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Report Highlights:

Algeria's 2019 economic development strategy promotes projects that require processing to support the processing industry. This strategy creates opportunities for U.S. exporters to expand investment in the Algerian food processing sector. U.S. industry can contribute by providing advanced agricultural technologies, agricultural inputs and ingredients needed to establish integrated production and processing models in Algeria.

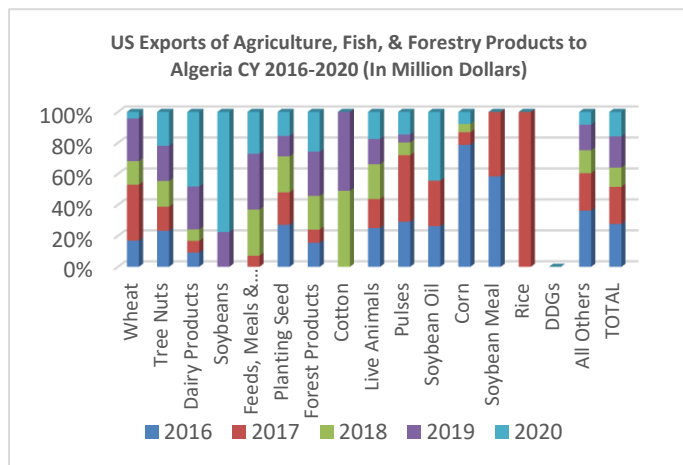
Executive Summary

Algeria's total land mass is 2,381,741 sq. km. The desert covers more than four-fifths of the country. Hydrocarbons have long been the backbone of the economy, accounting for roughly 30% of GDP, 60% of budget revenues, and 90.52% of export earnings (2020). The agriculture sector is one of the priority sectors for the government in its efforts to diversify the economy and attract foreign and domestic investment outside the energy sector. The agriculture sector contributes on average 12 percent of Algeria's GDP and employs 20 percent of the population in rural areas. Algeria has 8.5 million hectares of arable land. (Algeria's imports of agricultural commodities and food represented 23.52 percent (\$8.09 billion) of total imports (\$34.39 billion) in 2020.)

The government divested itself from agricultural production and processing allowing the private sector to take the lead. The private sector is comprised of wheat and feed millers, dairy processors, vegetable oil refiners, sugar refiners, beverage producers as well as canners, and a pastry industry. The distribution and HRI sectors are both growing however need further development.

Imports of Consumer-Oriented Products

Most of the U.S. agricultural exports to Algeria are bulk and intermediate commodities. In 2020, the main U.S. agricultural exports to Algeria were soybeans, tree nuts, dairy products, soybean oil, wheat, corn, feed & fodders, forest products, planting seeds, pulses as well as live animals (turkey day-old chicks and hatching eggs). Processed products and consumer-oriented products are minimal.



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

Food Processing Industry

The private sector is active in wheat and feed milling, dairy processing, vegetable oil refining, and sugar refining, beverage production as well as in the canning and in the biscuit industry.

Food Retail Industry

In 1996, when the public sector monopoly was liberalized, state-owned distribution channels were privatized, and grocery stores and small private supermarkets opened. Consumers can find bulk, packaged and high value products, both local and imported, in small supermarkets called "superettes". The supermarket industry is still in its infancy and needs further development.

Algeria Food Imports: \$8.07 Billion

Algeria Food Exports: \$323.96 million

Algeria Food Exports to the U.S.: \$14 million

List of Top 10 Growth Products in Host Country

- | | |
|-------------------|--------------------|
| 1) Soybeans | 6) Corn |
| 2) Tree nuts | 7) Feed & Fodders |
| 3) Dairy Products | 8) Forest Products |
| 4) Soybean oil | 9) Planting Seeds |
| 5) Wheat | 10) Live Animals |

GDP/Population

Population: 44.70 million
GDP: \$145.2 billion
GDP per Capita: \$3310

Top Retailers

Numidis/UNO
Ardis
Carrefour

Strengths	Weaknesses
<ul style="list-style-type: none"> -The reputation of U.S. agriculture and agri-business for quality and reliable supply - The innovation and technical leadership of U.S. agriculture and agri-business 	<ul style="list-style-type: none"> - Lack of U.S-Algerian trade agreement enjoyed by competitors, EU, and other regional competitors - Relative high cost of U.S. food and agricultural products
Opportunities	Threats
<ul style="list-style-type: none"> -Algeria is still largely unexplored and a developing market with many needs. - the government's will to diversify the economy outside of the energy sector -Algerian Farmers and processors are interested in partnerships with the U.S. - The domestic food industry demands consistent quality and regular supply for higher quality inputs -Desire to find alternative sources of supply. 	<ul style="list-style-type: none"> -Lack of awareness of the market. -Geographical disadvantage, due to Algeria's proximity to Europe. -No direct shipping lines with U.S., making transit through Europe necessary - Lack of agreement with the U.S. on certification and inspection procedures -Recent additional taxes restrict imports - The EU-Algerian Association Agreement provides preferential access for European exports to Algeria

Data & Information sources: Algerian Official Trade Data, U.S. Census Bureau, Foreign Trade Statistics, World Bank.

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SECTION I. MARKET OVERVIEW

Key Demographic Developments:

Algeria is in Northern Africa, bordering the Mediterranean Sea, between Morocco and Tunisia. Algeria's land mass is 2,381,741 sq. km. The desert covers more than four-fifths of the country. The agriculture sector contributes 12 percent to Algeria's GDP and employs at least 20 percent of the population. Algeria has 8.5 million hectares of arable land.

As of July 2021, the population of Algeria was estimated at 44.70 million. More than 70 percent of the population live in cities. The capital, Algiers has a population of 4 million, and is the nation's largest city. More than half of Algeria's working population is employed in the industrial and service sectors. Algeria's official language is Arabic. In February 2016, a constitutional resolution was passed making Berber an official language alongside Arabic. Amazigh (Berber language) and French are widely spoken.

Algeria is rich in natural resources. The oil and gas sector are the backbone of the Algerian economy, accounting for roughly 60 percent of budget revenues, 30 percent of GDP, and 90.52 percent of export earnings (2020 estimates). Hydrocarbon exports enabled Algeria to maintain macroeconomic stability, amass large foreign currency reserves, and maintain low external debt while global oil prices were high. However, following the decline in oil prices, Algeria pledged to continue its efforts to diversify the Algerian economy and attract foreign and domestic investment outside of the energy sector. Moreover, the economic development plan of the new government elected in December 2019 focuses on reviving and diversifying the Algerian economy toward sustainable growth. The plan also proposes improvements in the business climate, development of strategic sectors, and promotion of exports and while at the same time controlling imports. The agriculture sector remains one of the priority sectors for the government in its development strategy.

The Government of Algeria (GoA)'s five-year development plan encourages modern industrial agriculture using satellites, digitization, and other innovative tools, especially regarding renewable energies. Additionally, to increase agriculture development, the government still plans to intensify agricultural production, revitalize natural resources and to improve water resources use.

The new policy prioritizes investment in agricultural products ensuring food security in Algeria. The government encourages large-scale agricultural investments in the Highlands and the "Sahara" (South of Algeria). In addition, the development strategy promotes foreign direct investments and partnerships particularly in the field of cereals, oilseeds, and sugar production. The development strategy also encourages crushing and refinery projects that support processing to stimulate the processing industry. Such projects include supporting increased storage capacity, increased cold chain infrastructures and packaging projects.

U.S. industry can contribute to this development by providing advanced agricultural technologies, livestock, seeds, and ingredients needed to establish and operate integrated production and processing models in Algeria. U.S. investors are encouraged to partner or invest. The government has revised the scope of the partnership 49/51 rule implemented in 2009. The government revised this rule to improve the business climate and encourage foreign investments. Activities producing goods and services are

opened to foreign investment without obligation of association with a local party. All the related information can be found in the Supplemental Finance Act for FY2020, under Law No 20-07 of June 4, 2020, published in the [Journal Officiel No 33 of June 4, 2020](#). However, this provision does not apply to product purchase/resale activities or strategic sectors.

Meanwhile, to control spending to offset the drop-in energy earnings, the GoA pursues the strategy to control imports and protect domestic production. The [temporary additional safeguard duty \(Droit Additionnel Provisoire de Sauvegarde, \(DAPs\)\)](#), implemented in January 2019 and revised in April 2019 remains. The 2020 list remains the same. This list has not been extended as originally announced by the Algerian Ministry of Commerce in the news in September 2020.

For background, the list of goods subject to the temporary additional safeguard duty and the corresponding rates were published in the [Journal Officiel No 06 of January 27, 2019](#) as part of the Ordinance of January 26, 2019. The list included 1,095 items, of which food items represented 60% of the list. Most of the food items on the list were processed and high value products. On April 21, 2019, the Ministry of Commerce issued a new [Ordinance of April 8, 2019, published in the Journal Officiel No.26](#) to exempt some food items from the DAPs including tree nuts, peanuts, dried raisins, dried fruits, butter, and fresh or chilled beef. The revision removes the 30 percent additional duty on tree nuts, 70 percent additional duty on peanuts, butter and dried fruits, and the 50 percent additional duty on beef. All of these rates were in addition to an existing 30 percent customs duty and a 19 percent value added tax (VAT).

The detailed list in English can be found in FAS reports at:

<https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Trade%20Policy%20Update%20Algeria%202-12-2019.pdf>. The original full revised list in French with the current DAPs rate can be found at: <https://www.joradp.dz/FTP/jo-francais/2019/F2019026.pdf>.

U.S. Supplier Strength and Market opportunities:

Potential exists for U.S. exporters to obtain a share of the Algerian market and participate in its further development.

Advantages	Challenges
Algeria is still largely unexplored and a developing market.	Many U.S. exporters are not familiar with the Algerian market and its regulations.
The Government wants to intensify dairy and cereal production. There is a strong desire to build modern production facilities. The Government encourages crushing and refinery projects that generate processing to support the processing industry.	The U.S. is at a geographical disadvantage, due to Algeria’s proximity to Europe. Additionally, there are no direct shipping lines from the U.S., making transit through Europe necessary.
Algerian farmers are interested in U.S. genetics and live cattle. Recent market access for bovine embryos and chicken one-day chicks and hatching eggs.	The U.S. and the Algerian regulatory agencies are discussing the remaining health protocols for agreement on veterinary health certificates for beef cattle, bovine semen, and dairy cattle. Both regulatory agencies reached agreement for U.S. bovine embryos

	and hatching eggs and day-old chicks for chicken.
The reputation of U.S. agriculture and agri-business for quality and reliable supply.	Relatively high cost of U.S. food and agricultural products compared to imports from other countries. The EU-Algerian Association Agreement provides preferential access.
Infrastructure, investment, and agriculture modernization and digitization, as well as distribution channels and retail stores are creating opportunities in the agricultural and food processing sectors.	The food marketing and retail sector have historical EU/French influence. Traditional distribution networks are still predominant. High value and processed products are subject to high customs duties.
Local industries and processing sector expanding rapidly and rely on imported raw material. (i.e., beverage, canning and biscuit industries).	The 2019 Government’s Economic Development Strategy aims to reduce imports to curb the impact of declining oil prices. The government is implementing import measures to control imports.

SECTION II. EXPORTER BUSINESS TIPS

- Algeria has one of North Africa’s highest per-capita expenditures on food thanks to relatively high disposable incomes and consumers’ strong preference for convenient, quality, and premium food and beverages.
- Algerian households devote 42 percent of their annual expenditure to food needs.
- Consumer tastes and preferences are changing, especially in the cities where young homemakers tend to be more active, and the number of working women has increased. As a result, consumers are turning to ready-to-eat or semi-processed products.
- French is the predominant business language.
- Most importers are in large cities and import through the ports of Algiers, Oran, Bejaia, Mostaganem and Jijel. They import both bulk and packaged products. The products are distributed to wholesalers and then sold in small stores, supermarkets, and wet markets.
- Algeria uses the metric system.

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS and IMPORT PROCEDURES

Import food standards and regulations as well as import procedures can be found in the FAS Food and Agricultural Import Regulation and Standards Reports.

[Fairs Annual Country Report](#)

[Fairs Export Certificate Report](#)

SECTION IV. MARKET STRUCTURE AND TRENDS

In the 1990’s, the GoA divested itself from agricultural production and processing allowing the private sector to take the lead. The private sector is active in wheat and feed milling, dairy processing, vegetable oil refining, and sugar refining, beverage production as well as canning and in the biscuit industry. The private sector is also trying to expand distribution channels as well as the food retail sector and the Hotel Restaurant Institutional (HRI) sector.

Although the local food manufacturing industry is improving, the sector is fundamentally dependent on imports of ingredients and raw materials. In addition, population increase, growing demand for convenient processed foods, as well as improved production capacities favor the expansion of the food processing industry. These conditions support demand for ingredients and create opportunities for increased U.S. exports into Algeria.

Milling and Dairy industries: Wheat is the major staple food followed by dairy. Several mills and dairy plants are operating in different regions of the country with varying capacities. These enterprises are increasingly interested in U.S. products and expertise.

Beverage, Canning, Snack and Biscuit industries: The local food processing industry is improving and upgrading. They are aware of the need for consistent quality and regular supply of higher quality inputs. This is an opportunity for U.S. expertise and food ingredients exports.

Food Retail and Distribution: The supermarket industry is still in its infancy and needs further development. Only three private supermarket chains have opened hypermarkets and supermarkets in the capital and some have other branches in main cities of the country. Small private supermarkets called “superettes” opened after state-owned distribution channels were privatized in 1996.

HRI sector: This sector is growing however still needs further expansion. The opening of five-star international hotel chains as well as local three-star hotel chains increases demand for inputs and ingredients. Domestic fast food and new restaurants chains are growing as well.

Best Consumer-Oriented Product Prospects: Most of the U.S. agricultural exports to Algeria are bulk and intermediate commodities. In 2020, the main U.S. agricultural exports to Algeria were soybeans, tree nuts, dairy products, soybean oil, wheat, corn, feed & fodders, forest products, planting seeds, pulses as well as live animals (turkey day-old chicks and hatching eggs). Wheat, barley and corn, soybeans, and soybean meal (the feed grains), pulses and planting seeds remain unaffected by the DAPs. Tree nuts were affected when the DAPs was implemented. Since April 2019, the DAPs on tree nuts was removed.

Wheat: Algeria is one of the world’s largest importers of wheat. In CY2020, cereals represented 34.76 percent of Algeria’s total food import bill (\$8.09 billion) and the top food import. U.S. wheat imports to Algeria consist mostly of durum. For more information, please review the [FAS Grain and Feed Annual report](#).

Corn: Demand from the dairy, poultry, and beef sectors as well as increased modernization efforts in the sector have driven the increase in corn imports over the last five years. However, U.S. origin corn competes with cheaper Argentinean corn. Corn is no longer subject to import licensing and is not subject to the DAPs. For more information, please review the [FAS Grain and Feed Annual report](#).

Soybean Meal: Demand for soybean meal comes mostly from poultry feed manufacturers. Demand is expected to decrease as there are currently two crushing plants that are operational, and two that will soon be operational. The United States competes with Argentina who is the major soybean meal

supplier. Soybean meal is no longer subject to an import license, nor subject to the DAPs, but it is not exempt from VAT. For more information, please review the [FAS Grain and Feed Annual report](#).

DDGS (Distillers Dried Grains with Solubles): Given the increasing demand for protein meal, DDGS represent an opportunity for U.S. suppliers. Import licenses are no longer needed for feed grains. Barley, corn, DDGs and other feed grains are exempt from VAT and are not affected by the DAPs; therefore, opportunities exist for these commodities. For more information, please review the [FAS Grain and Feed Annual report](#).

Pulses: Algeria imports pulses mainly from Canada, Mexico, Argentina, and India. The pulses consist mainly of beans, lentils, chickpeas, and beans for seeding. This sector represents another opportunity for U.S. suppliers. Pulses are not subject to DAPs. For more information, please review [FAS Grain and Feed Annual report](#).

Vegetable Oil and Other Oilseeds Products: Algerian oilseed cultivation is not well developed. Aside from olive oil production, which remains traditional, Algeria recently started crushing oilseeds. Additionally, private companies are investing in crushing projects that will be operational soon. Most of the vegetable oil for retail sale is produced domestically from imported crude oil, which is refined locally.

Dairy Products (Non-fat Dry Milk, Whole Milk Powder): Algeria is one of the largest importers of milk powder in the world. In CY2020, Algeria's total dairy product imports hit \$1.54 billion (19.14 percent) of the total food imports (\$8.09 billion). For more information, please review the latest [FAS dairy report](#).

Seafood Product exports to Algeria: Algeria is looking for partners to improve its seafood and fishing sector. The Ministry of Fisheries promotes aquaculture as a component of the agriculture sector with a good return on investment. For more information, visit the Ministry of Fishing and Fishery production website: <https://mpeche.gov.dz/>

Turkey Poults: U.S. exports of day-old turkey poults are trending upward since the opening of the market in 2007. Currently, U.S. origin day-old turkey chicks represent 88 percent of the market.

Dairy Cattle and Genetics: The Algerian veterinary officials have reached agreement on the certificates to export U.S. bovine embryos, hatching eggs and day-old chicks for chicken to Algeria. For more information, please review the latest [FAS dairy report](#).

Tree nuts and processed fruits; (Dried fruits, fruits, and derivatives): Demand for fruits and dried fruits remains high. Since April 2019, the DAPs on tree nuts and dried fruits was removed. The United States remains the leading exporter of tree nuts to Algeria. (See U.S. Exports Table below). For more information, please review the [FAS Tree Nuts Report](#).

Planting Seeds: The United States exported an average of \$5 million planting seeds to Algeria during the past five years.

Best prospects for domestic investment

- Dairy and livestock industry/ integrated farms
- Aquaculture projects
- Crushing plants and feed manufactures/ Food processing, packaging, and equipment
- Distribution/ Retail stores/ Cold chain Projects
- Meat industry and derivatives (slaughterhouses and processing)

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Agricultural and Food Import Statistics: Algerian imports of agricultural commodities and food represented about 23.52 percent (\$8.09 billion) of total imports (\$34.39 billion) in 2020. Wheat and dairy are the top food imports. Algeria is one of the world’s largest importers of wheat and dairy products (see Section IV).

Best high-value, Consumer-oriented Products Prospects Categories: As previously mentioned, most U.S. agricultural exports to Algeria are bulk and intermediate commodities. Although processed and consumer-oriented products are increasing, the temporary additional safeguard duty on high-value and some consumer-oriented products might limit imports of processed products. (See Section I & IV). The United States exported about \$158.3 million (source: U.S. Census Bureau, Foreign Trade Statistics) in food and agricultural products to Algeria in 2020.

U.S. Exports of Agriculture, Fish, & Forestry Products to Algeria (in Million Dollars)

U.S. EXPORTS	Calendar Years (Jan-Dec)				
	2016	2017	2018	2019	2020
Wheat	74.0	158.5	66.4	121.0	18.4
Tree Nuts	34.0	22.8	24.3	33.3	32.0
Dairy Products	5.0	4.1	4.0	15.0	26.1
Soybeans	0.0	0.0	0.0	10.6	36.5
Other Feeds, Meals & Fodders	0.0	0.8	3.3	4.0	3.0
Planting Seed	7.0	5.4	6.0	3.4	4.0
Forest Products	2.0	1.1	2.8	3.7	3.3
Cotton	0.0	0.0	2.6	2.7	0.0
Live Animals	2.0	1.5	1.8	1.3	1.4
Pulses	5.0	7.4	1.4	0.9	2.5
Soybean Oil	10.0	11.2	0.0	0.0	16.9
Corn	118	12.3	7.9	0.0	11.7
Soybean Meal	8.0	5.7	0.0	0.0	0.0
Rice	0.0	1.7	0.0	0.0	0.0
DDGs	0.0	0.0	0.0	0.0	0.0
All Others	11	7.3	4.5	5	2.5
TOTAL	276.0	239.8	124.6	200.9	158.3

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

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

The Office of Agricultural Affairs (OAA) at the American Embassy Algiers provides trade servicing and information about the Algerian market. The OAA provides market briefs, market tours, importer lists, and schedules Business to Business meetings.

- Workweek: Sunday - Thursday-8:00-5:00.
- Typical, Algerian workday -8:30-12:00 and 1:00 pm-4:30 pm.
- Algeria is Greenwich Mean Time + 1.

CONTACTS

U.S. Embassy / USDA- Foreign Agricultural Service:

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Phone: (213-770) 08-2000

Fax: (213-23) 47-17-81

Website: <http://algiers.usembassy.gov/>

Business: <http://algiers.usembassy.gov/business.html>

Ministry of Agriculture

Address: 12 Avenue Colonel Amirouche, Algiers

Phone: (213-23)-50-32-38

Fax: (213-23)-50-31-17

Website: <http://madrp.gov.dz/>

Ministry of Commerce

Address : Cité Zerhouni Mokhtar El Mohammadia (Ex : Les Bananiers)

Phone : (213-21) -89-00-74/75...85

Fax : (213-21) -89-00-34

E-mail: info@mincommerce.gov.dz

Website: www.mincommerce.gov.dz

Algerian Customs

Address: 19 rue du Docteur Saadane, Alger

Phone: (213-21)-72-59-59

Fax: (213-21)-72-59-75

Website: <http://www.douane.gov.dz/>

Other Websites Resources

U.S. Commercial Service in Algeria: <http://export.gov/algeria>

American Chamber of Commerce: <http://www.amcham-algeria.org>

U.S. Algeria Business Council: <http://www.us-algeria.org>

Algerian Chamber of Commerce and Industry: <http://www.caci.com.dz>

World Trade Center Algeria: <http://www.wtcalgeria.com>

HOTELS: In addition to the Algerian hotel chains (state-owned such as El-Djazair and EL-Aurassi) and the private ones available in major cities, many big names in the international hotel industry are present in Algeria for professional and tourist stays. These chains include Sheraton, Four Point Sheraton, Marriott, Holiday Inn, and Best Western which are present in Algiers, Oran, Constantine and Setif. The Sofitel, Mercure, IBIS and Novotel hotels are also present in the same cities.

FOOD & AGRICULTURAL FAIRS:

The following shows' current dates have been altered because of the pandemic.

DJAZAGRO: This trade show is normally held every April in Algiers, Algeria. This show is considered the best prospect for reaching professionals in agribusiness, food processing and equipment.

SIPSA Show: An international show held in October in Algiers, Algeria focusing on animal health, fruits, and vegetables as well as agricultural equipment. This show features farmers, breeders, food processors, producers, and importers.

SIAG FOOD Show: This international food show is held every March in Oran (the second largest city in Algeria). This show focuses on food and beverages as well as high-value and processed products.

ALGIERS INTERNATIONAL TRADE FAIR: Held each year in June, gathers more than 400,000 visitors and 271 foreign companies participating in all sectors. For the 2022 edition, the U.S. will be featured as the country of honor.

ALGERIAN HOLIDAYS

Religious holidays in Algeria follow the lunar calendar and are observed on different days each year.

Below are the Algerian main holidays for the 2022 calendar year.

January 1, 2022	New Year's Day
January 12, 2022	Berber New Year Day
May 1, 2022	Algerian Labor Day
May 3-4, 2022	*Aid El Fitr (End of the Holy Month of Ramadan)
July 5, 2022	Algerian Independence Day
July 10-11, 2022	*Aid El Adha (Muslim's Feast of Sacrifice)
July 30, 2022	*Awal Muharam-Islamic New Year
August 9, 2022	*Ashura (Religious Holiday)
October 8, 2022	*Aid El Mawlid (Prophet's birthday)
November 01, 2022	Algerian Revolutionary Day

** Algerian Religious Holidays are subject to lunar sighting and officially confirmed by the Algerian Government's Ministry of Religious Affairs.*

Attachments:

No Attachments