

Country Profiles:

People's Democratic Republic of Algeria



Location: Northern Africa, bordering the Mediterranean Sea, between Morocco and Tunisia

Geographic coordinates: 28 00 N, 3 00 E

Map references: Africa

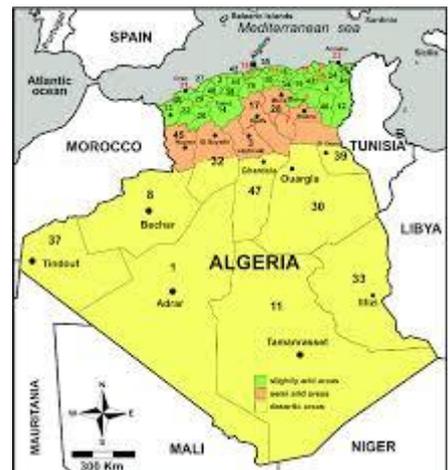
Area: total: 2,381,741 sq km land: 2,381,741 sq km water: 0 sq km

Terrain: mostly high plateau and desert; some mountains; narrow, discontinuous coastal plain

Land boundaries: total: 6,343 km border countries: Libya 982 km, Mali 1,376 km, Mauritania 463 km, Morocco 1,559 km, Niger 956 km, Tunisia 965 km, Western Sahara 42 km
Coastline: 998 km

Maritime claims: territorial sea: 12 nm exclusive fishing zone: 32-52 nm

Geography - note: second-largest country in Africa (after Sudan)¹



¹ - <http://www.economywatch.com/economic-statistics/Algeria/Geography/>

Algeria at a Glance

Capital:	Algiers
Official language:	Arabic
Population:	(2012 estimate) 37,900,00
Government:	Semi Prresidential Republic
Independence(From France)	3 July 1962
National or Regional Currency:	Algerian Dinar(DZD)
Area:	Total: 2,381,741 sq km Land: 2,381,741 sq km Water: 0 sq km

Background: After more than a century of rule by France, Algerians fought through much of the 1950s to achieve independence in 1962. Algeria's primary political party, the National Liberation Front (FLN), was established in 1954 as part of the struggle for independence and has since largely dominated politics. The Government of Algeria in 1988 instituted a multi-party system in response to public unrest, but the surprising first round success of the Islamic Salvation Front (FIS) in the December 1991 balloting led the Algerian army to intervene and postpone the second round of elections to prevent what the secular elite feared would be an extremist-led government from assuming power. The army began a crackdown on the FIS that spurred FIS supporters to begin attacking government targets. Fighting escalated into an insurgency, which saw intense violence from 1992-98, resulting in over 100,000 deaths - many attributed to indiscriminate massacres of villagers by extremists. The government gained the upper hand by the late-1990s, and FIS's armed wing, the Islamic Salvation Army, disbanded in January 2000.

Abdelaziz BOUTEFLIKA, with the backing of the military, won the presidency in 1999 in an election widely viewed as fraudulent and won subsequent elections in 2004, 2009, and 2014. The government in 2011 introduced some political reforms in response to the Arab Spring, including lifting the 19-year-old state of emergency restrictions and increasing women's quotas for elected assemblies, while also increasing subsidies to the populace. Since 2014, Algeria's reliance on hydrocarbon revenues to fund the government and finance the large subsidies for the population has fallen under stress because of declining oil prices.

Government

Country name:	conventional long form: People's Democratic Republic of Algeria conventional short form: Algeria local short form: Al Jaza'ir local long form: Al Jumhuriyah al Jaza'iriyah and Dimuqratiyah ash Sha'biyah
Government type:	republic
Capital:	Algiers
Administrative divisions:	48 provinces (wilayas, singular - wilaya); Adrar, Ain Defla, Ain Temouchent, Alger, Annaba, Batna, Bechar, Bejaia, Biskra, Blida, Bordj Bou Arreridj, Bouira, Boumerdes, Chlef, Constantine, Djelfa, El Bayadh, El Oued, El Tarf, Ghardaia, Guelma, Illizi, Jijel, Khenchela, Laghouat, Mascara, Medea, Mila, Mostaganem, M'Sila, Naama, Oran, Ouargla, Oum el Bouaghi, Relizane, Saida, Setif, Sidi Bel Abbes, Skikda, Souk Ahras, Tamanghasset, Tebessa, Tiaret, Tindouf, Tipaza, Tissemsilt, Tizi Ouzou, Tlemcen
Independence:	5 July 1962 (from France)
National holiday:	Revolution Day, 1 November (1954)
Constitution:	19 November 1976, effective 22 November 1976; revised 3 November 1988, 23 February 1989, and 28 November 1996
Legal system:	socialist, based on French and Islamic law; judicial review of legislative acts in ad hoc Constitutional Council composed of various public officials, including several Supreme Court justices; has not accepted compulsory ICJ jurisdiction
Executive branch:	Executive branch: chief of state: President Abdelaziz BOUTEFLIKA (since 28 April 1999) head of government: Prime Minister Ahmed OUYAHIA (since 16 August 2017) cabinet: Cabinet of Ministers appointed by the president
Legislative branch:	Legislative branch: description: bicameral Parliament consists of the Council of the Nation (upper house with 144 seats; one-third of members appointed by the president, two-thirds indirectly elected by simple majority vote by an electoral college composed of local council members; members serve 6-year terms with one-half of the membership renewed every 3 years) and the National People's Assembly (lower house with 462 seats including 8 seats for Algerians

	living abroad); members directly elected in multi-seat constituencies by proportional representation vote to serve 5-year terms)
Judicial branch:	Judicial branch: highest court(s): Supreme Court or Cour Supreme (consists of 150 judges organized into 4 divisions: civil and commercial; social security and labor; criminal; and administrative; Constitutional Council (consists of 12 members including the court chairman and deputy chairman); note - Algeria's judicial system does not include sharia courts

Algeria Economic Outlook

Real GDP growth was an estimated 2.5% in 2018, up from 1.4% in 2017, driven mainly by growth in the nonhydrocarbon sector (5.2% growth) and significant fiscal spending (36.7% of GDP). The hydrocarbon sector remained sluggish (shrinking 0.1%).

Growth estimates and projections over 2018–20 are based on the conservative hypothesis of a weak hydrocarbon sector and a slightly improving nonhydrocarbon sector. Economic growth is projected to be 2.7% in 2019 and 1.9% in 2020. The subdued 2020 growth is due partly to a more restrictive fiscal policy—as of 2019 public expenditures are projected to decline due to budgetary consolidation, which is projected to reduce the fiscal deficit from 5.3% of GDP in 2018 to 5.0% in 2019 and 4.7% in 2020.

Faced with contracting bank deposits since 2015, the Bank of Algeria resumed bank refinancing and stimulated the interbank money market by reducing reserve requirements and better regulating the capital markets. Inflation remained under control at 4.8% in 2015, 6.4% in 2016, and 5.6% in 2017.

Algeria’s infrastructure, geographic position, diaspora, domestic market, and natural resource endowment provide the assets to transform and diversify its economy. In addition, the external debt reduction policy over the past decade and substantial foreign exchange reserves, though declining, enable Algeria to better withstand economic shocks.

Algeria has not financed its deficit through increased external debt, which remains negligible at less than 2% of GDP. Likewise, government debt, consisting mainly of domestic debt, is limited to 40% of GDP. A major decline in external financial resources led authorities in 2016 to adopt the New Economic Growth Model 2016– 2030, aimed at structural transformation. The main reforms relate to improving the business climate and replacing direct and indirect subsidies with targeted social protection for low-income populations.

To respond to the sharp deterioration in the country’s external position in 2015, import restrictions were introduced on 850 products. The large current account deficit in 2018 (9% of GDP) is smaller than in 2017 (13.1%) and is projected to reach 7.4% in 2020. Official foreign exchange reserves decreased from 22.5 months of imports at the end of 2016 to 18.6 months in June 2018, and the drop is expected to continue. Inflation is projected to drop further to the 4% range by 2020.

Despite efforts to diversify the economy, Algeria still depends on external resources from oil and gas exports. Directly or indirectly, around 80% of the economy relates to hydrocarbons. The economic outlook will depend mainly on hydrocarbon prices, which started to fall in June 2014, rebounded to nearly \$80 a barrel in October 2018, and fell again toward the end of the year. Between 2012 and 2017, falling oil prices reduced the hydrocarbon sector's contribution to GDP from 37.1% to 21.1%. Real GDP growth, projected at 2.7% in 2019 and 1.9% in 2020, seems insufficient in the medium term to tackle social protection and unemployment reduction.

Algeria | Economic Indicators

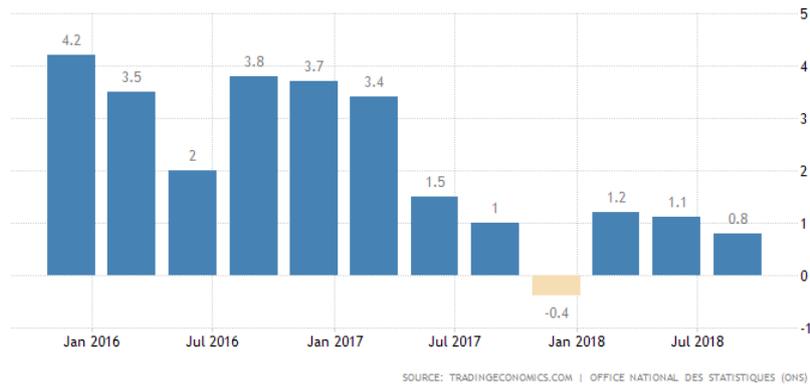
Markets	Last	Reference	Previous	Range	Frequency
<u>CURRENCY</u>	119	Mar/19	119	47.74 : 119	Daily
GDP	Last	Reference	Previous	Range	Frequency
<u>GDP</u> (USD Billion)	170	Dec/17	159	2 : 214	Yearly
<u>GDP ANNUAL GROWTH RATE</u> (%)	119	Mar/19	119	47.74 : 119	Daily
<u>GDP PER CAPITA</u> (USD)	4825	Dec/17	4828	1628 : 4828	Yearly
<u>GDP PER CAPITA PPP</u> (USD)	13914	Dec/17	13921	9126 : 13921	Yearly
Labor	Last	Reference	Previous	Range	Frequency
<u>POPULATION</u> (Million)	41.8	Dec/17	41.2	11.28 : 41.8	Yearly
<u>UNEMPLOYMENT RATE</u>	11.7	Sep/18	11.1	9.8 : 29.5	Quarterly
Prices	Last	Reference	Previous	Range	Frequency
<u>INFLATION RATE</u> (%)	3.1	Jan/19	2.4	0.58 : 11.92	Monthly
Money	Last	Reference	Previous	Range	Frequency
<u>INTEREST RATE</u> (%)	3.75	Jan/19	3.75	2.75 : 21	Daily

Trade	Last	Reference	Previous	Range	Frequency
<u>BALANCE OF TRADE</u> (CFA Franc Billion)	-390	Mar/18	-467	-2141 : 34060	Monthly
<u>CURRENT ACCOUNT</u> (CFA Franc Billion)	-3.05	Jun/18	-4.58	-8.33 : 28.95	Quarterly
<u>CURRENT ACCOUNT TO GDP</u> (%)	-10.9	Dec/17	-16.5	-16.5 : 24.7	Yearly
<u>EXPORTS</u>	3301	Mar/18	3183	1831 : 60300	Monthly
<u>IMPORTS</u>	3691	Mar/18	3650	2310 : 26250	Monthly
Government	Last	Reference	Previous	Range	Frequency
<u>GOVERNMENT DEBT TO GDP</u> (%)	17.7	Dec/17	20.6	7.6 : 116	Yearly
<u>GOVERNMENT BUDGET</u> (% of GDP)	-6.4	Dec/17	-12.6	-15 : 14.7	Yearly
<u>CREDIT RATING</u>	15			:	Monthly

Source: <http://www.tradingeconomics.com/albania/indicators>

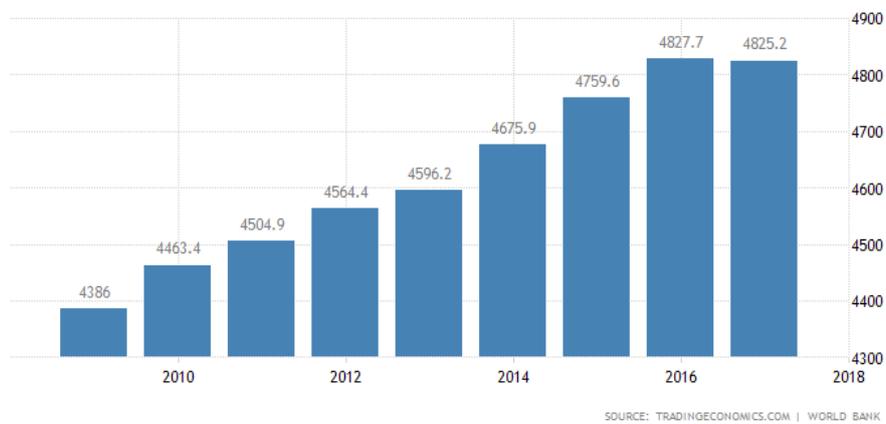
GDP Annual Growth Rate

The economy of Algeria grew 0.8 percent year-on-year in the third quarter of 2018, after an upwardly revised 1.1 percent rise in the previous period. It is the slowest expansion since Q4 2017. Output advanced less in agriculture, forestry and fisheries (7.2% vs 9.1% in Q2) while shrank in the mining sector (-9.3% vs -8.2%). On the other hand, faster growth was seen in manufacturing (4% vs 2.1%) and construction (5.9% vs 2.9%). GDP Annual Growth Rate in Algeria averaged 3.04 percent from 2001 until 2018, reaching an all time high of 6.70 percent in the fourth quarter of 2003 and a record low of -0.40 percent in the fourth quarter of 2017.



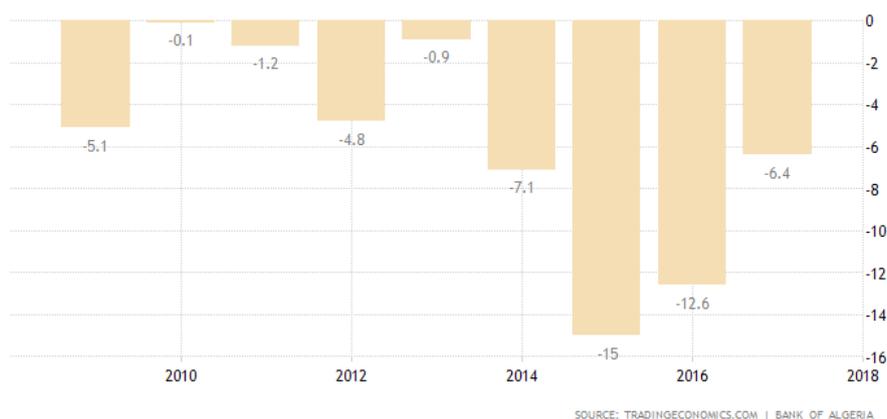
GDP per capita

The Gross Domestic Product per capita in Algeria was last recorded at 4825.20 US dollars in 2017. The GDP per Capita in Algeria is equivalent to 38 percent of the world's average. GDP per capita in Algeria averaged 3474.40 USD from 1960 until 2017, reaching an all time high of 4827.70 USD in 2016 and a record low of 1628.39 USD in 1962.



Government Budget

Algeria recorded a Government Budget deficit equal to 6.40 percent of the country's Gross Domestic Product in 2017. Government Budget in Algeria averaged 2.22 percent of GDP from 1990 until 2017, reaching an all time high of 14.70 percent of GDP in 2006 and a record low of -15 percent of GDP in 2015.



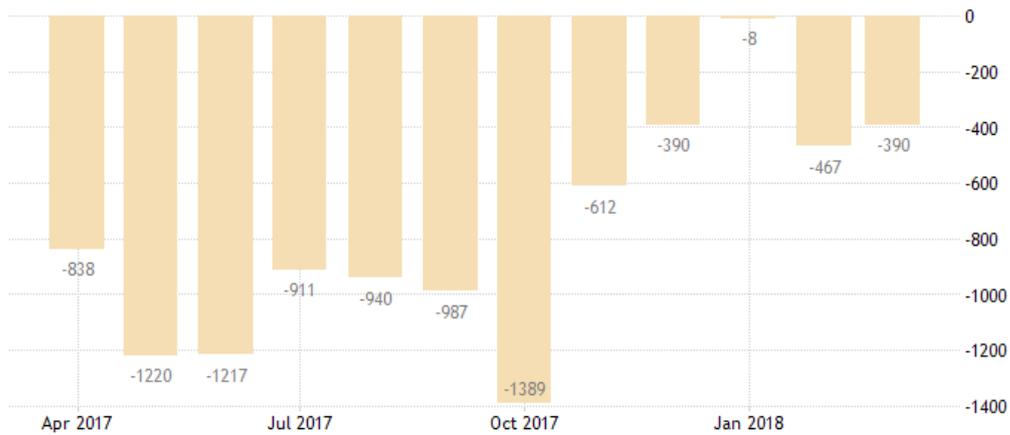
Foreign Trade Evaluation²

Trade	Last	Previous	Highest	Lowest	Unit
<u>BALANCE OF TRADE</u> (CFA Franc Billion)	-390.00	-467.00	34060.00	-2141.00	USD Million
<u>CURRENT ACCOUNT</u>	-3.05	-4.58	28.95	-8.33	USD Billion
<u>CURRENT ACCOUNT TO GDP</u>	-10.90	-16.50	24.70	-16.50	percent
<u>EXPORTS</u>	3301.00	3183.00	60300.00	1831.00	USD Million
<u>IMPORTS</u>	3691.00	3650.00	26250.00	2310.00	USD Million

Balance of Trade

Algeria recorded a trade deficit of 390 USD Million in March of 2018. Balance of Trade in Algeria averaged 1916.13 USD Million from 1992 until 2018, reaching an all time high of 34060 USD Million in June of 2006 and a record low of -2141 USD Million in December of 2014.

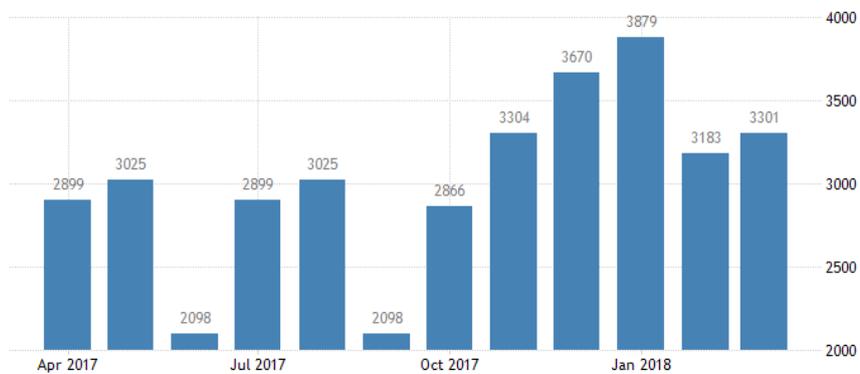
² . <https://tradingeconomics.com/algeria/indicators>



SOURCE: TRADINGECONOMICS.COM | BANK OF ALGERIA

Exports

Exports in Algeria increased to 3301 USD Million in March from 3183 USD Million in February of 2018. Exports in Algeria averaged 6808.17 USD Million from 1992 until 2018, reaching an all time high of 60300 USD Million in June of 2007 and a record low of 1831 USD Million in February of 2016.



SOURCE: TRADINGECONOMICS.COM | BANK OF ALGERIA

Algeria

BASIC INDICATORS

Population (thousands, 2011)	35 980	Rank in world trade, 2011	Exports	Imports
GDP (million current US\$, 2011)	188 681	Merchandise	49	54
GDP (million current PPP US\$, 2011)	313 552	excluding intra-EU trade	34	36
Current account balance (million US\$, 2010)	12 146	Commercial services	78	56
Trade per capita (US\$, 2009-2011)	3 193	excluding intra-EU trade	52	38
Trade to GDP ratio (2009-2011)	69.5			

	2011	Annual percentage change		
		2005-2011	2010	2011
Real GDP (2005=100)	117	3	3	3
Exports of goods and services (volume, 2005=100) a	96	-1
Imports of goods and services (volume, 2005=100) a	131	7

TRADE POLICY

WTO accession	Observer	Contribution to WTO budget	-
Trade Policy Review	-	Import duties collected (% of 2007-2009)	
GPA accession	-	In total tax revenue	3.7
Tariffs and duty free imports		to total imports	4.9
Tariff binding coverage (%)	-	Number of notifications to WTO and measures in force	
MFN tariffs	Final bound Applied 2010	Outstanding notifications in WTO Central Registry	-
Simple average of import duties		Goods RTAs - services EIAs notified to WTO	3-0
All goods	- 18.6	Anti-dumping	-
Agricultural goods (AOA)	- 23.3	Countervailing duties	-
Non-agricultural goods	- 17.8	Safeguards	-
Non ad-valorem duties (% total tariff lines)	- 0.0	Number of disputes (complainant - defendant)	
MFN duty free imports (% of 2010)		Requests for consultation	-
In agricultural goods (AOA)	0.0	Original panel / Appellate Body (AB) reports	-
In non-agricultural goods	1.0	Compliance panel / AB reports (Article 21.5 DSU)	-
Services sectors with GATS commitments	-	Arbitration awards (Article 22.6 DSU)	-

MERCHANDISE TRADE

	Value	Annual percentage change		
	2011	2005-2011	2010	2011
Merchandise exports, f.o.b. (million US\$)	73 489	8	26	29
Merchandise imports, c.i.f. (million US\$)	47 247	15	3	17
	2011			2011
Share in world total exports	0.40	Share in world total imports		0.28
Breakdown in economy's total exports		Breakdown in economy's total imports		
By main commodity group (ITS)		By main commodity group (ITS)		
Agricultural products	0.5	Agricultural products		24.1
Fuels and mining products	98.5	Fuels and mining products		3.8
Manufactures	0.9	Manufactures		70.4
By main destination		By main origin		
1. European Union (27)	50.8	1. European Union (27)		52.1
2. United States	20.6	2. China		10.0
3. Canada	6.1	3. United States		4.6
4. Brazil	4.4	4. Argentina		3.8
5. Turkey	3.4	5. Brazil		3.7

COMMERCIAL SERVICES TRADE

	Value	Annual percentage change		
	2011	2005-2011	2010	2011
Commercial services exports (million US\$)	3 732	7	26	6
Commercial services imports (million US\$)	11 050	16	3	-4
	2011 b			2011 b
Share in world total exports	0.09	Share in world total imports		0.28
Breakdown in economy's total exports		Breakdown in economy's total imports		
By principal services item		By principal services item		
Transportation	20.8	Transportation		26.5
Travel	6.2	Travel		5.0
Other commercial services	72.9	Other commercial services		68.5

INDUSTRIAL PROPERTY

Patent grants by patent office, 2007			Trademark registrations by office, 2010			
Residents	Non-residents	Total	Direct residents	Direct non-residents	Madrid	Total
...	...	214	1 882	3 681

Algeria - Foreign direct investment³

Foreign direct investment, net outflows (BoP, current US\$)

The latest value for Foreign direct investment, net outflows (BoP, current US\$) in Algeria was \$46,797,460 as of 2016. Over the past 46 years, the value for this indicator has fluctuated between \$533,917,700 in 2011 and (\$271,748,400) in 2013.

Foreign direct investment, net outflows (% of GDP)

Foreign direct investment, net outflows (% of GDP) in Algeria was 0.029 as of 2016. Its highest value over the past 46 years was 0.297 in 2004, while its lowest value was -0.130 in 2013.

Foreign direct investment, net (BoP, current US\$)

The latest value for Foreign direct investment, net (BoP, current US\$) in Algeria was (\$1,590,574,000) as of 2016. Over the past 39 years, the value for this indicator has fluctuated between \$498,934,400 in 2015 and (\$2,532,508,000) in 2009.

Foreign direct investment, net inflows (BoP, current US\$)

The latest value for Foreign direct investment, net inflows (BoP, current US\$) in Algeria was \$1,637,371,000 as of 2016. Over the past 46 years, the value for this indicator has fluctuated between \$2,746,931,000 in 2009 and (\$403,397,100) in 2015.

Foreign direct investment, net inflows (% of GDP)

Foreign direct investment, net inflows (% of GDP) in Algeria was 1.03 as of 2016. Its highest value over the past 46 years was 2.71 in 1974, while its lowest value was -0.24 in 2015.

³ . <https://www.indexmundi.com/facts/algeria/foreign-direct-investment>

Chamber of Commerce and Industry



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