IV. TENDERING IN ALGERIA

Since virtually all Algerian purchases are by tender, knowing how this system works is vital in doing business in Algeria. The most important things to keep in mind when tendering in Algeria are timeliness, packaging of tender documents, and attention to including specific details required in all bids to Algerian buyers.

In Algeria, the state, through organizations which are state controlled, holds the monopoly for foreign trade. All imports are made by state organizations according to a statutory procedure in the "Code des Marchés Publics." Specific interpretations of how the procedure operates are contained in circulars from various ministries.

The basic principle of the "Code des Marchés Publics" is that the state, local administrations, public offices and socialist enterprises may only enter into suppy contracts after having received competitive bids. Directly negotiated contracts are permitted in certain cases, but they are the exception. Depending on the nature of the product, the tenders are public or restricted.

Most international contracts are awarded following a public tender. This is particularly true of contracts for equipment and services. Tenders for primary raw materials, agricultural products, and construction are frequently limited to known suppliers. To be considered, bids must strictly conform to the regulations which are included in all tender documents. In addition, the corporate information summarized below is required with all bids. Bids must, of course, be in French.

In all types of tenders, (with the exception of some internationally quoted commodities), there is a requirement that bids be in double sealed envelopes. The outer envelope is addressed to the buyer and indicates the number of the tender. The inner envelope indicates that it contains the tender. If either envelope bears any mark which might identify the company bidding, the tender is rejected without being opened. Companies bidding should take great care in ensuring that nothing which can identify the company appears on either envelope. Tenders have been rejected because