

Invest in Algeria

Yasmina Benmayouf
Director of the Promotion Department
ANDI



Tackeld Points

- ✓ **Introducing Algeria**
- ✓ **Investment Opportunities**



**National Agency of Investment
Development**



Introducing Algeria

A strategic & important market...

- ***37.1 million inhabitants***
- ***2,381,741 km²***
- ***1622 km of coastline***
- **Largest market in the region:**
- **The ninth largest country in the world**
- **Largest country in Africa**





<i>Excellent macroeconomic indicators ...</i>	2012 data
+ U.S. \$ 206 billion GDP	
+ U.S. \$ 199 billion of foreign exchange reserves	
+ U.S. \$ 70 billion in exports	
- U.S. \$ 5 billion of external debt	
Nearly U.S. \$ 6000 income / capita	
+3% growth rate (6% non-oil)	
+ U.S. \$ 4 billion of FDI	

A wide opening to international ...

7 transborder
markets: Tunisia -
Libya - Niger - Mali -
Morocco - Western
Sahara – Mauritania

Various free trade
agreements signed:
EU - AFTA - UMA

Ongoing accession to the
WTO

35 international airports and
44 seaports including 11
commercial

Other free trade
agreements under
negotiation

Free trade agreements with 04 countries of the European Free Trade Association (EFTA), Switzerland, Liechtenstein, Norway and Iceland (under negotiation)

Trade agreements with the Common Market for Eastern and Southern African States (COMESA) under negotiation

trade agreements with the Common Market of the South (Mercosur) America, comprising Brazil, Argentina, Uruguay and Paraguay, and Venezuela under negotiation

Agreement with the Economic and Monetary Union of West Africa (UEMOA Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo) in negotiation



National Agency of Investment Development



Introducing Algeria

An important source of labor force ...

5% of GDP to education

6% of the operating budget of the State allocated to higher education

77% literacy rate

75% of the Algerian population in age training each year

99% of schooling

Median age of the population 28 years

and skills ...

2 million graduates since 1962

1 314 000 students including 54 317 enrolled in doctoral education and 7000 in technical courses

243,000 university graduates in 2012 from 90 institutions located in 47 provinces of the country.

9 universities

17 academic
centers

18 national high
colleges











6 primary teacher
training college;

10 preparatory
schools

500,000 enrolled in vocational training from wich 190,000 (average) graduates from 658 institutions



The one of more reasonable companies tax system in the region...

-  **Corporate tax :**
 -  **25 % for trade and services activities,**
 -  **19 % for production activities**
-  **Income tax :**
 -  **Employee's income : imposition is upon a scale depending on the income**
 -  **Shareholders income : 12,5 % deduction at source**
-  **Tax on the professional activity (T.A.P) : 2 % on the sales tax**
-  **Tax on Value Added (TVA) : 7 & 17 %**
-  **Customs duty: 0, 5, 15 et 30 %**
-  **Employer's social security contribution: 26%**



Support, encouragement and guarantees ...

Major taxes exemption and tax benefits up to 10 years, depending on the location and size of the project (VAT, CD, DM, DC, IBS, TAP, TF).

Aid for funding (access to local financings, interest rate rebate, credit guarantees, etc.).

Support for access to land (mutual agreement formula, reduction of the rental fee, etc..)

Protection by multi and bilateral agreements

Guaranteed income transfer and non double taxation

A right of appeal (jurisdictions and arbitration)

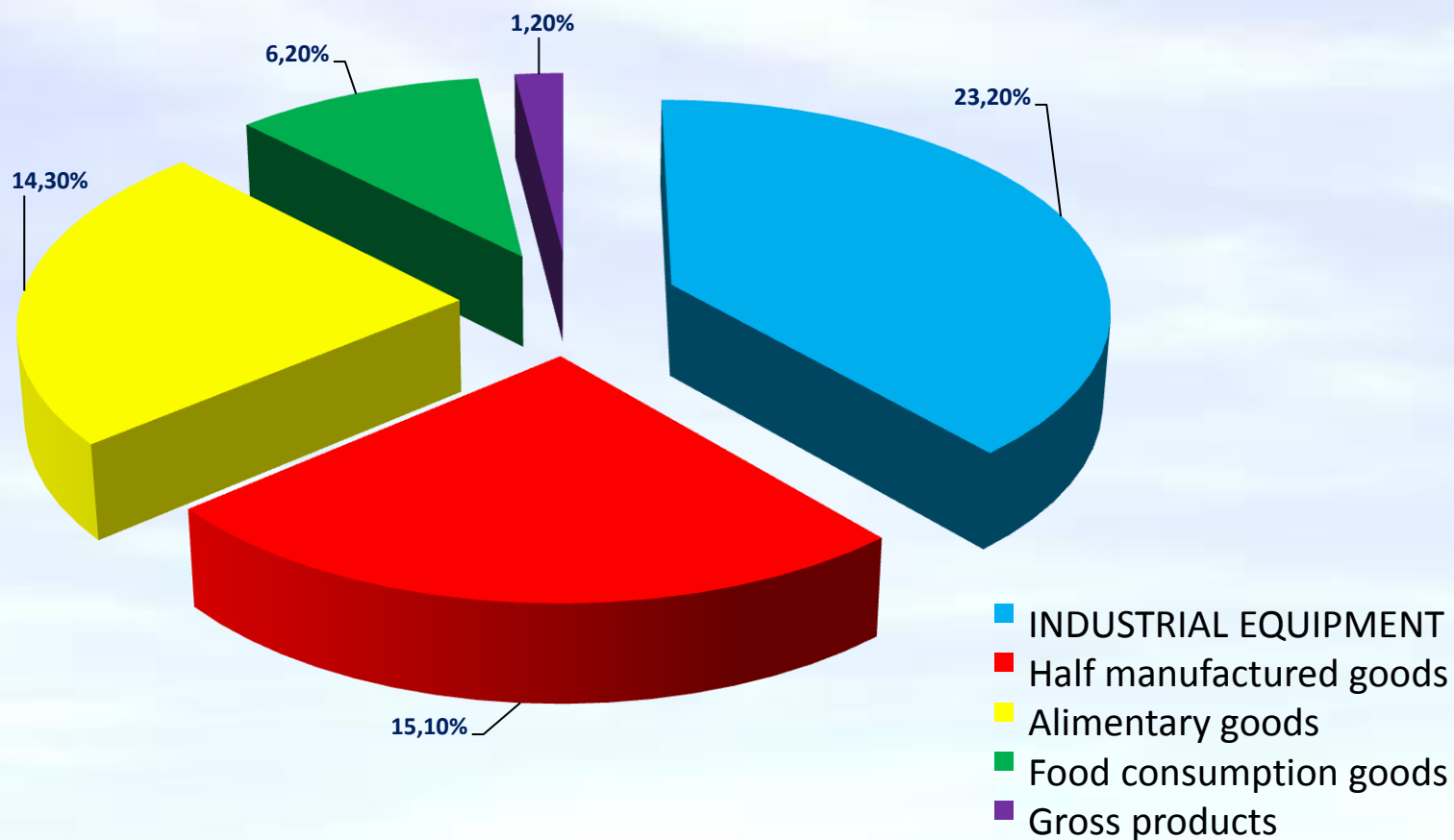


**National Agency of Investment
Development**



**Opportunities of
investment**

**46,801 billion U.S. \$ of imports in
2012**





National Agency of Investment Development



Opportunities
of investment

Textile & clothing– EPE TEXALG & EATIT

Technical assistance including the development and industrial management
Distribution / sale
Complex manufacturing (innovative and technical textiles)

Leather and shoes - GROUP LEATHER INDUSTRY

Technical assistance
The co contracting with meajors brands

pharmaceutical industry- GEPHAC including SAIDAL

- Realization of 04 new production of generic drugs units with a total production of 140 million units (oncology, insulin, cartridges, biotechnology (vaccines and biosimilars), R&D.C, Laboratory of bioequivalence.
- Modernization of five (05) existing production sites

Cabling Industries, electrical, electrochemical and telecommunications - SGP CABELEQ

Fiber optic cables production Unit
Generators mounting unit:
2,000 to 10,000 KVA Transformers manufacturing unit
"starter batteries "Manufacturing unit
lead recycling and refining Unit

agro food Industries - SGP COJUB

privatization process and Partnership for the Groups and companies in the portfolio
partnerships in the form of Equity investments, joint ventures, new projects, processing ...



Steel industries, foundries and steel construction - SGP TRANSOLB

Oriented partnerships:

- New technologies and processes: metal silos, downstream oil, industrial buildings, houses, roads, etc..
- Training oriented towards the development of managerial skills and technical

Building materials and housing (red products, tiles, ceramics, and sanitarries) - SGP-IPRS

Rehabilitation of 03 units of sand limestone bricks with a total capacity of 400,000 tons / year (5% of the market demand).

New projects within the framework of the integration of inputs and product diversification (integration of lime, manufacturing aerated concrete).

Boosting of 02 bricks units (Remchi and mers el Kebir), with a total capacity of 200,000 tons / year.

Diversification and increase in production of products manufactured by the SGP-IPRS state owned companies

Mecanics - SGP EQUIPAG

partnerships with world-renowned automotive manufacturers for the production of small-tonnage trucks (less than 8 tons) and buses (long range) and that, for the purpose of covering all production segments of the automotive industry.

Electricals Industries, electronics and measuring instruments - SGP INDELEC

PCB, monitoring and security systems, LED display Panels and solutions, photovoltaic panels, Cable Assemblies

Expansion and development of the range of products including refrigerators - Production of energy-saving lamps

standardization of products (energy labeling, noise ...) and design



chemical industries

Glass and Abrasives

Extension of the range of products: windscreens and rear windows of motor vehicles;
Modernization: hollow glass, flat glass, safety glass, water glass, glassware laboratory,
household mirrors, glass and abrasives.

New projects: Photovoltaic, electrical insulator, automotive glass, pharmaceutical bulbs and
R&D

Paper and cardboard- TONIC-GIPEC

technological partnerships for:
rehabilitation and upgrading of production and processing equipment
wastepaper recovery
solid board production project

Paint

Care and maintenance of facilities and production equipment
Development of new environment-friendly products to meet new demand

ANDI's Bourse de Partenariat

- ✓ Launched in 2010
- ✓ Facilitate contacts between national and international holders of projects
- ✓ Ensure confidentiality through the use of ICT
- ✓ Provide free online service:
- ✓ Consult offers partnerships
- ✓ Enter a project for a partnership



partenariat.algerie@andi.dz

150 projects are listed in the portfolio



Activity	Number of projects
Building	8
Transport	2
Services	8
Building Materials	11
Electricity, electronics, appliances	9
diverse Industries	23
plastics industry	5
chemical industry	11
metal industry	8
cardboard Industry	4
Agriculture and Fisheries	11
Agroalimentairy	29
health	7
Tourism	8
Energy	6

12 projects of foreign nationalities

07 projects of French nationality:

A unit of water meter and radio frequency modules production

a company in services and consultancy in micro computer and software systems

a manufacturing unit of electrical energy saving devices

A unit of plastic recycling for the producing bacterial carriers to be used in waste water treatment

Creation of a dental implant center

consultancy, education and training bureau

A unit to manufacture photovoltaic modules

03 projects of Spanish nationality

A unit to manufacture new generation electrical transformers

a manufacturing unit of tanks and water purification

01 architectural firm

01 projects of indian nationality

A unit of used engine oils traitment

01 projects of tunisian nationality

manufacturing unit of air conditioners running on water evaporation technique



47 transactions in linking business between Algerian and foreign operators

03 projects in advanced negotiations

Algerian-Canadian JV in the activity of industrial glassware ;

Algerian-Spanish JV in the electronics and electrical industry

Algerian-Indian JV in the treatment of waste oils

03 concluded partnerships

Algerian-Spanish JV in the activity of the architecture

Algerian-British JV in the ICT sector

Algerian-Belgian joint venture in the field of transport and logistics (Algerian public operator)



What's offered

1. A potential, promising & non risky Market
2. Abunded natural and skilled human resources
3. competitive factors Costs
4. . Guarantees, protections, and support

**A win/win basis relation :
balanced partnership**



What's expected

1. A transfert of technology and know how
2. Diversification of domestic production
3. A substitution to import and opening of new markets
4. Diversification of non hydrocarbons exports





National Agency of Investment
Development



For your contacts ...



Route Nationale N°5 Cinq Maisons,
Mohammadia (Alger).



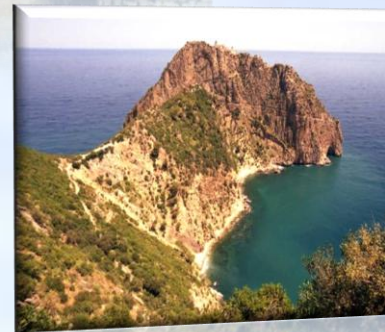
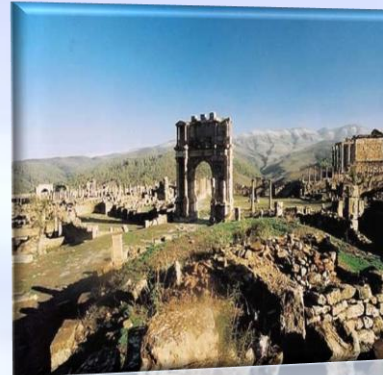
(213) 21 521915



(213) 21 521911



information@andi.dz



*For those who see a long way
off, Algeria is close by*

