationals

- I. For purposes of paragraph 1 of article 20 of this Decree-Law, the following formalities shall apply:
 1. A communication shall be forwarded to the entity overseeing the labour area in the province where foreign nationals wish to work in, together with the following documents:
 - a) copy of foreign national's passport or DIRE (Foreign Resident Identification document);
 - b) copy of employment contract or document proving the existence of an contractual relationship equivalent to the employment relationship between the person covered by this Decree-Law and the foreign national or group of foreign nationals to be contracted, which must contain the following information:
 - i. identification of the parties;
 - ii. agreed duties or activities;
 - iii. duration of contract;
 - iv. remuneration and method of payment; and
 - v. commencement date and end of contract.
 - c) discharge certificate in favour of the person responsible for contracting the foreign nationals, issued by the entity overseeing the social security area;
 - d) discharge certificate in favour of the person responsible for contracting the foreign nationals, issued by the entity overseeing the finance area; and
 - e) proof of payment of fee.

2. In the event an employment contract has not been concluded, the agents and the legal representatives of the person responsible for contracting a foreign national shall submit the respective power of attorney, company resolution or equivalent document through which the respective powers of representation are granted to them.
 3. The communication shall be submitted within 15 (fifteen) days from the date the foreign nationals enter the country.
- II. For purposes of paragraph 2 of the following Decree-Law, the following formalities shall apply:
1. The person responsible for contracting the foreign nationals shall submit a prior communication to the entity overseeing the labour area in the province where foreign nationals wish to work in, together with the following documents:
 - i. identification of foreign workers;
 - ii. brief description of their academic and professional qualifications;
 - iii. justification for their respective contracting;
 - iv. activities they shall be carrying out; and
 - v. indication of commencement dates and end of respective activities.
- III. For purposes of paragraph 4 of article 20 of the following Decree-Law, the following formalities shall apply:
1. An application by the person responsible for contracting the foreign nationals shall be submitted containing the following information:
 - i. company, head-office and type of business of the company submitting the application;
 - ii. identity of the foreign national whose employment is the purpose of the application, his occupation category and the tasks or duties he will be carrying out; and
 - iii. justification for the application.
 2. The following documents shall be submitted together with the application mentioned in the previous paragraph:
 - i. copy of foreign national's passport or DIRE;
 - ii. copy of employment contract or document proving the existence of an contractual relationship equivalent to the employment relationship between the person covered by this Decree-Law and the foreign national or group of foreign nationals to be contracted, which must contain the following information:
 - a) identification of the parties;
 - b) agreed duties or activities;
 - c) duration of contract;
 - d) remuneration and method of payment; and



- e) commencement date and end of contract.
- iii. certificate of academic or technical and professional qualifications, accompanied by a declaration from the employer;
- iv. discharge certificate in favour of the person responsible for contracting the foreign nationals, issued by the entity overseeing the social security area;
- v. discharge certificate in favour of the person responsible for contracting the foreign nationals, issued by the entity overseeing the finance area; and
- e) proof of payment of fee.