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Trade Policy Update

Report Categories: Trade Policy Monitoring Approved By: Justina Torry Prepared By: Nabila Hales

Report Highlights:

The Government of Algeria (GoA) introduced a temporary additional safeguard duty (DAPs) to replace the import ban established in January 2018. The list of goods subject to the temporary additional safeguard duty was published in the Journal Officiel No 06 on January 29, 2019, and includes 658 food items, primarily processed and high value products. Major U.S. exports to Algeria are bulk and intermediate commodities. With the exception of nuts, most bulk and intermediate commodities are not subject to DAPs.

General Information:

The Government of Algeria (GoA) introduced a temporary additional safeguard duty (DAPs) to replace the import ban established in January 2018. The list of goods subject to the temporary additional safeguard duty and the corresponding rates was published in the Journal Officiel No 06 on January 29, 2019 as part of the Ordinance of January 26, 2019. This list includes 1095 items (of which 658 are food and 437 industrial products) with their tariff codes and the corresponding DAPs rates. Food items represent 60% of the list. Most of the food items listed are processed and high value products.

Most U.S. exports to Algeria are bulk and intermediate commodities, including wheat, barley, corn, rice, pulses, soybeans, soybean meal, DDGs, materials and products destined for animal feed, live animals, milk powder, planting seeds, cotton and lumber. These products are not included on the list. Tree nuts, a key U.S. export to Algeria, are included on the list.

US EXPORTS	Calendar Years (Jan-Dec)					
	2012	2013	2014	2015	2016	2017
Wheat	91.0	59.2	70.4	36.4	73.6	158.5
Soybean Oil	16.0	4.0	0.0	8.0	9.9	11.2
Corn	0.0	0.0	15.3	40.5	117.9	12.3
Dairy Products	25.0	133.0	74.5	1.4	4.5	4.1
Soybean Meal	9.0	9.0	1.8	11.0	8.4	5.7
Rice	3.0	1.0	0.0	0.0	0.0	1.7
Live Animals	-	0.0	0.2	1.3	2.0	1.5
Pulses	6.0	17.0	9.6	1.0	4.8	7.3
Planting Seed	4.0	4.0	4.8	3.0	7.1	5.4
Tree Nuts	43.0	42.0	37.8	30.7	33.7	22.8
DDGs	0.0	0.0	1.6	0.0	0.0	0.0
All Others	23	23.8	15.9	3.8	14.1	9.3
TOTAL	220.0	293.0	231.9	137.1	276.0	239.8

US Exports of Agriculture, Fish, &Forestry Products to Algeria CY 2012-2017 (In Million Dollars)

Data Source: U.S. Census Bureau, Foreign Trade Statistics

From CY 2009 to CY 2017, Algeria imported an average of \$33 million of tree nuts (almonds, walnuts and pistachios) from the United States. According to the DAPs list, tree nuts are subject to 30 percent additional tax (DAPs) to be added to the existing 30 percent custom duties plus the 19 percent of Value-Added Tax (VAT).

Background

In January 2018, the (GoA) replaced the import licensing system implemented in 2017 by a temporary import ban. The <u>decree No 18-139 of May 21, 2018</u> (published in the JO. No 29 of May 23, 2018) suspended 851 products, of which 576 were agricultural. In May 2018, the temporary ban list was extended to 877 products of which 622 were agricultural products, mostly processed and high-value products. Overall, the list included meat (bovine, lamb, goat, horse, poultry and rabbit, whole or parts, chilled, fresh or frozen, as well as frozen, fresh or chilled edible offal). Liquid milk, milk cream, yogurts, buttermilk, milk-based preparations, butter, cheese and ice cream were also included. All vegetables except garlic (fresh, cooked or frozen) were also included along with all fresh fruits (except bananas). Nuts (dried coconuts, shelled cashews, shelled hazelnut, shelled common nut, shelled pistachios) with many other processed products were included in the ban. The revised list was part of the decree No 18-139 of May 21, 2018 published in the Journal Officiel No 29 of May 23, 2018.

Media reports from July 2018 indicated that the ban would be replaced by tariffs on these products. Later, the GoA published the decree n° 18-230 of September 25, 2018 (<u>https://www.joradp.dz/FTP/JO-FRANCAIS/2018/F2018057.pdf</u>) for defining the drawing up of the list of goods subject to a **temporary additional safeguard duty** (DAPs) and the corresponding rates. The list was finally published by the Ministry of Commerce in the Journal Officiel No 06 on January 29, 2019 as part of the Ordinance of January 26, 2019.

The product list subject to a temporary additional safeguard duty includes 1095 items of which (658) are food and (437) industrial products with their tariff codes and the <u>corresponding DAPs rates</u>. Food items represent 60% of the list which includes:

Categories		Tariff Code
	Rate	
	(%)	
-fresh and chilled bovine and buffalo categories	50	02.01
-fresh and chilled lamb and its categories	70	02.04
-fresh and chilled horse meat and other		02.05
-fresh and chilled or frozen poultry meat and offal		02.07
-fresh and chilled or frozen deboned parts poultry meat and	70	02.07
categories		
-other edible meat and offal fresh or chilled or frozen	70	02.08
-edible meat and offal, salted or in brine, dried or smoked, edible		02.10
meat and offal flours and powders		
-milk and milk cream non-concentrated, non- sugar or sweetener		04.01
added		
-buttermilk, curdled milk and cream, yogurt and other fermented	70	04.03
or acidified milk and creams concentrated or sugar-added or other		
sweeteners-added, flavored, fruits or cocoa-added		
-butter and other fats derived from milk, dairy spreads		04.05
-cheeses and curds		04.06
-natural honey		04.09
-fresh, or chilled potatoes		07.01

-fresh, or chilled tomatoes	120	07.02
-fresh, or chilled onions, shallots, garlic, leeks, other alliaceus	120	07.03
vegetables		
-other fresh or chilled vegetables (olives)	120	07.09
-vegetables non-cooked or cooked in water or steamed, frozen	70	07.10
-vegetables preserved temporarily (in sulphurous gas or in salt		07.11
water, sulfur or with other substances used to temporarily preserve		
them) but unfit for food as it is.		
-dried vegetables, whole, cut, sliced, broken or in powder, but not	70	07.12
further prepared		
- coconut, Brazil nuts and cashew nuts, fresh or dried, even	30	08.01
without their shells or shelled		
-other nuts, fresh or dried, even without their shells or shelled	30	08.02
-dates, figs, pineapples, avocados, guavas, mangos and mangos	120	08.04
teens, fresh or dried		
-citrus fruits fresh or dried	120	08.05
-grapes fresh or dried	120	08.06
except Currant grapes (raisins de Corinthe), sultana (sultanine)		08.06.20.10.00,
and others	70	08.06.20.20.00,
		08.06.20.90.00
-melons (including watermelons) and papayas, fresh	120	08.07
-apples, pears and quince, fresh,	120	08.08
- <u>a</u> pricots, cherries, peaches (including brugnons and nectarines),	120	08.09
plums and sloes, fresh		
-other fresh fruits	120	08.10
-fruits, uncooked or cooked by steaming or boiling in water,	70	08.11
frozen, whether or not containing added sugar or other sweetening		
matter		
-fruits preserved temporarily (by sulphurous gas or in salt water,	70	08.12
sulfur or with other substances used temporarily to preserve		
them), but unfit for food as it is.		
-dried fruits other than those of heading 08.01 to 08.06, mixtures	70	08.13
of dried fruits or nuts of the present chapter		00.11
-peel of citrus fruits or melons (including watermelons), fresh,	30	08.14
frozen, in salt water, with sulfur or with other substances to		
provisionally preserve them or dried		11.02
-cereal flours other than of wheat or meslin. (Corn flour)	70 70	11.03
-groats, meal and pellets, of cereals		11.03
- <u>s</u> tarches and inulin	70	11.08
-unroasted or otherwise cooked peanuts, whether or not shelled or	70	12.02
peeled	70	
-sausages, sausages and similar products, of meat, offal or blood,		16.01
food preparations based on these products	70	1.5.00
-other prepared or preserved meat, meat offal or blood		16.02

-prepared or preserved fish, caviar and substitutes prepared from	70	16.04
fish eggs	70	17.04
- <u>s</u> weets without cocoa (including white chocolate)	70	17.04
-chocolate and other food preparations containing cocoa		
- Malt extract, food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods from headings 04.01 to 04.04, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included	70	19.01
- <u>p</u> asta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagna, gnocchi, ravioli, cannelloni, couscous, whether or not prepared	70	19.02
-cereal products obtained by blowing or roasting ("corn flakes", for example); cereals (other than maize) in grain or in the form of flakes or other worked grains except flour, groats and meal), pre- cooked or otherwise prepared, not elsewhere specified or included	70	19.04
-products from bakery, pastry or biscuits, even with cocoa, hosts, empty capsules used for medicines, dried pasta of flour, starch or leaf and similar products	70	19.05
-vegetables, fruit, nuts and other edible parts of plants, prepared or preserved with vinegar or acetic acid	70	20.01
-tomatoes, prepared or preserved otherwise than by vinegar or acetic acid	120	20.02
-mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid	70	20.03
-other vegetables prepared or preserved otherwise than vinegar or acetic acid, frozen, other than products of heading 20.06	70	20.05
-vegetables, fruits, peel and other parts of plants, candied with sugar (drained, glazed or crystallized)	70	20.06
-jams, jellies, marmalades, purées and fruit pastes, obtained by cooking, with or without the addition of sugar or other sweetening matter	70	20.07
-fruits and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or alcohol, not elsewhere specified or included	70	20.08
-fruit juices (including grape must) or vegetables, unfermented, not containing added spirit, whether or not containing added sugar or other sweetening matter	70	20.09
-preparations for sauces and prepared sauces, condiments and seasonings, compounds, mustard and mustard flour prepared	70	21.03
-preparations for soups, soups or broths, soups, soups or prepared broths, homogenized composite food preparations	70	21.04

-ice cream, even containing cocoa	70	21.05
-composed preparations and concentrated extracts for food		21.06
industries		
-waters, including natural or artificial mineral waters and	70	22.01
carbonated waters, not containing added sugar or other sweeteners		
neither flavored, ice and snow		
-waters, including mineral waters and carbonated waters, added	70	22.02
sugar or other sweetening matter or flavored, and other non-		
alcoholic beverages, excluding fruit or vegetable juices of heading		
20.09		

The Ministry of Commerce website indicates that the list of goods and products subject to the DAPs may be subject to periodic updating and revisions. The revisions will depend on the volume of imports of these products. These revisions will be coordinated with the economic sectors and their representatives. No deadline has been set.