

Algerian Chamber of Commerce and Industry

**Investment Code in Algeria
Consolidated Version**

February 2015

Reference Laws

- Ordinance No 01-03 of the 20th of August 2001 relating to the development of investments (B O R A No 47- 2001).
- Ordinance No 06-08 of the 15th of July 2006, modifying and completing the ordinance No 01-03 of the 20th of August 2001 relating to the development of investments (B O R A N 47- 2006).
- Ordinance No 09-01 of the 22nd of July 2009 about the Complementary Finance law for 2009 (B O R A No 44-2009).
- Ordinance No 10-01 of 16 Ramadhan 1431 corresponding to the 26th of August 2010, about the Complementary Finance law for 2010 (B O R A No 49-2010).
- Law No 11-16 of 3 Safar 1433 corresponding to the 28th of December 2011, about finance law for 2012 (B O R A N° 72-2011).
- Law No 12–12 of 12 Safar 1434 corresponding to the 26th of December 2012 about finance law for 2013 (B O R A N°72- 2012).
- Law No 13-08 of 27 Safar 1435 corresponding to the 30 of December 2013 about finance law for 2014 (B O R A N° 68-2013).
- Law No 14-10 of 08 Rabie Al Awel 1436 corresponding to the 31th of December 2014 about finance law for 2015 (BORAN N°78-2014).

Preamble

This document resumes in a consolidated form, the modifications and complements given to the ordinance No 01-03 of the 20th of August 2001, relating to the development of investments by ordinances No 06-08 of the 15th of July 2006 and No 09-01 of the 22nd of July 2009 about the complementary finance law for 2009; ordinance No 10-01 of the 26th of August 2010 about the complementary finance law for 2010; law No 11-16 of the 28th of December 2011, about finance law for 2012, and finally law No 2012-12 of the 26th of December 2012 about finance law for 2013 And law No 13-08 of the 30 of December 2013 about finance law for 2014.

This initiative meets a practical concern, that is to put at the potential investors' disposal, in only one single document, the basic law related to the investments development.

Consolidated version by the
Algerian Chamber of Commerce and Industry
Services

Ordinance No 2001-03 of Aouel Joumada Ethania 1422 corresponding to the the 20th of August 2001 relating to the investments development (modified and completed)

The President of the Republic

In view of the Constitution, in particular its articles 122 and 124;

In view of the law No 88-18 of the 18th of July 1988, about the membership to Convention on the Recognition and Enforcement of Foreign Arbitral Awards , adopted by the United Nations Conference, in New York on the 10th of June 1958 ;

In view of the ordinance No 95-04 of 19 Chaabane 1415 corresponding to the 21st of January 1995 about the ratification of the Convention for the settlement of disputes relating to investments between States and the other States nationals;

In view of the ordinance No 95-05 of 19 Chaabane 1415 corresponding to the 21st of January 1995, about the approval of the convention concerned with the creation of the International Investment Guarantee Agency;

In view of the ordinance No 66-22 of the 26th of March 1966 relating to tourist areas and sites;

In view of the ordinance No 75-58 of the 26th of September 1975, modified and completed about Civil Code;

In view of the ordinance No 75-59 of the 26th of September 1975 modified and completed, about Trade Code;

In view of the ordinance No 76-105 of the 9th of December 1976, modified and completed, about Registration Code;

In view of the law No 79-07 of the 21st of July 1979 modified and completed, about Customs Code;

In view of the law No 83- 03 of the 5th of February 1983 relating to the environment protection;

In view of the law No 83-11 of the 2nd of July 1983 modified and completed, relating to social insurances;

In view of the law No 84-17 of the 7th of July 1984 modified and completed, relating to finance law;

In view of the law No 86-14 of the 19th of August 1986 modified and completed relating to the research activities ,exploitation and transportation of hydrocarbons by pipe;

In view of the law No 87-03 of the 27th of January 1987 relating to the Territory Planning;

In view of the law No 90-08 of the 7th of April 1990 relating to the Commune;

In view of the law No 90-09 of the 7th of April 1990 relating to the Wilaya;

In view of the law No 90-10 of the 14th of April 1990 modified and completed relating to the currency and credit;

In view of the law No 90-30 of the 1st of December 1990 relating to the State-owned law

In view of the law No 90-36 of the 31st of December 1990 about the finance law for 1991, notably its articles 38 and 65 relating to fiscal codes (introducing GAR(global allowance revenue) / TC P(tax on company profits) and AVT (added value tax));

In view of the legislative decree No 93-12 of the 19th of Rabie Ethani 1414 corresponding to the 5th of October 1993, relating to the investment promotion;

In view of the ordinance No 95-22 of 29 Rabie El Aouel 1416 corresponding to the 26th of August 1995, modified and completed, relating to the public companies privatization;

In view of the law No 01-10 of 11 Rabie Ethani 1422 corresponding to the 3rd of July 2001 about mining law;

Other laws referred to, by the ordinance 06-08

In view of the ordinance No 01-04 of Aouel Joumada Ethania 1422 corresponding to the 20th of August 2001 relating to the organization, the management and the privatization of the economic public companies;

In view of the law No 01-20 of 27 Ramadhan 1422 corresponding to the 12th of December 2001 concerning the territory planning and sustainable development.

In view of the law No 01-21 Choual 1422 corresponding to the 22nd of December 2001 about finance law for 2002 in particular article 227 thereof.

In view of the law No 03-01 of 16 Dhou El Hidja 1423 corresponding to the 17th of February 2003 relating to the tourism sustainable development;

In view of the law No 03-03 of 16 Dhou El Hidja 1423 corresponding to the 17th of February 2003 relating to the expansion areas and tourist sites.

In view of the law No 03-10 of 19 Joumada El Oula 1424 corresponding to the 19th of July 2003 about the protection of environment within the framework of sustainable development.

In view of the law No 05-07 of 19 Rabie El Aouel 1426 corresponding to the 28th of April 2005, relating to hydrocarbons.

The Ministers' Council been heard;

Promulgates the following ordinance:

TITLE I

GENERAL PROVISIONS

Article 1: This ordinance sets the applicable regime to national and foreign investments, achieved within the economic activities of services and goods production; as well as investments carried out within the framework of concessions allocation and / or license.

Article 2: Investment as meant by the present order is:

1. The acquisitions of assets used within the framework of creating new activities, extension of production capacities, rehabilitation or restructuring;
2. the participation in the company capital in a cash or in a kind form contribution;
3. the activities resummptions within the framework of a partial or a full privatization.

Article 3 : (modified by the ordinance No 06-08) - Investments referred to in articles 1 and 2 above, except those mentioned in paragraph 2 of this article, benefit from advantages of this ordinance.

The list of activities, goods and services excluded from the benefit expected by this ordinance is set up by regulations upon recommendation by the commission of the National Council of Investment , referred to in article 18 below.

Article 4 : (Modified by the ordinance No 06-08 and law No 13-08) – Investments are freely achieved subject to the legislation and regulations linked to the regulated activities and the respect of environment. They legally benefit from the protection and the guarantees expected by laws and rules in force.

Investments which benefit from the present ordinance advantages are, before their achievement, subject to an investment declaration at the Agency referred to in the article 6 below.

Article 4 bis. (Created by the ordinance 09-01 and modified by the ordinance No 10-01 and the law No 2011-16 and the law No 12-12 and law No 13-08) - Foreign investments achieved within the economic activities of goods and services production are, before their achievement, subject to an investment declaration at the agency referred to in the article 6 below.

Foreign investments cannot be achieved, except in the framework of a partnership within which the resident national shareholding represents at least 51% of the share capital. National shareholding means the addition of several partners.

Nevertheless the previous paragraph provisions , the importation activities for the imported products resale in the same condition as received, can't be carried out by the foreign natural or legal persons, only in the framework of a partnership of which the share capital is at least equal to 51% .

-The provisions of the paragraph above , come into force on the 1st of January 2014.

Any registration modification to the trade register, brings beforehand, about putting the company in accordance with rules of the capital distribution aforementioned.

However, are not submitted to this last obligation, the modifications whose subject is about :

- The modification of the share capital (increase or decrease) which does not bring change within the share capital distribution proportions fixed above.
- The transfer or exchange, between formers and new administrators, of guarantee shares expected by the article 619 of the trade code, but for the value of the aforementioned shares does not exceed 1% of the company share capital.
- The suppression of an activity or the adding of a closely related one;
- the modification of the activity further to the modification of the activities list;
- the designation of the manager or of the company's directors;
- the headquarter change of address.

Direct foreign investments or in partnership must provide a foreign currency surplus for the benefit of Algeria, throughout all the duration of the project. A law from the monetary authority will precise the implementation modalities of the present paragraph.

The necessary financings of the direct foreign investments or in partnership achievement , except for the capital constitution , are placed, except in a special case, by resorting to the local financing.

A regulation will precise, if necessary , the implementation terms and conditions of the present provisions.

Article 4 ter : (Created by ordinance 09-01) – the foreign investments achieved in partnership with economic public companies must respond to the conditions mentioned in article 4 bis above.

These provisions are also applicable in case of the economic public companies opening capital to foreign shareholding .

The terms and conditions' implementation of the present article will be precised, if necessary, by regulation.

Article 4 quater.(Created by ordinance 09-01) – Investments achieved by resident nationals in partnership with economic public companies cannot be achieved, only within the framework of a minimum participation of these companies, that is equal or more than 34% of the share capital.

These provisions are also applicable in case the economic public companies capital is opened to the resident national shareholding.

When the period of five years expires, and after a duly set noticing that all the commitments subscribed have been observed, the national shareholder can deposit, at the Holding Council of State, a purchase option of shares held by the economic public company.

In case the Council approves, the transfer is fulfilled at the price beforehand agreed on in the pact of shareholders or at the price fixed by the Council.

The terms and conditions' implementation of the present article will be specified , if necessary, by regulation.

Article 4 quinquies (Created by ordinance 09-01 and modified by ordinance No 10-01 and law No 13-08) - The State as well as the economic public companies have the pre-emption right on all the foreign shareholders contributions transfers or to their profit.

Every transfer is subordinated, under penalty of nullity, to present a renouncement certificate to the pre-emptive right practice, delivered by the relevant services of the Investments Minister , after deliberation of the State Holding Council.

The claim for the certificate is submitted, to the relevant services, by the notary in charge of drawing up the deed transfer, specifying the price and the transfer conditions.

In case the pre-emption right is practiced, the price is set up on the base of an expert valuation.

The renouncement certificate is delivered to the notary in charge of drawing up the transfer deed within the deadline of three (3) months as from the claim deposit date.

In case the certificate is issued, the State retains, during a period of one (1) year, the right of practicing the pre-emption right, according to the registration code, in case the price is not sufficient.

the default on response by the competent services ,during this limited time of three (3) months, is worthy of renouncement to the pre-emption right practice, except in case the amount of the transaction exceeds an amount fixed by order of the Minister in charge of Investment ; and when this transaction is about shares or a company shares practicing one of the activities defined by the same order.

This same order will also define the resorting modalities to valuation expertise as well as the certificate model aforementioned.

The terms and conditions' implementation of the present article are fixed by regulation.

Article 4 sexies (Created by ordinance No 10-01) – The full or partial transfers abroad of the shares or the companies shares in partnership, holding shares or shares in partnership within companies submitted to the algerian law, who have benefited from advantages or opportunities, during their settlement, are subordinated to a preliminary consulting of the Algerian government.

The State or the public companies keep the right of buying out the concerned company shares or social shares through a direct or indirect transfer.

In this last case, the price of the buy out is set on the basis of an expertise valuation within the same conditions as set in the previous article.

Article 4 septies. (Created by ordinance No 10-01) – legal entities submitted to the foreign law, owning shares within companies implemented in Algeria, must annually communicate the list of their shareholders, authenticated by the services in charge of the trade register management concerning the residence State.

Article 5 : the form and the terms and conditions of the investment declaration, the advantages claim and the advantages granting decision, are set by regulation.

Article 6 : (Modified by order No 06-08) – a National Agency of Investment development is created and is hereto named « the Agency ».

Article 7 : (Modified by ordinance No 06-08 and ordinance 09-01) – subject to particular provisions that are applicable to investments presenting an interest for the national economy, the Agency is in charge of energizing the dealing with investments advantages requests .

The Agency can, in return of files treatment fees, receive a fee paid by investors. The fee collecting amount and terms and conditions are set by regulation.

Article 7 bis (created by ordinance No 06-08 and modified by ordinance 09-01) – Investors who consider that there is infringement of their rights, concerning advantages benefit, by an administration or an organism in charge of implementing the present ordinance, as well as the investors who are subjected to a withdrawal procedure instituted in accordance with article 33 below, have the right of appeal.

This appeal is done at a commission whose composition, organization and functioning are set by regulations.

This appeal is used without causing prejudices to the jurisdictional appeal from which the investor benefits.

This appeal must be practiced within the fifteen (15) days following the notification of the deed, the contestation subject. In case of the non response of the administration or the concerned organism , this time allowed cannot be less than two (02) months as from the livery of the seisin date .

The appeal referred to in the paragraph above, suspends the effects of the contested deed. However, the administration can take conservatory measures.

The commission gives its ruling within one month (1). Its decision can be opposed to the administration or the organism concerned by the appeal.

Article 8 : The agency decision indicates, besides the beneficiary, the advantages allocated to this last as well his obligations, according to this ordinance provisions.

An agency decision extract, identifying the beneficiary and the allocated advantages, is published in the official bulletin of legal notices.

TITLE II
ADVANTAGES
Chapter I
General regime

Article 9 (modified by ordinance No 06-08 and ordinance No 09-01 and ordinance No 10-01 and the law No 2011-16 and the law No 12-12 and law No 13-08 and the law 14-10) – Besides taxes, tax incentives and customs incentives expected by the common law, investments specified in articles 1 and 2 above benefit :

1) Within their achievement as referred to in article 13 below, from the following advantages :

- a. Customs tax exemption for non-excluded imported goods that directly enter within the investment achievement.
- b. an added value tax exemption for non-excluded imported goods and services, or acquired locally, that directly enter in the investment achievement.
- c. a capital transfer tax exemption, for valuable considerations, about all property acquisitions done within the framework of the investment in question.
- d. The exemption of recording rights, the landed advertising expenses and state remunerations, relative to the property grants, built or not, agreed by way of investment projects realization.

This benefit is applied only during the minimal term of the agreed grant.

The previously agreed grants by the ministers' council decision in benefit of investment projects as well as investments announced in the Development and Investment National Agency shall also benefit from these clauses.

2) Concerning the exploitation for a period of three (3) years , after the entry in activity notice established by the tax services, on the claim of the investor, for investments creating up to one hundred (100) jobs:

- Tax on Corporate Profits exemption.
- Tax on professional activity exemption.
- This duration is extended from three (3) to five (5) years, for investments creating more than 100 jobs, when the activity starts.

These provisions are as well applicable to investments declared at the National Agency of Investment development (NAID), as from the 26th of July 2009.

This job creation condition is not applicable to investments established in places that are eligible for the South and the high plateau Special Fund.

The non-respect of the conditions linked to these granting advantages leads to their withdrawal.

Investments in the strategic sectors of which the list is set by the National Council of Investment, benefit from the exemption tax on corporate profits and from the exemption tax on professional activity , for a period of five years without any job creation condition.

Article 9 bis (created by ordinance No 09-01) - The general regime advantages granting is subordinated to the beneficiary written commitment , to grant the algerian origin products and services preference.

The added value tax exemption benefit is limited to the only algerian origin acquisitions. However, this advantage can be granted when a non-existent similar local production is duly proved.

The preference rate to the algerian origin products and services , as well as the terms and conditions' implementation of the present article , are fixed by regulation.

Article 9 ter. (created by ordinance No 09-01 and modified by the law No 12-12 and the law 14-10) – investments of which the amount equals or exceeds 2 000 000 000 Algerian Dinar, depend on the prior decision of the investment national Council as benefit of the general system.

CHAPTER II

Derogatory Regime

Article 10. – Are Benefiting from special advantages:

- 1- Investments achieved within areas in which development requires a special State contribution,
- 2– As well as those presenting a particular interest for the national economy, especially when they use clean technologies likely to preserve environment, to protect natural resources, to provide energy savings and to lead to sustainable development.

Areas referred to in paragraph 1, as well as investments referred to in paragraph 2 above, are specified by the National Council of Investment that is mentioned in article 18 below.

Article 11 : (modified by ordinance No 06-08 and the law No 2011-16 and the law No 12-12) – Investments relating to the non-excluded activities from advantages and that are achieved within the areas quoted in paragraph 1 of the article 10 above, benefit from the following advantages :

1 – Concerning the investment achievement

- Transfer tax exemption, for valuable consideration, concerning all the properties acquisitions, done within the investment framework;

- Application of a fixed right, in matter of registration, to a reduced rate of two per thousand(02%), for companies' conferring rights and capital increases;

- Partial or full taking charge by the State, after the agency assessment, of the expenses concerning the infrastructure works needed to achieve the investment.

- Added Value Tax exemption (AVT), for goods and services not excluded from advantages that directly enter within the investment achievement , either they are imported or acquired on the local market.
- Customs tax exemption for imported goods not excluded from advantages that directly enter within the investment achievement
- Exemption of registration rights, of the property advertising charges and of the state-owned consideration relating to concessions, for real estate property built and not built, intended to the investment projects achievement .

This advantage is applied for a minimum duration of the granted concession.

Are also benefiting from these provisions, the concessions previously granted by a decision of the Ministers Council , for the benefit of the investment projects.

2 – After an assessment on the putting into operation, set by tax services, on the claim of the investor:

- Exemption, during a period of ten (10) years of effective activity, from the Tax on company profit and the tax on professional activity .
- Exemption, as from the acquisition date, of the landed property tax on the real estate property entering within the framework of investment, for a period of ten (10) years.

Article 12. (modified by ordinance No 06-08) – Investments referred to in paragraph 2 of the article 10 above, give rise to establishment of an agreement negotiated in the conditions planned in article 12 bis below.

The agreement is concluded by the Agency, acting for the State, after the approval of the National Council of Investment, referred to in article 18 below. The agreement is published in the Official Journal of People’s Democratic Republic of Algeria.

Article 12 bis (created by ordinance No 06-08) – Investments presenting an interest for the national economy, benefit from advantages that are set by negotiation between the investor and the agency, acting for the State, under the conduct of the Minister in charge of the investments promotion.

Investments offering an interest for the national economy, are identified according to criteria fixed by regulations, after a true advice of the National Council of Investment referred to in article 18 below.

Article 12 ter (created by ordinance 06-03 and completed by ordinance 09-01 and the law No 2011-16 and modified by the law No 12-12 and law No 13-08) – Advantages likely to be granted to the investments referred to in article 12 (bis) above, can include all or a part of the following advantages :

1) – **The implementation phase** : for a maximum duration of five (5) years :

- a- An exemption from charges ,taxes, taxation and other deductions of tax nature that affect the acquisitions effected either by importation or on the local market, of goods and services needed for the investment achievement.

- b- Exemption from registration duty relating to the transfer of real estate property appropriated to the production as well as the legal advertising which they must be the subject matter of.
- c- Exemption from registration duty on the companies transactions' conferring rights and capital stock increases.
- d- Landed Property tax exemption on the real estate properties appropriated to production.
- e- Exemption from registration duty of the landed property advertising's costs and of the state owned remuneration relating to concessions, for the built and non-built real estate property, granted for the investment projects' achievement.

This advantage is applied for the granted concession minimal duration .

Are also benefiting from these provisions, the concessions previously granted by the Ministers Council decision for the investment projects profit.

– **The operating phase:** for a maximum duration of ten (10) years, as from the entry in activity ascertainment established by tax services, on the claim of the investor :

- a- An exemption from tax on companies profit;
- b- An exemption from tax on professional activity.

Besides advantages referred to in paragraph 1 and 2 above, additional advantages may be decided by the Investment National Council, according to the legislation in force.

02) -Without prejudice to competition rules, the National Council of Investment, is enabled to grant, for a duration which cannot exceed five (5) years, exemptions or reductions from duties, taxation or taxes, including the added value tax that encumbers the prices of goods produced by the investment that enters within the framework of the originating industrial activities.

The application of the previous paragraph's terms and conditions are fixed by decision of the National Council of Investment.

The terms and conditions' application of the present article are fixed by regulations.

Article 13 – Investments referred to in articles 1 – 2 and 10 above, must be achieved within a beforehand agreed on period during the decision of granting advantages. This period starts from the notification of the aforementioned decision, except for the agency decision, quoted in the article 6 above, fixing an additional period.

TITLE III

GUARANTEES GRANTED FOR INVESTMENTS

Article 14. – The foreign natural or legal persons get the same treatment as the algerian natural or legal persons, considering the rights and duties relating to investment.

The foreign natural or legal persons are treated equally subject to the agreements provisions concluded by the Algerian State with the States to whom they are belonging.

Article 15. – Reviews or repeals likely to intervene in the future are not applicable to the investments achieved within the framework of the present order unless the investor claims it expressly.

Article 16. – Except in cases expected by the legislation in force, the investments achieved cannot be a subject matter of a requisition by an administrative way.

The requisition gives rise to a fair and right compensating.

Article 17. – any disagreement between the foreign investor and the Algerian State, that is resulting from the investor's act or from a measure taken against him by the Algerian State, will be subjected to the competent national court, except for bilateral or multilateral conventions concluded by the Algerian State about conciliation and arbitration or a specific agreement that is stipulating either an arbitration clause or allowing the parties to be agreed on a compromise by ad-hoc arbitration.

TITLE IV

THE INVESTMENT ORGANS

Chapter I

The National Council of Investment

Article 18. – (Modified by ordinance No 06-08) - It is created, next to the Minister in charge of the investments promotion , a National Council of Investment hereinafter named « the Council », placed under the Head of Government authority and presidency .

The Council is taking charge of the matters related to the investments strategy and to the investment support policy, of the conventions approval expected in article 12 above, and in general, of all questions linked to the present ordinance provisions implementation.

The composition, the functioning and the duties of the National Council of Investment are determined by regulation.

Article 19. – (Repealed by ordinance 06-08)

Article 20. – (Repealed by ordinance 06-08)

CHAPTER II

The National Agency of Investment Development

Article 21. – The Agency referred to in article 6 above, is a public institution, endowed with legal status and financial autonomy.

The Agency has especially for missions, within the field of investments and that in relation with other concerned organisms and administrations to:

- Ensure the promotion, the development and the follow up of investments
- Greet, inform and assist the resident and non-resident investors.
- Facilitate compliance with companies constitutional formalities and the realizing of projects through the one stop shop services.
- Grant the advantages that are related to investment, within the framework of the system in force.
- Manage the support fund to Investment referred to in article 28 below.
- Make sure that the investors have respect for the subscribed commitments, during the exemption phase.

The agency's organization and functioning are determined by regulation.

Article 22. – The agency head office is located at Algiers. The Agency has decentralized structures at local level.

It can create representation offices abroad.

The number and the establishment of local structures and offices abroad are determined by regulation.

The one stop shop

Article 23. – It is created, within the Agency, a one stop shop grouping all administrations and organisms that are concerned by investment.

The one stop shop is duly enabled to provide the administrative services needed to achieve investments, the subject matter of the declaration referred to in article 4 above.

The one stop shop decisions can be opposed to the administrations in question.

Article 24. – The one stop shop is created within the agency decentralized structure .

Article 25. – The one stop shop in relation with the concerned administrations and organisms , makes sure that the constitutional formalities and procedures of the companies and the projects achievement, have been reduced and simplified.

It looks after carrying into effect the simplifications and reductions decided about.

Article 26. – The State will constitute, from the residual assets of the dissolved public companies and in order to ensure their best use for the development of investment, a property real estate portfolio whose management is assigned to the agency in charge of the investment development as referred to in the article 6 above.

Terms and conditions' implementation of this article are set by regulation.

Article 27. – The basis of the landed property offering will be made, at the one stop shop, throughout the representation of the organisms in charge of the property intended for investment.

TITLE V

COMPLEMENTARY PROVISIONS

Article 28. – It is created a support fund to Investment in a special allocation account form.

This fund is intended to finance the taking charge of the State contribution within the advantages costs granted to investments, especially the expenses concerning infrastructure works required for the investment achievement.

The expenses classification likely to be charged to this account, is made up by the National Council of Investment as referred to in article 18 aforementioned

This Fund's organization and functioning terms and conditions are set by regulation.

TITLE VI

VARIOUS PROVISIONS

Article 29. – The well-established rights by investors, concerning the advantages they benefit from, under the legislations terms that establish the encouragement measures to investments, are maintained and are still in force until the time expiration limit and the conditions for which they were granted.

Article 30. –The investments that benefit from advantages provided by the present ordinance, can be subjected to a transfer. The purchaser undertakes, at the Agency, to honor all engagements taken by the previous investor and that have permitted him granting the aforesaid advantages, as otherwise these advantages are withdrawn.

Article 31. – Investments achieved as from capital contributions, by means of a freely convertible currencies that are regularly quoted by the Bank of Algeria and of which the import is duly noted by this last, benefit from the transfer guarantee of the invested capital and of the incomes following from. This guarantee concerns as well, the net real products of the transfer or liquidation, even if this amount is higher than the initially invested capital.

Article 32. – Investments which benefit from the present ordinance advantages are subjected, during their exemption period, to the Agency follow up.

These investments follow up is made by the agency that is in relation with administrations and organisms in charge of making sure that obligations originated from the benefit of granted advantages are honored.

Article 32 bis.- (Created by ordinance 06-08) - The follow up practiced by the agency is effected throughout an accompaniment of the investors and their support as well as collecting varied statistical information.

Article 32 ter (Created by ordinance 06-08) – Relating to the follow up, the other administrations and organisms concerned by the plan's incentives implementation provided by the present ordinance, are responsible, in accordance with procedures ruling their activities and all throughout the exemptions

duration, for looking after the investors' respect of obligations they are in charge of, according to the granted advantages.

Article 33. (Modified by ordinance No 06-08) – In case of the non-observance of the obligations following from the present ordinance, or the commitments contracted by investors are not honored, then fiscal, customs, and financial advantages are withdrawn, without prejudice to the other legislative provisions. The withdrawal decision is pronounced by the agency.

Advantages provided in articles 9 to 11, modified, of the ordinance No 01-03 of 20th of August 2001, aforementioned, are to be applied to investments declared after publishing the present ordinance in the official journal.

These advantages cannot be cumulated with advantages of the same nature set by the tax legislation.

Article 34. – Awaiting the setting up of the agency referred to in article 6 above, the present ordinance's provisions as well as the effects induced by the transition period, referred to in article 29 above, are undertaken by the Agency of Promotion, Support and follow-up of Investment (APSI).

Article 35. – Are repealed, excepting the laws related to hydrocarbons aforementioned, all the previous provisions contrary to the present ordinance, especially those related to the legislative decree No 93- 12 of the 5th of October, on the promotion of investment.

Article 36. – This ordinance will be published in the Official Journal of People's Democratic Republic of Algeria.

Done in Algiers on Aouel Joumada Ethania 1422 corresponding to the 20th of august 2001

Abdelaziz BOUTEFLIKA