



KPMG Review **Quarterly News**

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1) Certificate of transfer: DGE notice providing exemption for certain operations

2) Step by step implementation of the New Algerian Accounting and Financial System

Alert INFORMATION

OPINION No. 105/MF/DGI/DGE/2009 11 July 2009 the Directorate of Large-Scale Enterprises

We bring to your attention a notice of the Directorate of Large-Scale Enterprises has just been published. According to this view, "the operations of goods and equipment imports for the needs of the company's own operations are exempt from the formality of acquiring a transfer certificate.

This exclusion is subject to registration with the bank when applying for banking domiciliation, a commitment not to purchase equipment, products, goods and raw materials for processing and marketing for resale. "

Following our article on the AAFS published in our 3rd "News" issue and given the schedule adopted for its implementation, we chose to launch a series of 3 detailed articles on the subject.

This series of articles will focus respectively on aspects of project management and time (Article 1), issues related to accounting and other related issues with regard to computerization (Article 2), and finally on restatements and implementation of new accounting principles (Article 3).

The purpose of these 3 items is to broach the problems of transition, to prepare responses and actions to be implemented in a practical manner. However, this series does not dispense with training or the expertise of specialists. KPMG also provides you with a wide range of products, training or coaching solutions in this regard.

General Introduction

Although most of the texts have been finalized since 2005, it took some time for the texts to be validated and finally published. Today it is done, since all texts have been passed (a law in 2007, a decree in 2008, a ministerial order and a decree in Spring 2009) and set a date (on 01.01.2010)¹.

Although the legal and regulatory aspects of the problem have now been resolved, there remain many questions and apprehensions, both in the accounting profession and among policy makers of the Algerian economy, concerning the implementation of the Algerian Accounting and Financial System.

¹ For more information see our note on the AAFS in the "News" No. 3, available on our website:

www.kpmg.dz

A further postponement of the date of application is not to be ruled out, due to excessive complexity of texts, a lack of preparation in the profession and a specific stance on the part of tax authorities.

The outcome is difficult to predict. Although a further postponement is not excluded, there is no conceivable reason, in practice, to suggest that the text would be further postponed.

Large enterprises and banks are beginning to mobilize and to express concern about meeting deadlines. The tax administration is preparing to make relatively accurate positions to the issues raised by the AAFS.

We shall proceed to dispel doubts concerning certain misconceptions and to reaffirm certain truths, both in this issue of the Review and in upcoming articles².

1) Common misconceptions

The most common misconception is that the system is too complicated and too difficult to apply.

However, there is no reason why Algeria or Algerians cannot carry out what other countries have not already done (Europe in 2005, followed by Thailand, Egypt and Turkey).

Most Algerian professionals and policymakers are apprehensive about applying AAFS, but primarily because so far the national press has essentially been echoing the hypothetical and the potential. In the mire of articles and certain training sessions, the predominant impression was that it was too complicated and seemingly unfeasible for Algerian companies.

KPMG's past experience in handling a number of IFRS conversions in Algeria affirms precisely the opposite; IFRS and the new accounting system are not as complicated as and an Algerian company is perfectly capable of operating within standards with the necessary effort and means. This is, in fact, true for all businesses, including those that are relatively large or complex.

The second most common misconception is: "With the new accounting standards, I am forced to install an ERP." Certain contend that IFRS and the new accounting system are so complicated that you need powerful software to implement them, which, in turn, fuels worry among those in the profession about the complexities and implementation time.

Once again, this is incorrect. ERP is, in any case, the corollary of large complex organizations, regardless of IFRS. Very large Algerian companies such as Sonatrach and Sonelgaz have already adapted in part, without waiting for the new accounting system. However, companies with a simpler structure often adopt simpler software systems like Sage, Navision or JDE, which will not entail change with IFRS.

² These articles will be the subject of three successive publications respectively in late July, late August and late September.

With the knowledge that the implementation of an ERP is much more difficult than that of IFRS / AAFS, it could prove particularly challenging to try to achieve both at the same time. A better approach is to implement the accounting system using simpler software before moving on to an ERP later, if necessary.

Last widespread misconception is that currently, some accounting systems used by companies may be improved – and that the new accounting system is the instant panacea. This is the result of confusing the concepts of accounting standards with accounting quality. One has nothing to do with each other. Unless particular effort is made, items that were overlooked under the previous Algerian Chart of Accounts will continue to be so under the new system. The item number will simply be changed.

2) Key Facts

In debates on the accounting system, the major positive points³ are often overlooked.

The first of these is that AAFS is a modern and well thought out, which should enable the Algerian economy to make enormous progress in terms of quality. Between 1975 and 2009, the world in general and Algeria in particular, have experienced phenomenal developments. In both Europe and the Middle East and the Maghreb, financial and accounting texts evolved and were upgraded several times. Algeria, for various reasons, did not develop at the same rate and ended up lagging behind.

The new accounting system will present Algeria with an opportunity to catch up on nearly 30 years of backlog, catapulting it among the most modern countries, ahead of Morocco and even France, a fact that cannot be denied.

Another positive point too often overlooked is that the system should enable real financial transparency, through more readable and standardized accounts, with the obligation to submit consolidated or combined accounts.

With the new accounting system, banks will find themselves in a better position as lenders, better able to assess their risks, and ultimately have the potential to better finance the economy. Of course, this will not happen overnight. And no doubt, it will take more than a new accounting system to solve the problems of financing the economy. However, IFRS and the new accounting system are essential in ensuring better funding. Financial transparency in companies is essential for all modern banking.

The accounting system will be one of the tools that will allow Algerian banks to better help finance the country in a time when international investment may be slowing down.

Conclusion

The implementation of the accounting system is not overly complex and there is no reason why the majority of companies cannot apply it with the required effort. The subject has often been poorly presented, poorly explained or over-dramatized. Progress or positive points of the system have been overlooked.

³ Refer to the KPMG International study, "IFRS Now, Transforming The Finance Environment, How IFRS can Change your Business for the Better".

This series of articles will serve essentially to play down the topic and give you some ideas to be able to seize the opportunities of the accounting system and will be the subject of three publications:

- Part I - Managing your accounting system project, "Haste makes waste. Start when you're ready"
- Part II - The accounting and computer system, "The secret to good management: anticipation"
- Part III - The new accounting standards, "Getting to the root of things".

3) Entry into force of the Tax Convention between Algeria and Germany: what changes for companies?

In view of the growing trade between Algeria and Germany and prospects for cooperation and investment, the signing of an agreement on double taxation proved to be necessary to try to avoid any negative offshoots produced by fiscal variables and double taxation on the scale and development of these exchanges.

The tax treaty between Germany and Algeria⁴ entered into force on 1 January, 2009 following the exchange of instruments of ratification on 23 December 2008.

The tax agreement is built on the model developed by the OECD. After the definitions of the taxes covered, the notions of tax resident and permanent establishment, the agreement details, depending on the type of income concerned, the rules determining the place of taxation of these types of income.

Where appropriate it raises the ceiling for income subject to withholding taxes. It concludes with details on how to avoid double taxation and miscellaneous provisions, e.g. for exchange of information between Algerian and German tax administrations.

Certain major points of this agreement and their applications with Algerian regulations will be discussed.

Reminder of Algerian provisions applicable in the absence of tax treaty

To fully grasp the scope of the entry into force of this Convention, it seems useful to recall the tax treatment provided by Algerian law and that applied to transactions with Germany before the entry into force of the Convention.

⁴ The Convention between the People's Democratic Republic of Algeria and the Federal Republic of Germany for the avoidance of double taxation and prevent tax avoidance and evasion with respect to taxes on income and on capital was signed on 12 November 2007 in Algeria and ratified by Presidential Decree No. 08-174 of 14 June 2008, published in Official Gazette No. 33 dated 22 June 2008. For information, this article was published in summary form, in: Annual Research Review, No. 15, May 2009, pp. 62-63. The journal is a bilateral review of the Algerian-German Chamber of Commerce and Industry-AHK Algeria.

• Concerning works:

Any contract for construction creates a permanent establishment and regardless of its duration. Contracts of non-resident are automatically subject to the normal tax regime. However, in the absence of agreement, all components of the contract, the services performed in Germany (e.g. studies), work and services performed in Algeria and even the materials supplied under the contract were taxable Algeria.

• Concerning services:

Any services performed by a non-resident, but the customer is resident in Algeria, are subject to the so-called "withholding tax".

Thus, the services performed in Algeria or Germany and even the equipment provided and not billed separately are subject to a withholding tax on the total amount of the contract. The rate of tax is 24% of the amount paid by the customer in Algeria and is discharged from the profit tax, tax on professional activity and value added tax. This deduction must be made and paid to the tax authorities by the score of Algeria, on behalf of service provider.

For other payments to foreign countries, such as royalties, dividends or the interest rates applied were those provided by Algerian legislation in force, namely:

- Dividends: 15%
- Interest: 10%
- Fees: 24% (except software, a reduction of 80% is provided by legislation, bringing the effective rate to 4.80%).

Finally, no mechanism in any case exists from the Algerian standpoint, to avoid double taxation in both countries for the same income. For example the capital gains on the sale of securities made by non-residents could be taxed in both states⁵. The entry into force of the tax convention will effectively lead to the application of its regulations⁶.

Taxes covered by the Convention and VAT-related aspects:

The taxes to which the Convention applies are:

In Algeria	In Germany
<ul style="list-style-type: none"> • Tax on total income; • Tax on company profits; • The tax on mining profits; • The tax on business; • Tax on assets; • The fee, income tax and taxes on the income from activities related to exploration, research, exploitation and transportation of oil by pipeline. 	<ul style="list-style-type: none"> • Income tax • Corporate income tax • Tax Commissioner • Tax on capital

⁵ Note that since the 2009 Algerian Finance Act, the taxation of capital gains on the sale of securities by non-residents has been clarified and the tax rate set at 20%.

⁶ A tax treaty is an international treaty; it supersedes the law - Art. 132. of the Algerian constitution. "The treaties ratified by the President of the Republic, as provided in the Constitution are superior to the law."

This includes all taxes of a similar nature that would be created later.

This convention, based on the model developed by the OECD, does not include value added tax (VAT), which remains governed by state laws. For Algeria, it is worth noting that Article 7 of the tax code on turnover defines territorial regulations in determining when a case is deemed to have taken place in Algeria, and is therefore subject to the Algerian VAT:

- regarding a sale, when it occurs under the terms of delivery of the goods in Algeria;
- regarding other transactions when services are rendered, rights transferred, assets leased or studies used or exploited in Algeria.

It follows that all services, whether or not attributable to a permanent establishment (see later) are, unless an exemption is expressly provided for by law, VAT-taxable to the extent that they are used in Algeria.

Concept of permanent establishment as termed in the agreement:

The vast majority of agreements signed by Algeria, including with Germany, are prepared according to the "OECD" model.

The definition of permanent establishment appears as usual in Article 5. This basic concept will be used in the context of Article 7 of the Convention on corporate profits to establish modalities for taxation in Algeria by a German company operating in Algeria (and vice versa).

Article 5 of the Convention includes a standard definition of a permanent establishment as "a fixed place of business through which an enterprise is wholly or partly carried out." Following this general definition it lists a number of entities that are considered to be stable, such as a place of management, branch, office, factory, workshop and a mine shaft oil or gas well, a quarry or other place of extraction of natural resources.

Regarding the construction or installation or monitoring activities are performing a permanent establishment is established beyond a period of six months. This is a time on average which is similar to the majority of agreements signed by Algeria.

The issue of services:

It is important to note that in practice Algeria taxes for services performed on its territory, even in the absence of a permanent establishment within the meaning of tax treaties. They are, in this case, taxed according to the system of withholding tax for services performed in Algeria. However, unlike countries that are not part of the agreement, where there is a tax treaty, only services performed in Algeria are submitted to withholding taxes by the Algerian tax administration.

In addition, the Algerian government systematically applies, even when the foreign firm has a permanent establishment as termed in the agreement, the levy of the tax through the withholding tax of 24% and not according to the real profit tax scheme, even though Algerian law theoretically only imposes a withholding tax on foreign companies with no permanent facilities in Algeria. Permanent establishments are defined as "fixed places of business" should be taxed under ordinary law. A note dating from 1999 issued by the tax administration confirms that the tax treatment of settlements comes under ordinary the law i.e. that applies to Algerian companies. In practice, however, if there is no construction work or the foreign company has not opted for the real profit tax scheme, the withholding tax tends to apply.

It should be noted that construction work is systematically subject to ordinary law and not to the withholding tax. In addition, any foreign company that performs services in Algeria may, when it registers its contract with tax authorities, apply to be taxed under ordinary law instead of being subject to a withholding tax.⁷

The tax treaty between Algeria and Germany, like the majority of agreements signed by Algeria, does not contain express provisions relating to services, their assimilation to a permanent establishment and the procedures for taxation in Algeria (withholding tax regime or common law)⁸.

By way of comparison, the agreements signed with Canada, South Africa or more recently with Switzerland, include measures to define the services that would characterize a permanent establishment in Article 5 and at the protocol level.

To this effect, the new agreement with Switzerland includes details in Article 5 on what constitutes a permanent establishment:

"The provision of services including consultancy services and technical assistance by a company acting through employees or other personnel engaged by the company for these purposes, but only when such activities are continuing (for the same or a related project) in the territory of that State for a period totalling more than six months within a given period of twelve months."

It should be noted that the agreement with Switzerland seems, with the new wording, to reflect a new approach to the taxation of services under the law by not subjecting any services performed in Algeria where they are not actually a permanent establishment to taxation. Whether this interpretation could be generalized and applied to other conventions including the agreement with Germany has yet to be established. For services performed outside Algeria, but used in Algeria, the Algerian VAT remains applicable, however, as outlined above.

⁷ Provided that this option is exercised within fifteen days of signing the contract.

⁸ Paragraph (1) c of the Protocol to the Convention lists a number of services to which the tax treatment of profits and royalties should apply but does not specifically link the principle of taxation of these services to the real profit tax scheme. It is designed more to make a distinction in terms of qualification in the type of income.

Ceilings imposed under the Convention and other rules to be considered for other types of income

- Taxation of dividends:

Dividends are taxable in the country of the recipient. However, the originating country may apply a withholding tax but it is limited to 5% of the gross amount of dividends if the beneficial owner is a corporation (other than a partnership) which directly holds at least a 10% stake in the company paying the dividends.

In other cases the withholding tax will be 15%.

- Imposition of fees:

The tax is capped at 10% of gross charges provided that the beneficial owner is a resident of another country.

- Taxation of interest:

The withholding tax that may be applied by the originating state is capped at 10% of the gross amount of interest, a rate equal to the Algerian law.

- Capital gains:

Except as provided by Article 13, including real estate, State of the transferor applies the taxation.

- Employees:

The provisions of this Convention are standard and provide for the imposition of employees in their country of residence for tax purposes (e.g. Germany).

However, if employment is exercised in the other State (Algeria), income from that activity will be taxed in that other State (Algeria), unless the employee stayed less than 183 days during any period of 12 months that the employer is not resident of that other State (Algeria) and that the burden of remuneration is not borne by a permanent establishment situated in that other State (Algeria).

Elimination of double taxation:

Article 23 of the Convention lays down the procedures to avoid double taxation. They may vary depending on whether the person (individual or legal entity) is a tax resident in Algeria or Germany and then, depending on the type of income concerned. In most cases it is an imputation of taxes paid abroad on the tax payable in the country of residence, possibly limited to taxes due in the country of residence. However, for certain income from Algeria, they are excluded from the calculation base of German taxes. This is particularly the case when dividends are paid to the effective German beneficiary that has more than 10% of the share capital of the subsidiary in Algeria, where they have not been deducted in determining profits of the distributing company of Algeria.

Problems related to the implementation of the branch tax introduced by the Finance Act 2009:

Article 6 of the Finance Act 2009 amending Article 46 of the Algerian Code of direct taxes, (domestic law and not conventional law) provides for the introduction of a "branch tax" in order to erase the difference in treatment between subsidiaries of Algerian law on the one hand, and branches and permanent establishments, on the other.

The following are now considered as distribution income: "The transferred benefits to a non-resident foreign company in its branch established in Algeria or any other professional installation in tax terms." The legislative definition of professional installation in tax terms includes permanent establishments. Thus after applying the corporate tax, profits are automatically assumed to be fully distributed and subject to a withholding tax set at 15% for non-residents under domestic law.

- Consequences in the absence of agreement:

In this case, the branch tax is applicable, but practical issues arise on the tax base in that:

- The payment of contracts that generate permanent establishments or executed by branches is usually done directly by the client to the parent company abroad;
- The fictitious institution created for the purposes of determining the tax jurisdiction, it would not "transfer" any profit.

- Effect of the Convention:

Although the Convention does not expressly address this branch tax, and does not contain specific provisions, it must nevertheless take Article 10 (5) of the Convention into consideration:

"Where a company which is a resident of a Contracting State derives profits or income of the other Contracting State, that other State may not impose any tax on dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the generator of dividends is effectively connected with a permanent establishment or a fixed base situated in that other State, nor collect any tax with respect to taxation on retained earnings, on the undistributed profits of the company, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in that other State."

According to the comments of the OECD, the result of this formulation is that non-resident companies are not subject to special taxes on retained earnings and excluded extraterritorial taxation by a State of the dividends distributed by a company of the other State on the grounds that such dividends would have caused an activity performed in the first. By extension, some tax administrations, such as the French administration⁹, based on this article to conclude with the non-application of the branch tax if provided by the law of the States Parties.

However, the Algerian tax authorities have not yet expressed their position on this issue.

Reporting requirement of the transfer payment of any kind to foreign countries:

The Finance Act 2009 has mandated the establishment, prior to any transfer of funds from abroad other than for the purchase of goods for resale, a declaration of transfer to the tax authorities. This last principle has seven days to produce a certificate to be submitted to the commercial bank responsible for payment.

⁹ See Bulletin Officiel des Impôts (Official Tax Bulletin) 14B-3-03, Instruction dated 22 May 2003 para. 81.

This provision establishes a regulatory statement. Tax departments are asked to consider the tax situation of the debtor (or the beneficiary that is not clear in the law).

With regard to permanent establishments, their tax situation could be taken into account when drawing up the certificates. In other words, a dispute with the tax administration under a contract could result in refusal to issue this certificate for payment in respect of any other transaction in which the beneficiary is the parent company receiving payments. The agreement signed recently does not address this issue and it is therefore appropriate to refer only to Algerian law.

Conclusion:

The tax treaty certainly clarifies a number of issues and establishes rules to prevent double taxation. However in practice each situation should be analyzed on a case by case basis in order to determine the type of income considered and the rules specifically applicable to such income. Indeed, the existence of a tax treaty does not mean the total absence of taxation in one country and interpretations made by each jurisdiction should also be taken into account.

3) Etude internationale sur les fonds d'investissements



Two surveys conducted in international cooperation among all member firms of KPMG International have been published on the investment funds: one on the funds and management of investment funds and another on the Hedge Funds.

According to the survey on funds and fund management, with an uncertain future projected for the latter, there is always a place for alternative management strategies in this sector. According to the study, the value of assets is declining and the number of funds contracts. Such circumstances could, however, give rise to new opportunities from which some organizations could benefit. One consequence of this crisis will be, in time, the intrusion or the proliferation of regulations at all levels. In this perspective, access to updated information on tax regulations, the regulations in general, has never been more important. The publication reports on the practices of 50 countries (Australia, Peru, Italy or Botswana) on regulatory, tax and accounting issues.

As for the second survey, the publication editors expect to see new entrants on the market following the reorganization of the banking sector which will see release new talents, which are themselves in search of new challenges. Such a development could lead to a return of confidence and the beginning of the recovery. The study covers only the hedge funds in 25 countries.

For further study on these issues, the two publications are available on these sites:

<http://www.kpmg.com/Global/IssuesAndInsights/ArticlesAndPublications/Pages/Funds-and-fund-management.aspx>

<http://www.kpmg.com/Global/IssuesAndInsights/ArticlesAndPublications/Pages/Hedge-funds.aspx>

4) Legislative News in brief

Presidential Decree No. 09-187 of 12 May 2009, OG No. 32, 27 May 2009, ratifying the Convention between the Government of Algeria and the Government of the Islamic Republic of Iran for the avoidance of double taxation and the exchange of information with respect to taxes on income and on capital, signed in Tehran on 12 August 2008

The Convention between Iran and Algeria adds to the list of bilateral agreements on taxation. The entry into force of this Convention, such as classical, is subject to the procedure of exchange of instruments of ratification and the provisions are applicable to any portion of taxes on income and on capital or income derived from the calendar year directly following the entry into force of the Convention.

Executive Decree No. 09-111 of 7 April 2009, OG No. 21, 8 April 2009 laying down detailed rules for the organization, operation and financial terms of protection for policyholders

Under this text, protection for policyholders entails support, within existing resources, for all or part of the debts arising from insurance contracts of an insurance company in insolvency, in the case that the assets of the latter are inadequate (for more details on this legislation, see note in our "News" No. 2).

Executive Decree No. 09-110 of 7 April 2009, OG No. 21, 8 April 2009 laying down the conditions and procedures for keeping accounts through computer systems

The Decree completes the legislative framework relating to the establishment of the Algerian AAFS. The scope of the text is limited to companies subject to Law No. 07-11 of 25 November 2007 and when their accounts are held through systems where these systems are directly or indirectly linked accounting entry justification (for further details on this legislation, see note in our "News" No. 3).

Order of 1 February 2009, OG No. 22, 15 April 2009 laying down the procedures for amending the lists of goods and services eligible for tax benefits and determining the composition of the related dossier

The decree specifies the conditions for establishing and securing applications for Amendments to the lists of goods and services eligible for tax benefits (for details, see note in our "News" No. 2).

Inter-ministerial Order of 17 February 2009, OG No. 25, 29 April 2009, laying down the procedures for the processing and composition of modified records of decisions to grant benefits

The Order is made under Executive Decree No. 08-98 of 24 March 2008 on the form and modalities of the investment declaration, demand and the decision to award benefits. The Order defines the procedures for amending the decisions made by ANDI and determines the composition of the files accompanying the applications submitted by investors. In addition to the parts common to all types of changes, parts are required for each type of change such as change of name which therefore require the submission of the copy of the amended trade register, etc.

Inter-ministerial Order of 24 February 2009, OG No. 25, 29 April 2009 on the annual statement of progress of investment projects

Alternative text for the application of legislation on the development of investment, this Order has set rules and procedures governing the form of the annual statement of progress of investment projects. The degree of progress must be included by the investor and filed with the tax authorities. A model form is attached to the Order.

Regulation No. 09-01 17 February 2009, OG No. 25, 29 April 2009 concerning foreign currency accounts of resident and non resident individuals of foreign nationality and non resident legal entities

This regulation of the Bank of Algeria has just repealed a former Regulation, 1991 (No. 91-02 of 20 February 1991) which stated that all natural and legal persons of foreign nationality resident or non-residents were allowed to open and to work with any bank in Algeria, approved a foreign currency account denominated in a currency of their choice.

With the new regulation, resident or non-resident individuals of foreign nationality and non-resident legal entities are allowed to open an account in a freely convertible foreign currency. The registered bank is required to report any suspicious transactions in accordance with applicable laws and regulations in the fight against money laundering and terrorist financing.

Law No. 09-03 of 25 February 2009, OJ No. 25, 8 March 2009 on the protection of consumers and fraud prevention

The Act repeals, in all its provisions, Law n ° 89-02 relating to the general rules of consumer protection. Only the application of this Act shall remain in effect until superseded by new texts of the same object.

The law covers both products as services. Beyond that, the main points to remember concerning the inclusion in this legislation for the protection of consumer credit. The consumer credit will receive a preliminary transparent offer, the agreement relating thereto must indicate the nature, scope and duration of the contract as well as the repayment of the offer. The obligation to draw up a contract between the consumer and the institution offering the credit is established. In addition, a National Council for Consumer Protection has been created, the role of consumer organizations taken into consideration and determined and the establishment of a system of enforcement established. The law also deals with the obligation to guarantee and after-sales service, the obligation of product compliance and the obligation to inform the consumer.

Executive Decree No. 09-152 2 May 2009, OJ No. 27, 6 May 2009 laying down the terms and conditions for concession of land in the private domain of the State for the realization of investment projects

The decree comes under the Ordinance on the conditions and procedures for granting land in the private domain of the State for the realization of investment projects (see our note about this in our Newsletter of September 2008, available on our website). The text provides the procedures for public auctions and mutual agreements and decides on the specifications which, in turn, set the terms and conditions applicable to the awarded concession. The text repeals Executive Decree No. 07-121 of 223 in April 2007. The specifications are attached.

Executive Decree No. 09-153 of 2 May 2009, OJ No. 27, 6 May 2009 laying down the conditions and terms of concession and management of remaining assets of public enterprises and non-autonomous and autonomous dissolved excess assets of public economic companies (EPEs)

Pursuant to the Order referred to above, this Executive Order repeals Executive Decree No. 07-122 of 23 April 2007 in all its provisions.

The new text lays down the conditions and modalities relating to the granting and management of remaining assets of public enterprises and non-autonomous self dissolved and assets surplus of public business. A model of specification shall be annexed to the decree.

Executive Decree No. 09-154 of 2 May 2009, OG No. 27, 6 May 2009 laying down the procedures for implementing the declaration of compliance of construction

Under the provisions of this Decree, the obligations relating to the declaration of compliance referred to in the text are assigned to owners, owners or authorized stakeholders. The text applies to uncompleted buildings with a building permit, to constructions with a building permit which do not comply with the issuance requirements of the permit, to completed buildings for which the owner has not obtained a permit building, and to unfinished buildings for which the owner did not obtain a building permit.

Executive Decree No. 09-155 of 2 May 2009, OG No. 27, 6 May 2009, establishing the composition and operation of Daira committees and appeals that rule on building compliance

Also pursuant to the law 08-15 of 20 July 2008, this decree shall determine the composition and operation of Daira committees and appeals (provided by this Act) and that rule on building compliance.

Executive Decree No. 09-156 of 2 May 2009, OG No. 27, 6 May 2009 laying down the terms and conditions of appointment and functioning for the monitoring and investigation bodies on the establishment of housing estates, housing clusters and construction sites

To complete the system established by Law 08-15 of 20 July 2008, the decree referred to above, adopts the terms and conditions of appointment of the bodies in charge of monitoring and investigations.

Order of 14 March 2009, OG No. 28, 10 May 2009, setting out the information in support of the application for authorization to undertake capital investment

On the activity of investment capital, the Order sets out the information to be provided by the founders and shareholders holding more than 10% of the company's capital to support of their application for permission to exercise this activity. Attached is a list of required background information on the founders and shareholders of the company (identity, accounts of the latter, criminal record, etc.), a description of the project and the third and final annex is a template letter of appointment to be sent by the founders to the Minister of Finance.

Executive Decree No. 09-181 of 12 May 2009, OG No. 30, 20 May 2009 laying down the conditions for imports of raw materials, products and goods purchased for resale by companies whose members or shareholders are foreigners

The decree specifies, following the instruction of the Prime Minister of 22 December 2008, the conditions under which these activities may be exercised by firms whose partners or shareholders are foreigners and where it appears that at least 30% of social capital must be held from now on by individuals of Algerian nationality or legal persons whose general partners or shareholders are of Algerian nationality (for more details on this legislation see our note about this in the "News" No. 4).

Order of 18 March 2009, OG No. 31, 24 May 2009, establishing the composition of matter and the procedure for submitting the statement of investment

The decree lists the parts of the file declaration of investment, provides the procedure for lodging and processing the file of the same statement. The text distinguishes the case of declaration of investment as the latter is declared with a request for benefits or not.

In the first case, that this Order shall apply and the required documents are referenced in this text. For the second case, the order refers to Annex 1 of Decree No. 08-98 of 24 March 2008.

Executive Order No. 9-183 of 12 May 2009, OJ No. 31, 24 May 2009 laying down conditions governing the performance of ancillary activities in maritime transport

Decree repeals Decree (n ° 01-286 of 24 September 2001) which relates to the conditions of exercise shipping agents, the consignee of the cargo and shipping brokers. Under article 571-3 of the Maritime Code, the new decree includes such activities as the "activities auxiliary to maritime transport." These events are open to individuals and legal entities incorporated under Algerian law.

Individuals of foreign nationality and legal entities belonging to individuals of foreign nationality must submit proof of the statutory holding of at least 40% of their capital by individuals of Algerian nationality.

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