

Algeria enacts 2020 Finance Act

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On 30 December 2019, the Algerian Government enacted the *Finance Act for 2020*.

This Alert summarizes the key fiscal measures under the Act.

Investment

- ▶ The **removal of the local shareholding majority obligation** (51/49 rule) **for sectors considered as non-strategic to the national economy**. This measure is pending. Implementing texts will be issued to clearly define the classification of sectors regarded as strategic. An official ad hoc commission is to be established during fiscal year (FY) 2020 for this purpose.
- ▶ **Authorization to allow foreign financing for projects with strategic and structuring interest to the national economy** (prior to approval by the Finance Minister and the Finance and Budget Committee of the National People's Assembly). Strategic and structuring projects, previously exclusively financed by the state budget, are now open to external financing from international development financial institutions such as the African Development Bank or the World Bank.

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