

# newsletter

COMPETITION & INTERNATIONAL TRADE | ALGERIA |

**MARCH 2018** 

## IMPORT REGULATIONS

This newsletter presents the latest news on import regulations.

#### **BANKING DOMICILIATION OF IMPORTS**

Instruction no. 05-2017 of 22 October 2017 sets out the specific conditions relating to the domiciliation of goods imports for resale in the same conditions.

It provides that the domiciliation of import operations of goods intended for resale in the same conditions shall be made at least 30 days prior to the shipment of such goods, and that the importer shall establish a provision with the domiciliary bank to an amount not less than 120% of the value of the import operation.

However, these provisions do not apply to the import operations of medicines intended for resale in the same conditions.

In addition, a press release of the Ministry of Commerce dated 1 January 2018 pertaining to the mentoring system of goods import operations conditions the domiciliation of imports on the presentation of the following documents:

- A phytosanitary certificate or veterinary certificate issued by the Ministry of Agriculture for the import of the following products: bananas, wheat, beef meat, fish, barley and garlic;
- A prior technical authorisation issued by the Ministry of Commerce for the import of cosmetics and personal hygiene products and toxic products or products presenting a particular risk;
- An official document, drawn up by an authority duly authorised in the country of provenance and/or origin, certifying that the goods to be imported are actually and freely marketed on their territory.

#### **RESTRICTIONS ON IMPORTS OF CERTAIN PRODUCTS**

Article 116 of the Finance Law for 2018 amends Article 16 of Ordinance no. 03-04 dated 19 July 2003 on the general rules applicable to the import and export of goods.

It is now provided that restraint measures can be introduced on import goods until the balance of payments is restored. To this end, a list of 851 products subject to import temporary suspension was published in Executive Decree no. 18-02 dated 7 January 2018.



It includes, notably, food products (meat, yogurt, cheese, carrots, eggplants, avocados, strawberries, chocolate, mayonnaise, pasta, all types of juice), as well as home appliances and electronic products (refrigerators, mobile telephones, washing machines, air conditioners).

#### **VALIDITY LIMITATION OF IMPORTERS' TRADE REGISTERS**

The Order dated 2 November 2017 by the Trade Ministry specifies that the period of validity of trade register extracts issued to operators importing raw materials, products and goods for resale in the same conditions is set at 2 years (renewable).

In addition, import operations carried out for its own account by any economic operator as part of its production, processing and/or performance activities, within the limits of its own needs, are not subject to such provisions.

Lastly, commercial companies already registered in the trade register for the exercise of import activities have a period of 6 months from the publication in the Official Journal to comply with its provisions. Failing to do so may lead to these companies being removed from the trade register.

#### **APPROVAL OF IMPORTERS**

Executive decree no.18-51 dated 30 January 2018 has amended and completed the executive decree no. 05-458 of 30 November 2005 setting out the rules for the exercise of imports of products for resale in the same conditions.

Companies having an import activity of products for resale in the same conditions are subject to the following obligations:

- · Appointment of a statutory auditor;
- Appropriate storage and distribution infrastructures that are properly equipped, which can be checked by the competent authorities and which shall be used solely for operations related to its import activities;
- Use of transport methods suited to the characteristics of their activities;
- Implement the necessary measures to check the compliance of imported products before entry into Algeria, in accordance with the applicable laws.

Prior to exercising their activities, these commercial companies must obtain a certificate from the Ministry of Commerce valid for two years (renewable) certifying compliance with the above obligations.

The companies concerned shall comply with the provisions of this decree within six months as from the publication in the Official Journal. Failing this, their trade register extracts will become ineffective.



### **TAX MEASURES**

The Finance Law for 2018 has toughened the tax and customs regime applicable to import operations by providing, notably:

- A solidarity contribution of 1% applicable to the import operations of goods released for consumption in Algeria. It is collected as customs duties;
- · An increase in customs duties for certain products;
- The creation of a new customs duty rate of 60%.

#### **OTHER PROVISIONS**

The import of certain specific products may be subject to additional conditions imposed by the authorities.

As part of the procedure to request a sanitary derogation on imports, importers must therefore file an application including all import forecasts for 2018, as well as the pro forma invoices.

CONTACT

SAMY LAGHOUATI laghouati@gide.com

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