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## **Report Name:** Grain and Feed Update

**Country:** Algeria

**Post:** Algiers

**Report Category:** Grain and Feed

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### **Report Highlights:**

Post maintains Algeria's wheat and barley harvested areas unchanged in marketing year (MY) 2024/25. Sensory data shows normal vegetation in the central and eastern regions and below normal crop conditions in the western for the MY2024/25 crop. Considering climate conditions, Post maintains wheat production forecast and cut its barley production forecast. Post forecasts wheat imports at 8 MMT for MY 2024/25, after bumper imports of 8.6 MMT in MY 2023/24.

## Planted Area and Production

Post anticipates that Algeria's wheat and barley harvested areas will remain unchanged in marketing year (MY) 2024/25 from the previous season. Currently Post estimates Algeria's 2023/24 wheat area at just over 2 million hectares (ha) for the entire country. The majority of the wheat is planted in the coastal Mediterranean zones and the high plateaus. In this area of the country, crop land is mostly rain irrigated, resulting in modest yields. Farmers do not seek to expand their holdings, but rather focus on inputs – seeds and fertilizer – to increase production volumes.

Post estimates that less than 10 percent of Algeria's wheat production originates from the south. However, cereal production in the desert biome is growing and the government would like to see one million hectares of cereals planted in the south by 2030. If government projections materialize, that would bring the planted area in the south of the country to around one third of the total. The government has put several mechanisms to attract investors to develop agriculture in the Sahara and several large foreign investments are being established in the south particularly in cereal production. The Algerian official outlet APS, reported on June 23, 2024 that cultivated crop areas in the south reached 500,000 ha among of which 153,000 ha are foreign investments. APS did not provide breakdown for wheat area planted in the South.

Post maintains its wheat production forecast at 3 million metric tons (MT) and cut its barley production forecast to 1.2 million MT for MY 2024/25. In the hot and dry areas of southern Algeria, harvest usually runs from the end of April through early May and, for this year, is nearly complete. Outlets indicate that the harvest in the south is forecasted to be good. These crop areas are irrigated and therefore exceed the northern areas with better yields ranging usually from 45 to 80 quintals per hectare (ha) – equivalent to 4.5-8 MT/ha. Several outlets reported grain forecasts will reach 222,000 MT from three provinces in the south or about seven percent of Algeria's total production; El Menea forecasts more than 85,000 MT, El-Oued, 37,000 MT, and more than 100,000 MT in Adrar in the southwest of the country.

In the northern areas, the harvest runs from May through July and August. Post's production and yield forecast takes into account weather reports and satellite data which point to continued drought plaguing western parts of the country – accounting for almost a third (31 percent) of Algeria's wheat plantings. The poor yields in the west will be couched to an extent by average yields in the central and eastern regions – accounting for 26 and 35 percent of the total area planted respectively.

Post's barley production and yield forecast was lowered due to the fact that barley was more impacted by the climatic conditions since 40 percent of it is grown in the western region affected by the drought. The wilayas in the east grow 31 percent of Algeria's barley, while the central areas and the desert product 14 and 12 percent respectively.

The Ministry of Agriculture has not released any historical production data; as such, Post maintains its wheat and barley production estimates unchanged for MY 2023/24 and MY 2022/23.

In their GIEWS Country brief of April 25, 2024, the Food and Agriculture Organization (FAO) forecasted a below-average harvest for Algeria's 2024 grain harvest (equivalent of USDA's MY 2024/25) due to dry weather conditions. In March, the Council for Cereals (CNIFC) forecasted a good crop for all grains this year (4 million metric tons) (MMT) in 31 provinces as the eastern and central

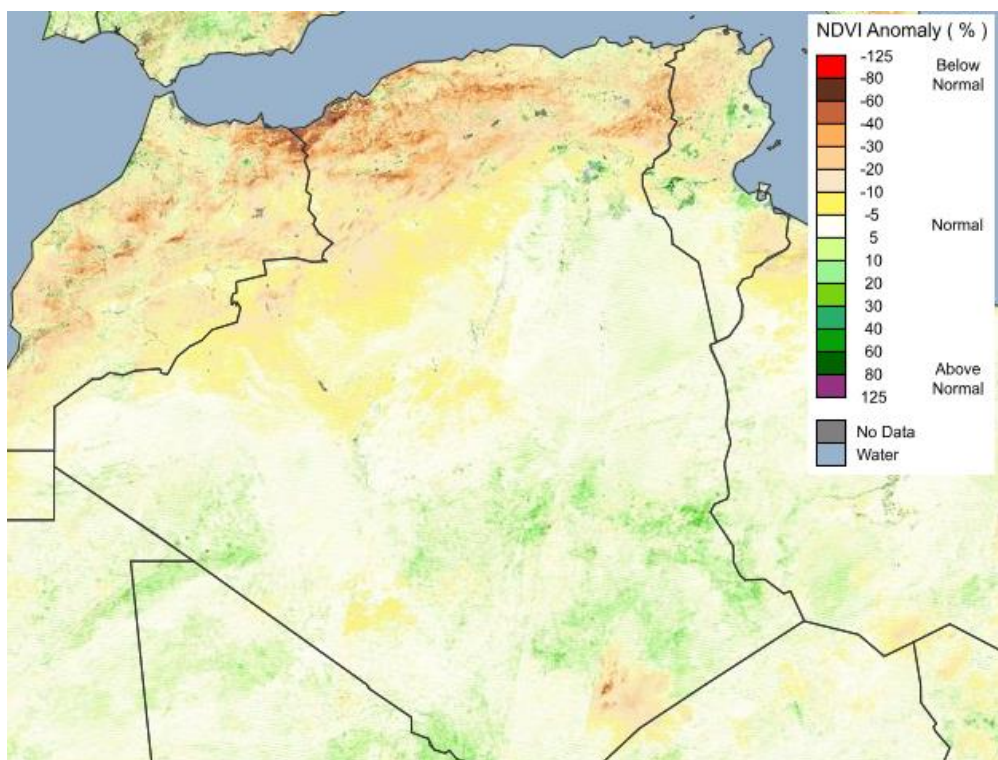
areas received abundant precipitation during the winter which relieved the crop development. CNIFC does not provide the breakdown between wheat, barley and other minor grain crops; however, CNIFC number is roughly in line with Post Algiers' MY 2024/25 combined cereal harvest forecast (3 MMT of wheat and 1.2 MMT of barley.)

On June 23, 2024, during the Ministers Council, the Minister of Agriculture Youcef Chorfa indicated that this year the abundant production of durum wheat saved Algeria \$1.2 billion in wheat imports. Minister Chorfa also indicated that the domestic production meets 80 percent of the need in durum wheat, which augurs a good grain crop even if the harvest campaign is not over yet in the northern areas. The Ministry of Agriculture did not provide further estimates for Algeria's MY 2024/25 cereal harvest.

### Crop Update

Given that Algeria's cereal production is largely rainfed, the Normalized Difference Vegetation Index (NDVI) and weather and soil satellite data are instructive for forecasting yields. The NDVI is a measure of the amount and vigor of vegetation on the land surface and NDVI spatial composite images are developed to more easily distinguish green vegetation from bare soils. The NDVI chart below shows dry pockets mostly in western coast and highlands and some in the extreme eastern highland. NDVI indicates normal crop conditions in central coast and east regions.

**Figure 1: Algeria Normalized Difference Vegetation Index (NDVI) by region.**

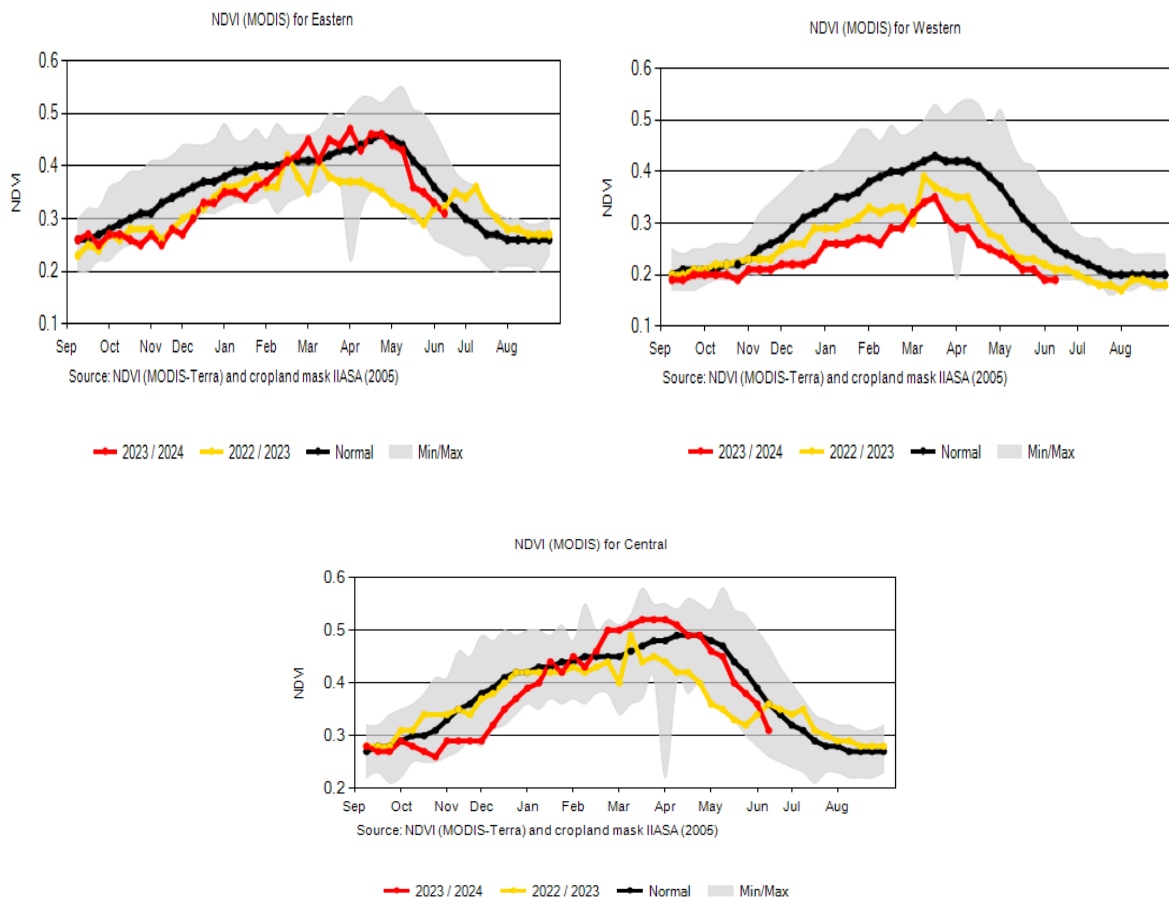


Source: [GIMMS | Global Agricultural Monitoring System \(nasa.gov\)](https://gimms.gsfc.nasa.gov/) from June 11, 2024

The charts below depict historical satellite-derived NDVI data by region, as of May 30, 2023. The NDVI indicates above-average crop conditions from February through April in the eastern and central areas, in correlation with the precipitation, much higher than the previous year in the same time period and higher than the normal standard for the regions. However, the vegetation conditions remain within the Min/MAX range (minima/maxima monthly standards for the region).

As shown in the GIMMS Nasa Satellite chart above, the western region has been highly affected by drought. NDVI chart below indicates below average crop conditions and at the limit of the Min/MAX range standards for the region.

**Chart 1: Algeria Crop Explorer Normalized Difference Vegetation Index (NDVI) by region.**



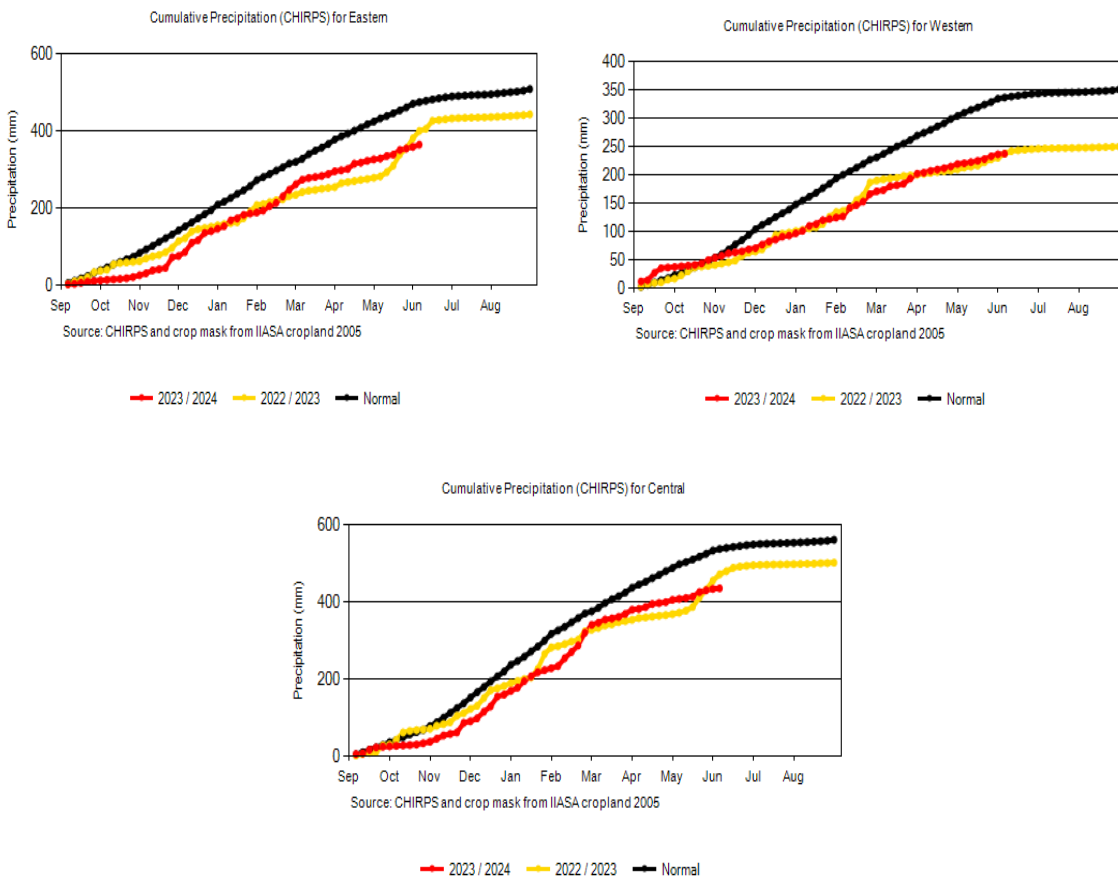
Source: Crop Explorer (<https://ipad.fas.usda.gov/cropexplorer/>) sourced on June 08, 2024.

\*Note that the 2023/24 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2023/2024 redline reflects crop conditions for the 2024/25 MY crop.

## MY 2024/25's Weather and Soil Moisture

The USDA Crop Explorer Cumulative Precipitation charts show overall below normal precipitation occurred in the key three grain areas of Algeria. The charts show eastern and central areas received more rain from March through June compared to last year. Meanwhile, Western areas received less rain compared to the other regions but received the same (very low) level as last year. Weather reports have corroborated the satellite imagery with extreme drought conditions being reported in Algeria's western wilayas.

**Chart 2: USDA Crop Explorer Cumulative Precipitation Chart by Region**



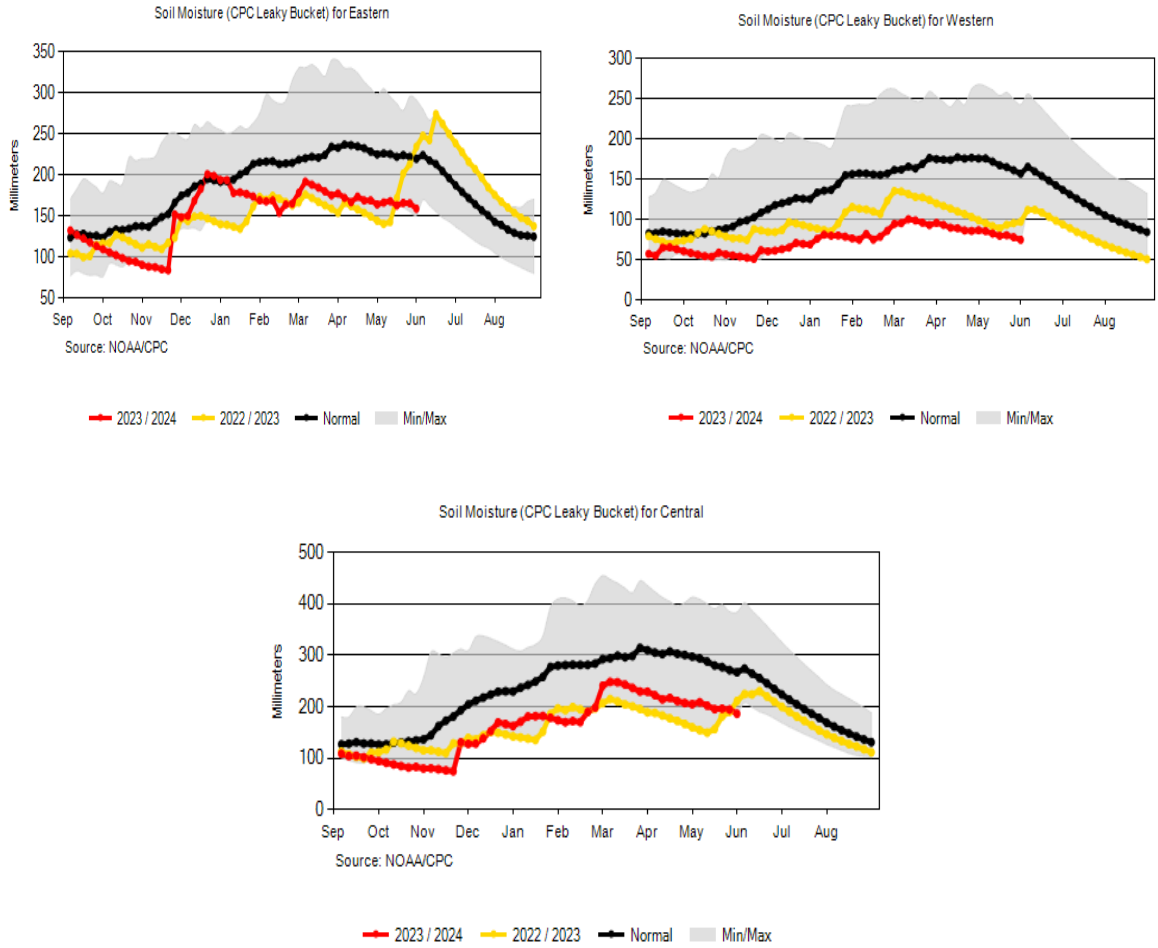
Source: Crop Explorer (<https://ipad.fas.usda.gov/cropexplorer/>) sourced on June 05, 2024.

\*Note that the 2023/24 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2023/2024 redline reflects crop conditions for the 2024/25 MY crop.

The fall in precipitation level during the 2023-2024 harvest season (MY 2024/25) is reflected in the soil moisture charts below. Overall, soil moisture levels are below normal in the three grain areas. Soil moisture levels were below last year's and at the limit of Min/Max level standards for all the three areas during the planting season which delayed the plantings. However, the return of the precipitation in mid-

winter relieved slightly the soil moisture in the eastern and central areas. Both eastern and central regions show better soil moisture prevailing from February to June compared to last year's crop. In the western region, the lack of precipitation from November through May saw soil moisture decrease sharply below normal levels and dipping below almost the Min/Max level.

**Chart 3: Algeria USDA Crop Explorer Soil Moisture Chart by Region**



Source: Crop Explorer (<https://ipad.fas.usda.gov/cropexplorer/>) sourced on May 31, 2024.

\*Note that the 2023/24 red line refers to the crop planting, growing period, and harvest dates, and not the USDA marketing year. As such, the 2023/2024 redline reflects crop conditions for the 2024/25 MY crop.

## Consumption Update

Post revised up its wheat consumption forecast and lowered its barley consumption forecast for MY 2024/25. Algeria is one of the leading consumers of wheat per capita thanks to generous subsidies all along the value chain for bread. Couscous is a traditional staple of the Algerian diet, while pasta and cookies are very popular as well. Post expects that in an average year, barring economic upheaval or major trade disruptions, Algeria's wheat consumption is roughly equivalent to population growth – coming in at just shy of 1.5 percent.

Algeria's barley demand is primarily driven by animal feed for sheep, cattle, and camels, with small amounts for green fodder. Minor amounts are also used in human food preparations, like couscous and bread, as well as breweries who generally import barley from Europe. Importantly, barley consumption is also tied to poor weather-related pasture conditions. Given the crop outlook in the western region, and as 40 percent of the barley is grown in in this area affected by drought, Post lowered barley FSI consumption forecast for MY 2024/25 expecting that more barley will be utilized for animal feed.

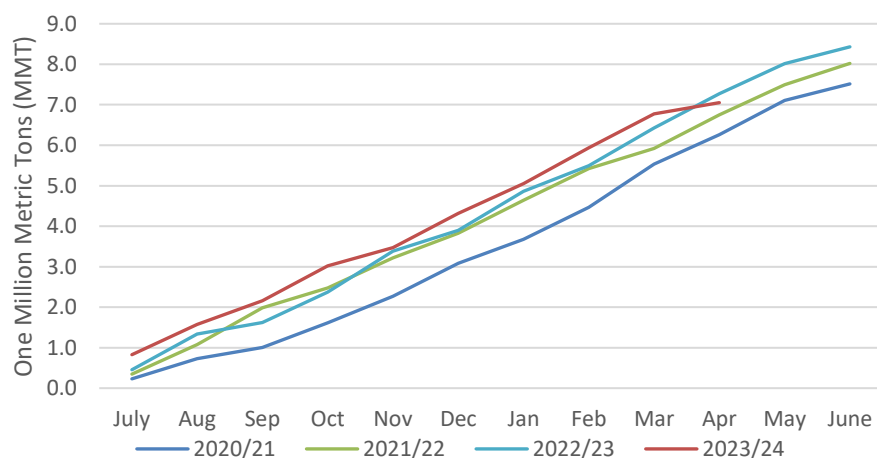
## Trade Update

Post maintains Algeria's wheat import forecast at 8 MMT for MY 2024/25. Post anticipates that import levels will decrease on the current record-breaking season based on projected better harvest. As noted in the production section, crop conditions overall are so far improved in the east and central parts of the country, and worse in the western areas. Imports are generally a function of shortfall in production.

Post revised up MY 2022/23 wheat imports to 8.4 MMT of wheat, based on additional data from Russia and Mexico. Post's 8.6 MMT import estimate for MY 2023/24 is based on the existing shortfall in production and stable consumer demand as well as on trade reports of strong pace of imports by the government-run procurement agency, the Algerian Office of Cereals (OAIC) in the first 10 months of the season (July 2023 through April 2024). Note that Algeria does not release the results of its tenders; Algerian customs also does not release trade statistics.

Trade Data Monitoring (TDM) data is based on customs information from markets exporting to Algeria. Reports are based on trade estimates. Post believes that as a result there may be a lag in data reporting from countries shipping wheat to Algeria. Based on private industry reports as well as news reports regarding the OAIC tenders, Post believes that TDM data does not currently reflect Algeria's wheat imports from Russia and Mexico. Post estimates that Russian wheat exports to Algeria exceed 2 MMT in MY 2023/24 and in MY 2024/45. Post believes that Mexico's wheat exports to Algeria are somewhere on the order of 300,000 to 500,000 MT for each MY respectively. Taking into account the likely missing wheat exports from Russia and Mexico, Algeria's MY 2023/24 imports are outpacing the previous three marketing years.

**Chart 4: Algeria Monthly Trailing Wheat Imports**



*Source: TDM LLC data for all countries but Russia and Mexico; Data for Mexico estimated from private trade reports; data for Russia is from Refinitiv Reuters. Post Algiers chart.*

The OAIC is the sole importer of wheat into Algeria. Trade reports indicate that this MY the OAIC issued tenders mostly for optional milling wheat (bread wheat). On June 5, traders indicated that OAIC purchased approximately between 810,000 and 840,000 MT of bread wheat. Traders, quoted by Marine Link and Reuters, reported that most of the wheat is optional origin, likely coming from the Black Sea area (Ukraine, Romania, Bulgaria and may be Russia). Some volume was also anticipated to be sourced from France.

As outlined in previous GAIN reports, Russia has been aggressively expanding its grain presence in the Algerian market. Algerian press has reported several times that the OAIC seems to be satisfied with wheat from Russia, publicly confirming that the protein levels of Russian wheat deliveries were satisfactory and that the specific weights have been higher on average than those coming from the EU. Reuters Refinitiv trade data for July 2023- June 2024 indicate Russian shipments to Algeria hit almost 2.4 MMT. Post believes that those figures are likely accurate. Note that breakdown of durum and bread wheat exports from Russia is not available. However, traditionally, Russia has mostly exported bread wheat to Algeria.

TDM data shows that in the current MY Algeria's wheat imports from Europe and Canada are down by a third compared to the same timeframe in the last MY. While the EU countries remain the top origin of wheat exports to Algeria their market share is gradually declining because of competition from Russian wheat. Aside from Russian shipments, the decrease in supplies from traditional partners has been couched to an extent with strong shipments from Australia, the United States and Turkey. Shipments from Ukraine increased in MY 2023/24 despite ongoing conflict in the Black Sea region. The U.S wheat exports for the MY 2023/24, have increased representing all durum wheat. According to USDA Export Sales Reporting, poor durum harvests in Canada and the EU most likely led to the bumper U.S. durum exports so far that season.



**Table 1: Algeria Total Wheat Imports in July-May 2022/23 and 2023/24**

<b>Reporter</b>	<b>MY2022/23</b>	<b>MY2023/24</b>	<b>Variation</b>
EU 27 External Trade	4,171,494	2,889,085	-31%
Canada	1,030,072	734,970	-29%
United States	193,251	309,233	60%
Turkey	16,027	290,200	1710%
Ukraine	181,189	270,482	49%
Australia	30,348	166,086	447%
United Kingdom	58,855	-	-100%
Brazil	31,500	-	-100%
Others	5	1	-80%
<i>Russia</i>	-	-	0%
<i>Mexico</i>	-	-	0%
<b>TOTAL</b>	<b>5,712,741</b>	<b>4,660,057</b>	<b>-18%</b>

Source: TDM LLC data

## Barley

Post revised up barley import forecast to 600,000 MT for MY 2024/25 based on the current drought plaguing Algeria’s western region. The harvest that is being collected this summer will determine the imports in the following MY (July 2024-June 2025). As mentioned in the Production section of this report, given that 40 percent of barley is grown in the western region, Post anticipates a shortfall in production. In addition, barley imports are also tied demand for animal feed. During drought years, pasture conditions are also adversely affected leading to greater feed demand.

Based on the reported trade data, Post revised up barley import figures for MY2023/24 to 500,000 MT and maintained MY 2022/23’s estimate. TDM figures show that for the first 11 months of the 2023/24 MY Algeria has imported just over 400,000 MT of barley. Post believes that there may also be a lag in data reporting from countries shipping barley to Algeria. In addition, some data may be missing from Russian exports of barley to Algeria as well. We note that EU origin barley imports remain dominant compared to other origins.

**Table 2: Algeria Barley Imports by Origin (In MT & MY)**

<b>Reporter</b>	<b>MY2020/21</b>	<b>MY2021/22</b>	<b>MY2022/23</b>	<b>MY2023/24 (11Months)</b>
Russia	47,300	-	-	-
EU 27 External Trade (Brexit)	561,156	600,566	90,005	372,820
Turkey	-	444	2,983	2,832
United Kingdom HMRC	147,066	-	-	-
Ukraine	78,903	83,081	-	38,802
Argentina	-	88,340	-	-
<b>TOTAL</b>	<b>834,425</b>	<b>772,431</b>	<b>92,988</b>	<b>414,454</b>

Source: Trade Data Monitor, LLC

**Table 3: Wheat, Production, Supply and Distribution (Source: PSD Post)**

Wheat	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jul 2022		Jul 2023		Jul 2024	
Algeria	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1800	2075	1800	2075	1800	2075
Beginning Stocks (1000 MT)	4351	4351	5181	5201	5326	5296
Production (1000 MT)	3600	3600	2700	2700	3000	3000
MY Imports (1000 MT)	8700	8400	9000	8600	8500	8000
TY Imports (1000 MT)	8700	8400	9000	8600	8500	8000
TY Imp. from U.S. (1000 MT)	193	193	0	0	0	0
Total Supply (1000 MT)	16651	16351	16881	16501	16826	16296
MY Exports (1000 MT)	0	0	5	5	5	0
TY Exports (1000 MT)	0	0	5	5	5	0
Feed and Residual (1000 MT)	70	50	50	50	50	50
FSI Consumption (1000 MT)	11400	11100	11500	11150	11600	11300
Total Consumption (1000 MT)	11470	11150	11550	11200	11650	11350
Ending Stocks (1000 MT)	5181	5201	5326	5296	5171	4946
Total Distribution (1000 MT)	16651	16351	16881	16501	16826	16296
Yield (MT/HA)	2	1.7349	1.5	1.3012	1.6667	1.4458

(1000 HA) ,(1000 MT) ,(MT/HA)  
 MY = Marketing Year, begins with the month listed at the top of each column  
 TY = Trade Year, which for Wheat begins in July for all countries. TY 2024/2025 = July 2024 - June 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

**Table 4: Barley, Production, Supply and Distribution (Source: PSD Post)**

Barley	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jul 2022		Jul 2023		Jul 2024	
Algeria	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1025	1025	1025	1025	1025	1025
Beginning Stocks (1000 MT)	326	326	419	119	244	94
Production (1000 MT)	1400	1400	1025	1025	1200	1200
MY Imports (1000 MT)	93	93	700	500	700	600
TY Imports (1000 MT)	162	162	700	344	600	500
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1819	1819	2144	1644	2144	1894
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	1150	1450	1400	1400	1400	1400
FSI Consumption (1000 MT)	250	250	500	150	350	150
Total Consumption (1000 MT)	1400	1700	1900	1550	1750	1550
Ending Stocks (1000 MT)	419	119	244	94	394	344
Total Distribution (1000 MT)	1819	1819	2144	1644	2144	1894
Yield (MT/HA)	1.3659	1.3659	1	1	1.1707	1.1707

(1000 HA) ,(1000 MT) ,(MT/HA)  
 MY = Marketing Year, begins with the month listed at the top of each column  
 TY = Trade Year, which for Barley begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

**Attachments:**

No Attachments