



Responding to COVID-19: BRITACOM PERSPECTIVE, 2 June 2020

Script of speech

H.E.Mr. Ahcene BOUKHELFA, Ambassador of Algeria

Mr. WANG Jun, Chairman of BRITACOM Council ;

Ladies and Gentlemen, distinguished guests ;

Good afternoon,

First of all, I would like to thank the Secretariat of the “*Belt and Road Initiative Tax Administration Cooperation Mechanism – BRITACOM*” for organizing this meeting and given the opportunity to the Members of BRITACOM to share their experiences on tackling the economic impacts of COVID-19.

I would also like to express my sincere appreciation for another initiative that the Secretariat of BRITACOM launched by issuing “Special Edition of BRITACOM Update on COVID-19”, where members presents their practices on the matter.

Ladies and Gentlemen,

Globalization offered tremendous opportunities for global economy to grow and nations to significantly improve people’s wellbeing. Countries are getting more interdependent, while showing more vulnerability to contagious diseases and health threats.

The COVID-19 pandemic harmed not only people’s health and lives but also and especially daily life, economic activities and trade.

A majority of economies all over the world are experiencing recession that may lead to the worst economic crisis the world had never seen in the past.

Nevertheless, the multiple expressions of solidarity and diverse actions of assistance between nations while fighting together COVID-19 pandemic give hope that Humanity will overcome swiftly the current crisis.

Ladies and Gentlemen,

I would like to present briefly the different actions and measures decided by the Algerian Government to mitigate the negative impact of COVID-19.

Since the first confirmed cases of COVID-19 were reported in Algeria on February 25th and March 1st (all imported cases), the outbreak resulted on nearly 9300 infections, 646 deaths and more than



5500 patients released from hospital.

The situation is getting better control because of the drastic measures decided by the Government, including total or partial lockdown of the cities all around the country.

However, it results on a big economic impact that the Government is tackling by an oriented policy and a number of measures dedicated particularly to small business and small and medium enterprises of which I can mention:

Monetary measures:

1. postponement and/or renewal of maturities of credits due on/or after 31 March 2020,
2. consolidation of unpaid debts not processed on 31 March 2020 or later,
3. extension of the deadlines for using credits and deferrals of payment as well as the cancellation of late payment penalties due on March 31, 2020 and later;
4. maintenance and/or renewal of operating credit lines
5. rescheduling of credits for the benefit of companies, public and private until September 2020.

Tax measures:

1. Deferral of monthly, quarterly and annual tax returns to the end of June 2020. The related payments are consequently postponed (to July 2020 or later) ;
2. Renewal of the deferral of the premiums(first instalment payment's)of Global Income Tax and Corporate Income Tax (IRG/IBS), to June 20, 2020 ;
3. Easing the payment schedules for taxpayers that are facing difficult financial circumstances ;
4. Rescheduling of tax debts (for a period of over 36 months), and penalty rebates (graceful discounts of late penalties) ;
5. Suspension of the taxation of unaffected profits (fiscal years 2016 and beyond);
6. Reduction of tax to encourage companies to donate and sponsor efforts dedicated to tackle Covid-19.

All these monetary and tax measures aim to safe guard the cash flow of the economic entities while the Government has decided other measures to protect economic activities, support households and strengthen the national capacity in the tackling the spread of the disease, such as :

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Customs measures

- 1- Clearance facilitation of certain goods through a green circuit procedure. The procedure concerns mainly food products as well as medical devices and instruments used to prevent and combat the spread of COVID-19.

Economic and social measures

1. postponement of payments of social contributions ;
2. suspension of contractual deadlines and non-application of late financial penalties as of 21 March 2020, for all public procurement by the state, local authorities, public bodies and institutions ;
3. assuring the payment of wages and pensions for workers in the public and private sector;
4. revaluation of the medical function.

Ladies and Gentlemen,

I would like to add that the best ways we have to address the challenges that our countries are facing under the pandemic and to overcome the current economic crises, relate to sharing experiences and adopting coordinated action, among the following:

- Strengthening international cooperation for joined efforts and sharing experiences (research and development, assistance...);
- Stressing on multilateralism and coordinated responses (Regional multilateral Banks may play a big role in addressing economic challenges);
- Focusing the efforts on closing the gap between countries on the development of digital economy.

Finally, let me end by stressing that our cooperation mechanism BRITACOM who is already contributing to this joined efforts has all the support from my country, Algeria, which already agreed to host the 3rd conference BRITACOF, scheduled to be held in 2022, since the 2nd conference BRITACOF is reported to next year.

Thank you for the generosity of listening.