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As Ambassador of Algeria to the United States of America, I am privileged and honored to write the preface to this beautiful and useful book on my country. What started as a project born out of the necessity to disseminate an official and better-informed picture of Algeria became an exciting endeavor along the way for me and the staff of the Embassy in Washington. What we originally feared would be tedious and dreadful text editing and photo selection sessions actually turned out to be interesting and, needless to say, quite exciting compared to the usual predictable fare at the Embassy, as diplomats around the world would admit.

This Algeria Guidebook is for everyone, specialists as well as the general public. From government officials, to corporate leaders, students and average Americans, it is intended as a window opened on a country rich with a past dating back millennia, profoundly shaped by history, and whose land reflects the richness of the civilizations and cultures, languages and skills, religions and beliefs that came to life in the universe of the Mediterranean.

While Phoenicians, Carthaginians, Romans, Vandals, Byzantines, Arabs, Spaniards, Turks, and French crossed through its history, Algeria remains deeply anchored to its age-old Berber origins, attached to the Arab civilization and the spiritual values of Islam. Now it has stepped into the 21st century and faces the challenges posed by globalization with the spirit of tolerance, openness, and interaction dictated by its long history.

This Algeria Guidebook is also meant to cement further the strong bond between Algerians and Americans. While some World War II US veterans who landed on the beaches of Algeria in 1942 may remember names like Algiers, Oran, Mers-El-Kebir or Sidi Bel Abbès, the general public may not always be aware that our two nations have had friendly relations for the past 214 years, since the Treaty of Peace and Amity was signed between Algeria and the United States of America, in Algiers on September 5, 1795.

Today, the same spirit animates our relations.

Replying to a message of congratulations sent to him by President Abdelaziz Bouteflika, President Barack Obama invoked the same spirit of amity when he spoke of his desire to work with his Algerian counterpart “in a spirit of peace and friendship” to build a safer world and stronger ties. While such a spirit is an enduring force in our relations, our nations are bound by their equally deep love of justice and strong sense of freedom, and their shared demonstrated resilience and unity in the face of challenges and tragedy.
In fact, that spirit has produced historic moments that have solidified the bond between our two nations and have fostered promising ties between our two governments. We can recall when, on July 2, 1957, Senator John F. Kennedy called on France to recognize the rights of the Algerian people to independence, earning their gratitude and admiration forever. Years later, in 1979, Algeria demonstrated equal regard for universal principles and peace and invested the well-honed skills and capacities of its diplomacy to secure the freedom of 52 Americans held hostage in Iran.

Domestically, Algeria has shown that it is a resilient nation determined to learn from its past and look forward intent on building a better future. Under the leadership of President Abdelaziz Bouteflika, my country has strategically and politically defeated vicious terrorism. From that painful experience, it has emerged stronger and is now forging ahead and concentrating on its development.

This guidebook depicts the Algeria of 2009, the real Algeria. Won’t you come with me and I will show you:

- A stable country with immense economic and human potential and implementing strong and ambitious political, economic and social reforms.
- A country engaged in a major enterprise of national recovery to accelerate the democratic process and deepen economic reforms.
- A country with an ambitious and active civil society and a vibrant press, where political plurality is a reality.
- The only Arab country where a woman ran for President and garnered a respectable score among six candidates.
- An active partner of the United States in a broadening array of bilateral and multilateral endeavors.
- A country that actively promotes peace beyond its borders in Africa and sub-regional and inter-regional groupings and bodies.
- A country that is the largest trading partner of the United States in North Africa and the second in Africa and the Arab world.
- A country that is an important and reliable supplier of energy to many partners around the world, including the United States of America.
- A land of boundless tourism opportunities: enchanting beaches, towering mountains, beautiful and mysterious desert, and timeless rock paintings.

I hope that you will enjoy leafing through this Algeria Guidebook as much as we have enjoyed preparing it and we do look forward to your visit on our shores where Algerian hospitality will embrace and enchant you.

Abdallah Baali
Ambassador of Algeria to the United States of America
Algeria is ready to work towards the consolidation of its relations with the United States with a view to building together a world with greater safety, justice, and solidarity. I would like to tell you that I am personally committed to revitalizing the ongoing political dialogue and consultation between our two Governments and deepening the dialogue between our two countries for the benefit of our peoples who aspire to stability and security.

Message of congratulations from President Abdelaziz Bouteflika to President Barack H. Obama, following his inauguration as President of the United States of America.

January 2009
We are agile, responsive and flexible in our approach to hydrocarbon recovery.

Hess Corporation (NYSE: HES), with headquarters in New York, is a leading global independent energy company engaged in the exploration for and production of crude oil and natural gas, as well as in refining and marketing refined petroleum products, natural gas and electricity.

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New York, NY 10036
212.997.8500

www.hess.com

Strong Relationships
Wherever we operate, we develop long-term and mutually beneficial relationships with business partners and governments. This has been a trademark of our company since it was founded more than 75 years ago and is the basis of our joint venture with Sonatrach in the successful Gassi El Agreb redevelopment project.
Long Lasting, Positive Impact in Algeria

Extensive Experience
Hess Corporation operates a large and diverse network of oil and gas assets around the world. We have exceptional operational and technical capabilities on which to draw, and we take an innovative approach to commercial activity. This capability, when combined with our long-standing business relationships, enables us to successfully explore, develop and produce in Algeria.

Socially Responsible
We are proactive in the community with a formal social responsibility program that has benefited many of Algeria’s underprivileged. Our efforts focus on the young and mentally and physically handicapped. Hess can also be counted on in times of crisis. We provided immediate support to those made homeless in the floods that rushed through Algiers in 2002 and the earthquake that devastated the Boumerdes area in May 2003.
1 Institutions
As such, the State is responsible for consolidating independence and for promoting national economic development.

The Constitution of 1989 established a comprehensive system of guarantees that insure the full exercise of individual and collective freedoms, in all of their forms and in all fields, and identified the government entities responsible for insuring that all such guarantees shall be honored.
1 The Constitution

Institutions

The Constitution reaffirms the traditional social orientations of Algeria, the democratic and grassroots aspects of the Republic and its national unity, the Islamic religion as the State religion and the Arabic as the national and official language. The Constitution also reaffirms the inalienable principles that pertain to the people and are embodied in the principle that the people are “the source of all State authority which exercises its sovereignty through institutions it sets up for that purpose” as well as the principle that the people have the right to communicate their choices “through referendums and their elected representatives.”

Tamazigh became the country’s national language following approval by Parliament of the Constitutional Review of 2002, and its signing into law by the Head of State.

In its chapter on rights and freedoms the Constitution of 2002 establishes protections for such rights and freedoms and affirms the underlying principles of democracy. It proclaims “basic freedoms, human rights, and the rights of citizens,” “the freedom of intellectual, artistic, and scientific creation,” “the freedom of expression and the right to education,” “the right to health protection,” “the right to work,” “the right to organize unions,” and “the right to strike.”

Freedom of speech and expression is upheld as a fundamental human right in the Algerian Constitution. Evidence of that right is best reflected by the lively, vivid, and varied Algerian press, now established as the most free and diverse in the Arab world.

With around thirty daily papers and more than 150 weekly or monthly publications, the Algerian media environment is quite diversified. The independent private press dominates the print media.

The overall daily paper circulation averages 1.5 million papers. The El Khabar newspaper is ranked number one with 470,000 papers per day. The main French and Arabic foreign publications are available in Algeria. The print media is not subjected to any direct or indirect censorship.

The same Chapter provides for the lawful repression of any violation of said rights and liberties, as well as of any physical or moral prejudice to human dignity and personal integrity. Freedom of association and assembly, enshrined in Article 40 of the Constitution, resulted in the creation or re-emergence of numerous political parties. There are now more than 50 political parties in Algeria. Additionally, the “right to education,” the “right to health protection,” the “right to work,” and “the full exercise of union rights,” and the “right to strike” are now duly recognized by the laws of Algeria.
ENSP is an oilfield service company with 3000 employees. The majority of our revenues are derived from the sale of services and products to major national company Sonatrach and foreign companies in Algeria from the earliest phases of exploration through development and production of oil and gas.

We are investing in capital spending for equipment and infrastructure and in developing new technology that will make producing oil more efficient and safer.

During 2008, ENSP posted some impressive numbers: we achieved a revenue growth of 30 percent over year. Our operating income margin grew more than 120 percent.

Our business strategy is to maintain leadership in providing services to the petroleum industry in Algeria.

Our ability to be a leader depends on meeting four key goals:

- Establishing and maintaining technological leadership;
- Achieving and continuing operational excellence;
- Creating and continuing innovative business relationship;
- Preserving a dynamic workforce.

The market of our services and products is characterized by continual technological developments to provide better and more reliable performance and services.

Many of the services we provide are complex and highly engineered and often must be performed in hard conditions. We believe that our success depends upon our ability to employ and retain technical personnel with the ability to design, utilize and enhance these services. In addition, our ability to expand our operations depends in part on our ability to increase our skilled labour force.

One of our basic objectives is the belief that professional growth and development is vital to our employees and to our success as a company. That is why ENSP strives to ensure that its employees are kept up to date through training plans and programs aimed at providing them with appropriate tools and know how to optimally support their competencies.

Safety

The safety and the well being of our employees are a major focus.

At ENSP, we view HSE as critical to our success and long term sustainability and we are committed to continually improve our performance.

Our HSE commitments are supported with our emphasis on reducing incidents. We continue to improve our safety records by decreasing our safety recordable incident rate by 02 percent and an 46 percent reduction in the lost time incident rate, while increasing hours worked by approximately 21 percent.

The increase in employees was significant in 2008 and it is an accomplishment to continue to reduce our rate over previous years.

ENSP has demonstrated a commitment to conducting its operations reliably and efficiently while at the same time monitoring environmental impacts.

ISO compliance

We continue to utilize ISO compliant HSE management systems across our operations.

We are planning to certify to ISO 14001 or OHSAS 18001 in 2009.

In 2009, our environmental performance improvement initiative team began to capture three basic measures for natural resource consumption: water, electric and gas usage in all our facilities.

To accomplish its goals, ENSP can draw a number of strengths, such as solid financial structure, a diversified portfolio of services and a strong position in the market. Thanks to our capabilities, we can pursue the projects required for the future and that are rooted in our mission of responsibly managing resources.

The Executive Chairman
Mr. A. Oubira

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ENSP, Your partner for performance.
The Executive Institutions

1 The Executive

The President of the Republic
The President of the Republic is the guarantor of the Constitution. He represents the State throughout the country and abroad. He answers directly to the Nation.

The President of the Republic acts as Chief Magistrate according to limits set by the Constitution. He also enjoys executive, legislative and legal powers that have been granted to him by various other provisions of the Constitution.

Should the country’s institutions, independence or territorial integrity be in imminent danger the Constitution grants the President of the Republic emergency powers.

Presidential Elections, 9th of April 2009

Presidential elections were held on 9th of April 2009 in our country as well as for the Algerian communities living abroad on the five continents.

Six candidates participated in the election. About one hundred meetings were organized on the occasion of the electoral campaign, which lasted for 21 days.

More than 20 million voters were registered to participate in the election.

In this election, the candidate Abdelaziz Bouteflika obtained the absolute majority with a rate of more than 94%. He will continue with his functions as the President of the Republic.

A very high level of mobilization has been noticed. Thus, the rate of participation was higher than 74%.

Prime Minister

After the adoption of some constitutional amendments by Algeria’s Parliament on November 12, 2008, the position of “Head of Government” was renamed “Prime Minister” (Article 87).

The President of the Republic appoints the Prime Minister, whose attributions call for coordinating the work of the Cabinet and implementing the President’s program.
The mandate of Council of the Nation lasts six years and is renewable at midterm.

The mandate of deputies and members of the Council of the Nation is national. The terms of office of deputies and members are renewable but they may not be held concurrently with other mandates or functions.

Two-thirds of Members of the Council of the Nation are elected by indirect and secret vote among and by members of the Communal People’s Assemblies (APC) and the Provincial Assemblies (APW), based on a single-member, plurality system.

The other third of the members of the Council of the Nation are designated by the President of the Republic and selected from among national public figures and authorities from the scientific, cultural, professional, business, and social sectors.

Members of the People’s National Assembly are elected by universal suffrage through a direct and secret vote, based on proportional representation for a five-year mandate.

Deputies and members of the Council of the Nation can claim parliamentary immunity for the duration of their mandates.

The Council of the Nation has the constitutional authority to draft and pass laws. However, to be enacted any draft legislation or proposed bill must be reviewed by both assemblies.

In accordance with applicable constitutional provisions, Parliament has supervisory authority over government actions concerning budgetary and foreign policy issues. It may intervene and assert its authority by either passing a resolution or a motion of censure.

Parliament is responsible for conducting reviews of the Constitution and it participates in the election of the Constitutional Council by selecting two members from each assembly.

The People’s National Assembly is elected based on demographic representation. The role of the Council of the Nation is to ensure proper geographical balance as well as to guide the legislative process.

### 389 Members of Parliament, including:

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<tr>
<th>Party Name</th>
<th>Members</th>
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<tr>
<td>FLN (National Liberation Front)</td>
<td>136</td>
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<tr>
<td>RND (National Democratic Rally)</td>
<td>62</td>
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<tr>
<td>MSP (Movement of Society for Peace)</td>
<td>51</td>
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<td>Independents</td>
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<td>PT (Workers’ Party)</td>
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<td>RCD (Rally for Culture and Democracy)</td>
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<td>FNA (Algerian National Front)</td>
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<td>MNND (National Movement for Nature and Development)</td>
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<td>Movement En-Nahda</td>
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<td>MJD (Movement for Youth and Democracy)</td>
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<tr>
<td>ANR (National Republican Alliance)</td>
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<td>MNE (Movement of National Understanding)</td>
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<tr>
<td>PRA (Party of Algerian Renewal)</td>
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<tr>
<td>Movement El-Infitah</td>
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<tr>
<td>Movement El-Islah (Movement for National Reform)</td>
<td>3</td>
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<tr>
<td>FNIC (Independent National Front for Concord)</td>
<td>3</td>
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<tr>
<td>AHDS4 (Party of “Generation 54”)</td>
<td>2</td>
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<tr>
<td>MNE (Movement for National Hope)</td>
<td>2</td>
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<tr>
<td>RPR (Patriotic Republican Rally)</td>
<td>2</td>
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<tr>
<td>RA (Algerian Rally)</td>
<td>1</td>
</tr>
<tr>
<td>FND (National Democratic Front)</td>
<td>1</td>
</tr>
<tr>
<td>MDS (Democratic and Social Movement)</td>
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Source: Parliamentary Election - Results, May 2007
The judicial system is autonomous. In accordance with the Constitution, it protects society and freedoms. Based on the Rule of law and the principle of equality, it provides legal redress against actions of public authorities. Preserved from all external influences, the judge strictly applies the law. He is accountable to the Supreme Judiciary Council.

The mandate of a magistrate does not allow the exercise of any elective office, either at the national or local levels, nor does it allow the assumption of any civil service position or any other form of remunerated employment.

A magistrate cannot be a member of any political party or association nor can he take part in any activity that could prevent or impede any legal proceedings.

Three key elements define the Algerian judicial system: duality of jurisdiction, streamlined procedures and the reconciliation of two key goals, the search for justice and the assurance of the impartiality of judicial procedures.

The Supreme Court
The Supreme Court is composed of eight chambers, themselves subdivided into nineteen sections. It includes Seated Magistrates (President, Vice President, eight chamber Presidents, ten Section Presidents, and at least ninety-five Counselors) and Public Prosecutor's Office Magistrates (General Public Prosecutor, Deputy General Public Prosecutor, and 17 General Public Prosecutors). The Supreme Court is the body responsible for regulating all court and judiciary activities and it is also responsible for ensuring the standardization of legal precedents and the manner in which they can be used to assure citizens' rights.

The Council of State
Headed by a magistrate appointed by the Head of State, the Council of State is made of assemblies that are themselves subdivided into sections. The Council of State sits in individual or collective meetings and deliberates as a General Assembly or as a Standing Committee.

The Council of State is charged with the responsibility for correcting instances of abuses of power by government bodies and officials. Whether acting as an appellate judge, as a judge acting to reverse a prior administrative decision, as a judge considering the lawfulness of decisions rendered by administrative bodies, or as a judge in tax-related matters, a judge is authorized to issue injunctions relating to sudden and unlawful expropriations.

The Council of State acts as an advisor on draft legislation submitted by the government and it recommends those modifications it deems necessary and appropriate.

The Supreme Judiciary Council
Headed by the President of the Republic, the Supreme Judiciary Council is responsible for the appointment, the deployment and the career progression of magistrates.

The Supreme Judiciary Council ensures that provisions pertaining to the status of the judiciary are properly carried out and it monitors magistrate's conduct under the supervision of the Senior President of the Supreme Court.

The Supreme Judiciary Council also issues advisory opinions the President of the Republic can consider before exercising his prerogative to grant a pardon.
1 The Control Function:
The Constitutional Council

Institutions

Composed of nine members, the Constitutional Council, whose Chairman is appointed by the Head of State, monitors the constitutionality of treaties, laws and regulations and issues binding decisions on the constitutionality of laws after they have been adopted by Parliament. It also monitors the internal regulations of both Parliament Assemblies to insure their compliance with the constitution.

The Constitutional Council is charged with the responsibility of ensuring the legitimacy of referendums and of the lawfulness of the elections of the President of the Republic and of legislators. It also announces the official results of these elections.
Physical and Human Geography
2 Between the Sea and the Desert
Physical and Human Geography

Situated in the northwestern part of the continent, in the center of the Maghreb, the Southern Mediterranean country of Algeria, with an area of 2,381,741 square kilometers, is the second biggest African or Arabo-muslim country, after Sudan.

Its topography is quite characteristic, the Tellian Atlas dominating the mostly Mediterranean North while the Saharan Atlas delimits the South.

Physical Geography
The topography of Algeria is defined by two major, distinctive sectors. In the north, the Tellian and steppe areas (380,000 km²) lie between the Mediterranean Sea and the Tellian Atlas, two great mountain ranges that extend east to west. Semi-desert tablelands are located between the two mountain ranges.

Located between the sea and the highlands, the Tellian Atlas mountain ranges cover nearly 7,000 kilometers with the highest peak claimed by Mount Lala Khadidja, at 2,308 m.

The highest point of the Saharan Atlas mountain ranges, which are delimited by the north region and the Sahara, is Mount Chelia at 2,328 m.

In the south the Sahara, which covers over 2 million square kilometers, is one of the largest deserts in the world. It includes vast arid plains, trails, and mountains such as the Hoggar massif where the highest Algerian mountain is located, Mount Tahat at an elevation of 3,000 m.

Algeria’s arable farm area consists of only 7.5 million hectares of the total so-called agricultural area of nearly 40 million hectares.

Generally speaking rainfall is inadequate, erratic, and is unevenly distributed across the country both in terms of its time of incidence and coverage. Precipitation is almost non-existent in the summer, it reaches its apex in the Tell region during the winter and in the highlands in the spring.

The average annual rainfall reaches around 1,000 mm in the Collo region, between 900 and 1,000 mm in Bejaia and El-Kala, and between 700 and 800 mm in Algiers. However, rainfall is much less in the west, ranging from 700 to 800 mm in Tlemcen and in the Tassala mountains, and around 400 mm everywhere else.

Of contrasting typography and spread over a vast area, Algeria presents a wide range of climates, which become warmer and drier as one steps away from the sea.

Algiers - The Admiralty
The country's Saharan regions are defined by a quasi-absolute drought. When rainfall does occur it is at best occasional and it is dependent on local climactic depressions.

Precipitation is almost negligible, often less than one millimeter and therefore it has very little impact on the landscape.

Originating from narrow and rugged topography, rivers depend on highly irregular and uneven precipitation. They are usually dry during the summer, although some do manage to flow continuously thanks mainly to resurgent waters. In the winter those rivers are often high. The principal rivers are the Chlef, Macta, Tafna, Sig, Isser, Sebaou, Soummam, Rhummel, Oued El-Kebir, and Seybouse.

The country's altitude and positioning in relation to the sea causes major climatic changes.
The April 2008 census set the Algerian population at nearly 34.8 million inhabitants (provisional result). Population growth is currently undergoing a significant decline, dropping from 3.21% in 1977 to 3.06% in 1987, 2.15% in 1998, and 1.72% in 2008. Nevertheless the population increased fourfold between 1962 and 2008. However, the distribution of the population throughout the country is uneven. Almost the entire population is centered on the North Country and the coastline, an area of 200,000 km², which contains 96% of the population while representing only 17% of the nation’s territory.

Overall the population is quite young: nearly half of the inhabitants are less than 20 years of age (43.5%). As a result of a significant decline in population growth, this age grouping is leveling off compared with 1987 numbers (59.3%). In spite of a slight drop compared to 1987 (7.09 persons), the average size of households remains high (6.3 persons). Given the average age of the population and the increasing average age at marriage, single people represent 49.2% of the population. Over a twelve-year period, the average age at marriage has increased by almost six years, jumping from 27.7 to 33 years for men, and from 23.7 to 29.6 years for women. Life expectancy is now hovering around 73.4 years for men and women combined.
The following reforms were instituted in order to promote:

**Liberalization and openness**

Algeria's free trade today is at the crossroads of Africa and the whole Arab region, of two areas within the European Union and the Arab world and the Government is streamlining the national economy and adapting its legislation to the world economic order. At the domestic level, various sectors such as energy and mines, telecommunications, transport, metallurgy, cement, infrastructure, agriculture, tourism and banking welcome national and international investment. The investment conditions are better than ever for foreign business to expand in Algeria which is furthermore one of the biggest markets in the region. This augments the previous openness of all sectors relating to consumer, intermediate and material goods.

Since 1995, a considerable number of public corporations have been involved in major privatization initiatives as well as equity and partnership ventures. 90% of Algerian companies are small and medium enterprises (SMEs). Apart from the state-owned firms and a few private ones, such as Cevital, Arcelor Mittal and ETRHB-Haddad, Algerian companies are basically SMEs. Since 2003, the Government has launched 191 total privatizations, 33 partial privatizations above 50% and 11 below 50%, 69 taken over the work-force, 29 joint ventures and 83 sales of assets to private buyers. In 2007, the public authorities arranged no less than 68 privatizations and in 2008, about 30 privatizations have been issued so far.

At the international level, the Association Agreement with the European Union, signed in April 2002, entered into force on September 1, 2006 and in April 2009, Algeria entered the Arab free-trade space. Furthermore, the country is pursuing its efforts to conclude its accession process to the World Trade Organization (WTO).

**Growth, investment, and private sector support:**

State economic activity has led to the establishment of a sound legal and regulatory framework and to the development of institutions designed to promote growth as well as national and foreign investments. Businesses...
Recent Evolution of the Algerian Economy

Economy

are eligible for tax exemptions and financial assistance and investors can benefit from indirect assistance through special energy, electricity and water rates.

Representing almost 65% of the GDP, the private sector now dominates the Algerian economy. The annual cost of the budget policy for the privatization and development of the Algerian private sector is estimated at more than $3 billion. Public growth support programs, based on budget allocation have been initiated to promote the development of new economic infrastructures, the rehabilitation of social infrastructures, the renewal of agriculture and fisheries and the improvement of living conditions in rural areas. In this regard, for the country's reconstruction framework and basic reforms, the Algerian Authorities have taken huge decisive actions: after the 2001-04 reflationary plan and the public investment program known as the Complementary Growth Support Plan (2005-2009), the Government is to launch a new five-years Development (2009-2014) for $150 billion. Such measures support the ongoing growth of the economy which is reflected by increasing industrial and agricultural imports, including semi-finished goods used to ensure the proper operation of production facilities, representing 60% of all Algerian imports which amounted to nearly $40 billion in 2008.

As a result of the implementation of such new, farsighted policies, partnership and privatization endeavors are numerous and sustained while direct foreign investments are gradually increasing within the non-hydrocarbons sectors. Foreign investment into Algeria has exceeded $15 billion between 1999 and 2008.

Macro-economics and financial stability

Since its 1994 external financial crisis, Algeria has made major strides in amending its fiscal and monetary policies to strengthen its economy with considerable success. In this regard, based on its conclusions on the economic and social situation of the country, in the framework of the Article IV, the IMF noted that the course of fiscal policy could be maintained and the Fund Reserves Regulation of Revenues (FRR) (37% of GDP in 2008) covers the deficits over the period 2009-13. The current account balance is slightly negative, and official reserves would remain close to the equivalent of three years of imports. The overall budget deficit would be reduced, along with the projected rise in oil prices, falling to around 5% of GDP by 2013.

The Algerian Authorities have avoided resorting to external borrowing, using the abundant domestic liquidity to finance huge investments. As the major banks in Algeria are public institutions, a possible tightening of credit seems unlikely.

The IMF report supported the Government fiscal policy aiming to maintain a high level of public expenditure in the short term, emphasizing that this could fairly support the non-oil growth and cushion the impact of the contraction the global economy. Furthermore, the report states that the nominal effective and real exchange rates
were slightly impaired on average (0.1% and 1.2%, respectively) between January and September 2008. After all, Algeria has managed to continue to repeat fairly high GDP growth rates; 2.4% in 2000, 3.2% in 2001, 4.2% in 2002, 6.8% in 2003, 5.1% in 2005, 4.5% in 2006 and 2007 and 5% in 2009.

These results demonstrated a positive growth for seven years in a row as well as an ongoing increase of the per capita GNP that reached $4,588 in 2008 ($2,120 in 2005) following a significant drop in 1986—sequel to the drastic hydrocarbon prices decrease and the draconian conditions of the economic and social recover policy—as well as an appropriate fiscal policy and a cautious monetary policy combined to curb inflation to a level of 4.7% in February 2009 (compared with 35% in 1994).

All these trends have continued into 2008 resulting in official international foreign reserves of $143.10 billion ($110.18 in 2007), exports of $78.23 billion ($59 billion in 2007), imports of $40 billion ($27.63 billion in 2007), official foreign debt of $800 million ($21.4 billion in 2004 and $16 billion in January 2006) representing less than 2% of the GDP.

All of these achievements serve to make the Algerian economy more enticing to foreign investors and allow Algeria to take full advantage of its unique geographical location as a key partner in the Mediterranean and Arab zones.

According to a World Bank 2009 report, published in Cape Town (South Africa) at the World Economic Forum on Africa (10-12 June, 2009, Algeria is among the top four emerging economies in Africa thanks to its economic and social performances. Thus, the country is part of the SANE Group (South Africa, Algeria, Nigeria and Egypt).

**Top Algerian Companies in 2009:**
According to the “Annual Hot-500” report published by the 2008 edition of the French periodical magazine “Jeune Afrique,” the Algerian gas and oil company Sonatrach is ranked number one among the 500 best performing African companies, with sales of $80 billion for 2008. Sonatrach tops the group for the last year selection, well ahead of the South-African insurance giant, Old Mutual South Africa. At the world ranking, the national company is getting the 12th position.

The Algerian national corporation Sonatrach has the monopoly on hydrocarbons. Its mission is to meet Algeria’s present and future hydrocarbons needs, to maximize the long-term value of the country’s hydrocarbons resources and to contribute to the national development, mainly by providing the required hard currencies and thus finance national economic and social development programs. Initially centered on trading, Sonatrach’s activities have gradually expanded. The corporation is now considered a fully integrated international oil and gas group. With operations in ten countries the company is involved in the various segments of hydrocarbon production as well as electrical power production.

**Algerian oil tanker**
The magazine also notes that Algeria, with 35 companies, represents 20% of sales of all the whole competing firms. Depending on the countries, South Africa comes second, but “suffers from a stable but insufficient growth” because of the decrease in domestic consumption has weakened several South African companies on the Top 500, moving the authors of the survey. Accumulated turnover up 10 companies to 13th place internationally with an increase of two positions in one year.

Besides Sonatrach, the Agence Nationale de Valorisation des Ressources des Hydrocarbures en Algérie (NAFTAL), the Entreprise Nationale de Forage (ENAFOR) and the Entreprise Nationale des Travaux aux Puits (ENTP), three Sonatrach subsidiaries, Sonelgaz, Air Algérie and Saidaal, here are some of the other Algerian businesses, companies and industrial groups included in the list of the top African businesses: the Blanky Agro-Industry Group, the Office National des Aliments de Bétail (ONAB), the Société Nationale des Tabacs et Allumettes (SNTA), the Algero-American Brown & Root Condor Hydrocarbons Group, the Milk Industry Group (GIPLAIT), the Smid Agrifood Group (SMID), the BTP COSIDER Group, the Entreprise Nationale des Corps Gras (ENCG), Eriad Sétif, the Cevital Agro-Industry Group, the National Tubing and Flat Product Processing Company (ANABiB), the Eriad-Tiaret Agro-Industry Group, Orascom Telecom, the National Civil Engineering and Building Company, the National Pre-engineered Building Company (Batmetal), the National Insurance Company (SAA), the National Paint Company (ENAP), the Algerian Insurance and Reinsurance Company (CAAR), the Sider Industrial Group, the Corps Gras de Bejaia, the National Electrification Works Company (KAHRIF) and the Central Reinsurance Company.
Unwavering commitment
Our past has to form a platform on which to build the future

Schlumberger has provided oilfield services in Algeria without a break for over half a century, a record of which we are incredibly proud. Following the introduction of wireline logging services in 1959, we have expanded our Algerian operations to the extent that every element of our oilfield services organization has heavy local representation. We provide services to more than 25 clients, have assets in the country valued at hundreds of millions of dollars, and command the majority share of the oilfield services market.

The value of our business in Algeria has grown substantially in recent times—we have seen double-digit growth in each of the last two years. Staff numbers have also risen steadily over the past few years to their current level of about 1,400. (Our North Africa GeoMarket, made up of seven countries including Algeria and Tunisia, is headquartered in Algiers. This is one of the largest Schlumberger service operations and employs roughly 1,800 people.)

We are in a strong position to add value to our clients’ activities owing to our knowledge of the oil and gas industry in Algeria; our deep understanding of the nation’s history, customs, and culture; our appreciation of the challenges posed by the local geology and geography; and the quality of our local supply network.

These features are, of course, all a result of our long association with the country. However, this is not something we can afford to dwell on. Our past has to form a platform on which to build the future. We have to be open to new ideas, and there has to be a willingness to listen and to adapt our organization and service offerings in line with evolving client needs and expectations. Our business today is based on these key tenets, plus a series of others:

- commitment to local recruitment and staff development—80% of our staff in Algeria were born in the country
- continuous investment in Algerian infrastructure—Schlumberger spends a significant sum every year enhancing its local service delivery capability
- development of new industry relationships and the provision of a more integrated project offering
- early transfer to Algeria of the latest technology, tools, and services developed at Schlumberger research centers around the world
- focus on developing solutions to the oilfield challenges highest on the agendas of operators in the country. Algeria is at the center of a global Schlumberger R&D initiative to improve gas production from tight sand reservoirs. We are also promoting the greater use of real-time data technology and services. This is a vital area, in our view, in a vast country like Algeria because it enables both our experts and the clients to monitor and support remote wellsite operations with relative ease from any chosen location.
From 26.5 billion US $ at the end of 2006, the internal public debt will have been cut by 37% by the end of 2007 to reach around 17.9 billion US $.

The internal public debt thus falls to 15% of the GDP, compared with 21.3% at the end of 2006 and 32.6% in 1999. According to the forecasts of the Treasury, the outstanding internal public debt is set to be further reduced by 7.4 billion US $ in 2008, to reach a level in the region of 10.4 billion US $ the next year.

This reduction of the internal debt is combined with a significant reduction of the external debt, along with endeavors to continue steadily accumulating foreign exchange reserves, thereby testifying to the security of the external financial position.

The external debt was estimated at 4.7 billion dollars at the end of June 2007 and thus equated to a mere 5.08% of the foreign exchange reserves, which were evaluated at around 91 billion dollars at that date, compared with 77.78 billion at the end of 2006.

From a legislative point of view, the financial reform continued in 2007 with the passing of laws relating to credit unions and to the financial accounting system.

Within the framework of the modernization of the Algerian finance system and the diversification of its interested parties, credit unions are regarded as an important factor in the development of microfinance, as they offer access to financial services at economically favorable costs for those on the fringes of the population who are excluded from the banking system.

The law applying to the financial accounting system, which was drawn up as part of the modernization of the accounting system which had existed since 1975, and which is set to come into effect in January 2009, marks several advances.

This notably involves putting in place an accounting system which allows for operation in accordance with internationally accepted principles and methods, and which generates detailed information that reflects the...
financial and accounting situations of businesses as faithfully as possible.

Moreover, 2007 was marked by the repeal of the decision taken in August 2004 making it compulsory for public businesses and other public bodies to open accounts exclusively with public banks.

As a result, since October 2007, public businesses are permitted to open their accounts either with public banks or with duly agreed private banks.

The determination declared by the Government in the fight against financial crimes committed to the detriment of State funds continued in 2007 with the establishment of a Committee for coordinating the activities of the General Finance Inspectorate (IGF), created in accordance with the instruction of the head of government dated 12 March 2007.

This committee is charged with coordinating its activities with those of the general inspectorates from different ministerial departments, with the aim of creating a space for consultation and exchange of experiences and information between the various supervisory boards for public expenditure.

**Algerian Stock And Bond Market**

Established in 1997, the Algerian bond market registered the floating of two bond debts and the introduction onto the Algerian stock exchange of the bondholder's title of the national company Air Algérie in 2007. These operations allowed the „Entreprise nationale des travaux aux puits“ (ENTP – National Company of Drilling Works) and the financial institution Arab Leasing Corporation (ALC) to raise 4 billion dinars and 3.3 billion DA respectively.

The national bond market, worth almost 160 billion DA, currently includes nine companies as bond issuers. These are: Sonatrach, Sonelgaz, Air Algérie, Algérie Telecom, Société de refinancement hypothécaire (SRH – Mortgage refinancing society), ENTP (oil works), ENAFO R (drilling), Cevital (food manufacture, private) and ALC (private financial institution). In addition, in 2007 the CO SOB (Stock Exchange Organisation and Supervision Commission) gave the green light for the listing on the stock exchange of the bond issued by Air Algérie in November 2004 through a public offering, which has an outstanding amount of more than 14 billion DA.

The introduction onto the stock exchange of this security brings the number of bonds listed on the Algiers stock exchange to three (3), at a total of more than 50 billion DA, the other two securities being issued by public companies Sonelgaz and Algérie Telecom.

However, in contrast to the bond market, which was relatively successful, the stock market for shares has not made significant progress, remaining in an embryonic state.

The stock market for shares has had no new securities introduced since the year 2000, and in 2006 it suffered the withdrawal of the share of Eriad Sétif, thus reducing the number of companies currently listed on the stock exchange to two (hôtel El Aurassi and Saidal).

Another significant fact registered is the authorization given in 2007 by the Conseil de la monnaie et du crédit (CMC – Council for currency and credit) to the leading British bank HSBC to set up in Algeria, and thus to
become the fourteenth foreign bank to become active in the country. Also notable is the opening of a branch of the German bank Deutsche Bank in Algiers, after having acquired a majority interest in the private Algerian financial consulting group Strategica.

As of the end of 2007, Algeria’s banking and financial landscape consists of 20 commercial banks and 5 financial institutions, one bank with a specific purpose, the Banque Algérienne de Développement, and 8 liaison offices for international banks and financial groups.

The government has a hydrocarbons stabilization fund (Fonds de Régulation des Recettes, FRR), a sub-account in the central bank that receives hydrocarbons receipts above $19 per barrel. It was set up to maintain fiscal stability and safeguard against any future collapse in the oil price. Its balance stood at AD2.7trn ($36.9bn) in August 2006. It has been used to pay for debt amortization and, following an amendment to the 2006 budget, FRR resources are used to finance the non-hydrocarbons deficit, as long as the FRR balance stays above AD74Obn ($10bn).

**Infrastructure and Equipment**

The highway network remains poor, just a few hundred kilometres, hence the importance of the East-West motorway which should be completed by 2010. By contrast, the network of maintained roads, more densely concentrated in the northern fringe of the country, is very highly developed with the highest density in Africa: 107,324 km. of roads and 3,756 bridges, tunnels, etc.

Gas and electricity: with network production of more than 7,000 megawatts, around 96% of the country is covered by electricity, a rate comparable to those of some countries in the OECD. 96% of households, i.e. almost all, are connected to the electricity network distributed by SONELGAZ. Over 1.7 million households are directly supplied with natural gas.

Railway Network: 4,200 km of which only a minute proportion is electrified. Several projects have been recently launched to electrify the railway net around main
3 Key facts and major government plans

Economy

Cities as Algiers, Oran, Annaba, Constantine, and the construction of new tramway.

**Air Transport:** 35 airports, of which 13 meet international standards. The domestic network is highly developed.

**Ports:** 40 ports including 11 mixed ports (fishing, commerce, hydrocarbons) and 2 specializing in hydrocarbons (Skikda, Arzew).

**Telecommunications:** with a total of around 2.2 million landlines, including over 30% of connections for the authorities, commerce, services and companies, the level of household connections remains very low at less than 30%. The use of mobile telephones is growing rapidly with three operators and over 26 million subscribers in 2008 (Sep). The overall concentration of telephones (landline and mobile) has risen from 5.28% in 2000 to over 85% in 2008. The overall volume of investment has reached 5 billion USD, four fifths of which came from direct foreign investment.

Recent Development in Infrastructure
Following on from the economic recovery program at the start of the decade, the government is in the end of the 2005-09 economic growth support program (EGSP). According to the 2007 budget, funds for projects have been increased to some $140bn. The EGSP incorporates an ambitious public investment plan, including the creation or renewal of ports, roads, railways, dams, schools and hospitals. Notable projects include the Algiers metro and a number of water desalination plants. A major investment scheme is also focusing on the plateaus zones and deep southern regions, in order to upgrade their infrastructure and foster economic activity.

The National Capital and Development Office is in charge of organizing these projects. The government is also planning to bring in private contractors through public-private partnerships in order to reduce its direct role in the process. The most prestigious of these projects is the east-west motorway, 1.216-kms highway linking Tlemcen to El Taref, which was tendered in 2006 and won by two construction consortiums from Japan and China with an $11bn bid.
**Reforms**

A new industrial policy was launched in February 2007, with the aim of mapping out Algeria’s industrial direction for the coming 15 years. The new strategy will focus on export-oriented industries and will seek to attract foreign investment to competitive sectors. Priority sectors include petrochemicals, fertilizers, food processing, building materials, electronics, pharmaceuticals, mechanical industries, vehicles and information and communications technology. Trade zones are being rehabilitated and industrial clusters will be created. Meanwhile, the state hopes to shift to an enabling rather than engaged role.

In some of these sectors, such as petrochemicals and fertilizers, the question is about capturing more value-added from the country’s hydrocarbons wealth. In others, such as automotives and IT, the aim is to create an industry from the ground up. These differing goals will therefore require their own policy frameworks. The government is keen to attract foreign direct investment (FDI), but not for financing reasons. Rather, foreign investors are expected to provide technology transfer, including managerial and systems know-how, as well as better access to international markets. In other cases, the authorities want to avoid foreign investment crowding out the local market and will work to protect local investors.

The privatization policy has continued over the past two years. In 2007, the authorities finalized 68 total and 13 partial privatizations, 9 joint ventures and 20 active sales to private buyers. About 30 privatizations were finalized in 2008.

In the financial sector, the number of private banks in Algeria rose noticeably. The Société Générale and BNP Paribas have experienced an expansion of more than 30 agencies. More than 30 foreign banks are expecting the confirmation of the Banque d’Algérie. Furthermore, Algeria has made a step forward in permitting the banks to offer islamic financial services.

**Supplementary Program to Support Growth**

The broad outline of the Supplementary Program to Support Growth 2004-2009
Turning to account the financial prosperity achieved, the President of Algeria has decided to continue his program to nurture growth, starting with the Support Program for Boosting the Economy (Programme de Soutien à la Relance Économique) whose beneficial effects are proven. An additional five-year program to encourage growth, worth $60 billion, has therefore been launched and is built around five key points:

- Improving living conditions
- Developing basic infrastructures
- Promoting economic development
- Modernizing public services
- Developing new communication technologies

However, the first two points are the main priorities as they take up 45.4% and 40.5% of the total funds respectively. In fact, the emphasis is on the need to rapidly make up the deficits which have accumulated in a certain number of areas.

Besides the education sector, efforts are therefore focusing on:

- Housing (1 million homes)
- Health (especially building 17 hospitals and 55 outpatient clinics)
- Water supply (implementing 1,280 projects to supply drinking water and sanitation and 1,150 boreholes)
- Connection and distribution of gas (965,000 households) and electricity (397,700 households)

As regards infrastructure, large-scale projects are being launched, such as:

In the transport sector
- Modernisation of the Northern railway line 1,220 km
- Electrification of existing lines 2,000 km
- Fitting out the metro in Algiers and a study on extending it
- Building tramway lines in cities
- Building three airports

In the public works sector
- Building the East-West motorway 1,216 km
- Repairing the road network 6,000 km
3 Key facts and major government plans

Economy

- Building three lines
- Improving port infrastructures

In the water sector
- Building eight dams
- Building eight large aqueducts
- Building and repairing twenty purification plants
- Building 350 hill reservoirs

The plan to boost the economy ordered by the President of Algeria

Funds released:
- Cost of equipment and aid to businesses: AD 500 billion
- Release of foreign loans: USD 3-4 billion

Initiatives to help private investment

Recapitalization of banks

Aims:
- Improving living conditions
- 5-6% annual growth rate over 4 years
- Reducing unemployment
- Increasing available housing
- Boosting consumption

Preserving budget balance:
- Releasing foreign concessionary loans
- Improving the return on standard taxation
- Targeted intervention by the Treasury if needed

Principal measures

Measures to reorganize and boost systems
- Boosting the work at Algiers Airport
- Separating the Postal services from those of Telecommunications
- Introducing an efficient mobile phone network
- Creating a Cyberpark in Algiers
- Telecommunications colleges
- School for the gifted
- Higher Inst. of Technology and Communications Studies
Key facts and major government plans

Economy

- Telecommunications Study and Research Centre
- Algerian Internet Agency
- Sale of industrial sites and real estate remaining unused since the dissolution of local companies

Financial and political measures
- Floating the capital of the airline company, Air Algérie, and maritime company, CNAN
- Debt relief for small communities and farmers
- Signing a partnership agreement with the European Union, in force since Sep 2005
- Policy to offer prompt, targeted protection to businesses displaying strong growth potential and competitiveness
- Introduction of a partnership fund of AD 22.5 billion
- Topping-up the fund for promoting industrial competitiveness: + AD 2 billions
- Amending the Constitution in line with the reforms

Measures to nurture investment
- Reducing, then abolishing, Additional Specific Tax
- Abolishing Standard Charge (Versement Forfaitaire - VF)
- Abolishing official values for property not involved in national production
- Transferring family allowances to social security funds
- Reducing customs duties
- Developing industrial estates at a cost of AD 2 billion
- Creating a fund for securing loans

Special Complementary Development Program for the Administrative Districts of the South
This program, elaborated according to the guidelines of the President of the Republic, concerns the following administrative districts: Adrar, Laghouat, Biskra, Bechar, Tammanrasset, Ouargla, Illizi, Tindouf, El Oued and Ghardaia.

An envelope of more than 250 billion AD has been allocated to this program. A slice of 50 billion AD has been
added to launch in 2008 the project of a drinking water transfer on more than 700 km from the important area situated in the Ain Salah region to the city of Tamanrasset and its region, as well as an envelope of 50 billion AD for the realization of the new city of Hassi Mesaoud in the frame of the preservation of this high risk oil field.

The global envelope, which was decided in the frame of the Special Program for the development of the South, arises to 377 billion AD, divided as follows:

1. more than 296 billion AD for the improvement of the living conditions of the population
2. more than 47 billion AD destined for the economic development
3. more than 20 billion AD destined for the improvement of administrative measures, notably the law and control services

**Special Program For the Development of the Highlands**

From an envelope of more than 5.5 billion AD, it concerns the department of the administrative districts of Tébessa, Batna, Laghouat, Djelfa, Saida, Tiaret and M’sila before being expanded to other regions such as El-Bayad, Naama, Khouchela and to many villages of the Algerian highlands in the administrative districts of Tlemcen, Sidi Bel Abbès, Tissemselt, Médéa, Mila, Bouira, Bordj Bou Arreridj, Setif, Oum El Bouaghi and Souk Ahras.

Among the big projects registered in this program, it is worthwhile to especially mention the highway of the highlands, which stretches over 1,330 km, and the realization of 97,800 lodgings.

**The industrial Sector**

The industrial sector has achieved good growth recent years, although Algeria still relays for its financial resources mostly on energy exports. According to a report from the IMF, real GDP growth has increased at annual rate of 5.5% outside of the energy sector.

Algeria has one of the great industrial infrastructures in Africa, thanks to the cooperation, during the 70s, between
Algeria and Germany which was behind the development of the country's industrial potential. Until recent years, the sector was, to a large extent, carried out by state-owned companies, but a move toward privatization has been made, allowing national and foreign investment to be progressively involved in the industrial sector through particularly small and medium scale projects.

The country has huge deposits of natural resources to fuel industrial diversification, and shipping costs to the European market are minimal. Very attractive regulations have been enacted to encourage and guaranty investments. The Algerian government works continually in order to create as much as possible facilities to boost foreign investment.

Algeria is now at the end of the five-year plan began in 2005, and much has been achieved in terms of improvement of infrastructures, employment and basic reforms. A new industry strategy was unveiled in February 2007. The goal is to renovate existing industrial facilities in line with international standards, to push entrepreneurs away from relying on government and toward independent decision-making, and to embrace technologies that lead to efficiency.

There is great potential for industrial growth in fertilizers, petrochemicals, pharmaceuticals, food processing, steel, and materials for mechanical, development in car parts and assembly as well as communications technologies. About 18 investments plans has been identified worth $6.5 billions.
A retrospective of Algerian-American economic and trade relationships since the first official visit of President Abdelaziz Bouteflika to Washington, on July 11th 2001, confirms that much has been accomplished. But the record also indicates that much can still be done given the huge potential of the Algerian economy and the various complementarities that economic operators of the two communities could harvest and exploit together.

Continuously increasing trading and investments
Today, Algeria has become an important trading partner for the United States and the second most important destination in the Arab World and Africa for US investments. Given the size of its hydrocarbon sector, Algeria holds important oil reserves and the 7th largest reserves of natural gas in the world. It is also an important supplier of natural liquefied gas and petroleum products to the United States (721,000 barrels/day of oil and 5% of the overall American needs in term of gas), plays a major role in the security of America’s energy supply and intends to increase this share to 20% by 2015 to become a leading supplier of the United States in this area.

The year 2008 gave rise to record bilateral trade numbers. After the record 2007 ($19.500 billion), the volume of trade between the two countries for the year 2008 was nearly $22 billion, up 15% from the previous year. The Algerian exports to the US totaled $19.355 billion, marking an increase of 8.64% and imports $1.244 billion, a substantial decrease of 24.76% in comparison with the same reference period.

However, economic and commercial cooperation between the two countries remains dominated by hydrocarbon products. A situation which enhances the two Governments willingness to work toward the establishment of appropriate mechanisms to allow its diversification through its extension to the sector outside hydrocarbons, by an optimal exploitation of the huge investment opportunities offered by the Algerian market such as water resources, post and technologies of information and communication, transportation, construction, housing, tourism, medical industry.

The 2008 Algerian trade balance remains in surplus with a coverage rate of imports of about 900%. Largely in favor of Algeria, the said trade balance has reached $18.11 billion, providing the United States, for the fourth consecutive year, with the first position among the clients of the country with a market share of around 25% of the Algerian exports, followed by Italy, Spain, France and Canada. Among Algeria’s suppliers, America occupies the 4th place after France, China and Italy.

Algeria sells in the United States diverse products, mainly divided between oil income ($15.120 billion), refined
products ($3.220 billion), gas ($1 billion), derivatives ($940 million), other acyclic products ($25 million), and dried fruit ($500,000).

It imports industrial machinery ($388 million), cereals ($178.4 million), electrical machineries ($142 million), oils and other fats ($80 million), food ($69 million), plastic products ($54 million), mineral products ($51.8 million), machineries and vehicles ($49.5 million), optical products ($39.6 million), steel products ($32 million), spare parts for aircraft ($15.5 million).

### Principal exports US-Algeria (millions of U.S. dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2008</th>
<th>% Share 2007</th>
<th>% Share 2008</th>
<th>% Change 08/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>1652,434839</td>
<td>1243,239469</td>
<td>0.14</td>
<td>0.1</td>
<td>-24.76</td>
</tr>
<tr>
<td>Machinery</td>
<td>493,98506</td>
<td>387,95612</td>
<td>29.89</td>
<td>31.21</td>
<td>-21.46</td>
</tr>
<tr>
<td>Cereals</td>
<td>396,785825</td>
<td>178,351083</td>
<td>24.01</td>
<td>14.35</td>
<td>-55.05</td>
</tr>
<tr>
<td>Electrical Machinery</td>
<td>142,69124</td>
<td>141,910399</td>
<td>8.64</td>
<td>11.42</td>
<td>-0.55</td>
</tr>
<tr>
<td>Fats And Oils</td>
<td>60,244972</td>
<td>80,697452</td>
<td>3.65</td>
<td>6.49</td>
<td>33.95</td>
</tr>
<tr>
<td>Dairy,Eggs,Honey,Etc</td>
<td>39,550644</td>
<td>69,078458</td>
<td>2.39</td>
<td>5.56</td>
<td>74.66</td>
</tr>
<tr>
<td>Plastic</td>
<td>53,847861</td>
<td>54,052892</td>
<td>3.26</td>
<td>4.35</td>
<td>0.38</td>
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<tr>
<td>Mineral Fuel, Oil Etc</td>
<td>187,3959</td>
<td>51,781825</td>
<td>11.34</td>
<td>4.17</td>
<td>-72.37</td>
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<tr>
<td>Vehicles, Not Railway</td>
<td>43,487353</td>
<td>49,567328</td>
<td>2.63</td>
<td>3.99</td>
<td>13.98</td>
</tr>
<tr>
<td>Optic,N’t 8544Med Instr</td>
<td>50,793517</td>
<td>39,632822</td>
<td>3.07</td>
<td>3.19</td>
<td>-21.97</td>
</tr>
</tbody>
</table>

Source of data: U.S. Dept. of Commerce, Bureau of Census

### Principal imports US-Algeria (millions of U.S. dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2008</th>
<th>% Share 2007</th>
<th>% Share 2008</th>
<th>% Change 08/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>17816,05397</td>
<td>19354,78102</td>
<td>0.91</td>
<td>0.92</td>
<td>8.64</td>
</tr>
<tr>
<td>Crude Oil From Petroleum And Bituminous Minerals</td>
<td>14505,92811</td>
<td>15118,37733</td>
<td>81.42</td>
<td>78.11</td>
<td>4.22</td>
</tr>
<tr>
<td>Oil (Not Crude) From Petrol &amp; Bitum Mineral Etc.</td>
<td>1963,061198</td>
<td>3218,641339</td>
<td>11.02</td>
<td>16.63</td>
<td>63.96</td>
</tr>
<tr>
<td>Petroleum Gases &amp; Other Gaseous Hydrocarbons</td>
<td>1299,547791</td>
<td>940,13986</td>
<td>7.29</td>
<td>4.86</td>
<td>-27.66</td>
</tr>
<tr>
<td>Oils Etc From High Temp Coal Tar Sim Aromatic Etc</td>
<td>3,775525</td>
<td>28,4633</td>
<td>0.02</td>
<td>0.15</td>
<td>653.89</td>
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<tr>
<td>Acyclic Hydrocarbons</td>
<td>30,308037</td>
<td>25,678561</td>
<td>0.17</td>
<td>0.13</td>
<td>-15.27</td>
</tr>
<tr>
<td>Expts Of Repaired Impts Impts Of Returned Expts</td>
<td>2,205209</td>
<td>12,279062</td>
<td>0.01</td>
<td>0.06</td>
<td>456.82</td>
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<tr>
<td>Toilet Etc Hshld/Snty Stock Paper Roll Or Sheets</td>
<td>0,386108</td>
<td>0,720995</td>
<td>0</td>
<td>0</td>
<td>86.73</td>
</tr>
<tr>
<td>Dates, Figs, Pineapples, Avocados Etc, Fr Or Dried</td>
<td>0,732579</td>
<td>0,579111</td>
<td>0</td>
<td>0</td>
<td>-20.95</td>
</tr>
<tr>
<td>SalvageEstimate Of Low Valued Import Transactions</td>
<td>0,345476</td>
<td>0,406419</td>
<td>0</td>
<td>0</td>
<td>17.64</td>
</tr>
</tbody>
</table>

Source of data: U.S. Dept. of Commerce, Bureau of Census
Bilateral Economic Relationships

Economy

Worldwide, Algeria is the thirtieth largest supplier of goods to the United States and the second largest one among all Arab countries, after Saudi Arabia. In the same region, Algeria is the fifth largest consumer of American goods worldwide.

The 2007 inflow of private American capital amounted to one third of the foreign investment inflow into Algeria for that year. Based on data published by the U.S. Department of Commerce's Bureau of Economic Analysis and Department of Energy, direct American investments into Algeria totaled $5,342 billion through 2006. According to these figures, Algeria was the third largest African recipient of direct American investments behind South Africa and Egypt (see the Table below).

<table>
<thead>
<tr>
<th>Year</th>
<th>Algeria</th>
<th>Bahrain</th>
<th>Egypt</th>
<th>Israel</th>
<th>Jordan</th>
<th>Kuwait</th>
<th>Lebanon</th>
<th>Libya</th>
<th>Morocco</th>
<th>Oman</th>
<th>Qatar</th>
<th>Saudi Arabia</th>
<th>Syria</th>
<th>Tunisia</th>
<th>UAE</th>
<th>Yemen</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>2000</td>
<td>2,333</td>
<td>39</td>
<td>1,998</td>
<td>3,735</td>
<td>D</td>
<td>313</td>
<td>83</td>
<td>49</td>
<td>220</td>
<td>176</td>
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<td>D</td>
<td>47</td>
<td>683</td>
<td>533</td>
<td>15,471</td>
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<tr>
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<td>3,629</td>
<td>46</td>
<td>2,557</td>
<td>5,690</td>
<td>D</td>
<td>380</td>
<td>100</td>
<td>52</td>
<td>275</td>
<td>236</td>
<td>1,767</td>
<td>3,570</td>
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<td>32</td>
<td>834</td>
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<td>2002</td>
<td>3,384</td>
<td>70</td>
<td>2,682</td>
<td>5,726</td>
<td>D</td>
<td></td>
<td>102</td>
<td>53</td>
<td>280</td>
<td>193</td>
<td>2,278</td>
<td>4,930</td>
<td>D</td>
<td>99</td>
<td>1,087</td>
<td>552</td>
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<tr>
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<td>144</td>
<td>3,524</td>
<td>7,020</td>
<td>D</td>
<td></td>
<td>109</td>
<td>56</td>
<td>292</td>
<td>358</td>
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<td>D</td>
<td>115</td>
<td>1,934</td>
<td>552</td>
<td>23,169</td>
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<tr>
<td>2004</td>
<td>4,000</td>
<td>180</td>
<td>4,125</td>
<td>7,020</td>
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<td>156</td>
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<td>D</td>
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<tr>
<td>2006</td>
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<td>5,911</td>
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<td>54</td>
<td>D</td>
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<td>40</td>
<td>D</td>
<td>D</td>
<td>413</td>
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</tbody>
</table>

Source: U.S. Department of Commerce, August 1, 2007

The 2006 level of American investments into Algeria should have increased considerably based on new private capital infusions, especially capital injected into energy-related and saline water conversion sites thanks to the involvement of General Electric Company (GE) in some power plant projects in Algeria after the water desalination unit of El Hamma/Algiers (February 2008), General Cables and others US corporations. Algeria's African ranking has improved over that year as it is now ranked second behind South Africa with direct foreign investment projects of around $7 billion, duly accredited by the Relevant Algerian Authorities. But, it is clear that many efforts have yet to deploy by the two sides in order to exploit the entire potential of trade and investment aimed to diversify the bilateral cooperation.

A largely untapped diversification potential

Algeria is eager to further increase its trade volume with the United States, not only through increased exports and a more diversified mix of products that would include non-energy products, but also by providing American investors incentives to boost sales and investments in Algeria by entering into partnerships with Algerian counterparts in various sectors. This approach should translate into an increased number of Algerian-based American businesses and of American enterprises doing business in Algeria (see the list below).

American companies active in Algeria:
Brown & Roots Algeria, Kodak, Lucent Technologies, Microsoft, Motorola-Step, Northrop Grumman, Oracle, Motorola, Overseas Equipment Services Inc, Pepsi Cola Bottling Corporation, Pfizer, Procter & Gamble, Panalpina, Sheraton Club Des Pins, Telemobile, Tesco Corporation,
3 Bilateral Economic Relationships

Economy

Tubo-scope, Unocal, UPS, Weatherford Oil Tool, and Xerox CBS.

In 2008, energy commodities, in particular Liquefied Natural Gas (LNG) and petroleum, were, as usual, the primary components of bilateral trade. They represented 98% of all Algerian exports, or almost $20.500 billion. For the fourth time, Algeria was the second largest Arab hydrocarbons exporter to the United States, behind Saudi Arabia, and ahead of such countries as Iraq, Kuwait and the United Arab Emirates.

As the second largest LNG exporter worldwide, and with some of the lowest overseas transport costs to the US, Algeria could become the leader in providing additional imports of LNG to America in the coming years, as those imports are expected to increase by at least 10% annually based on current projections.

Cooperation between the two countries in the energy sector is growing steadily thanks to the stability and expansion of domestic oil market as well as the new national energy strategy of Sonatrach aiming to internationalize more its activities.

Algeria remains an important supplier of U.S. oil contributing to its energy security. From a national production of 1.4 million b/d, 721 000 barrels are exported to the US (5.9% of the whole American imports). The upward trend of US consumption (around 25% by 2025) and Washington objective to diversify its supply sources provide Algeria with the chance to play a key role in the American energy equation.

Taking the Halliburton and BP track which have opted for a great partnership with Sonatrach through integrated projects (joint ventures), particularly, in drilling services, thus fairly contributing to the Algerian reserves, Exxon Mobil, the oldest oil companies in the world, tries to take advantage of the coming five years National Development Program (2009-2015), and intervene in the domestic market through projects aiming to increase its refine capacity and chemicals capabilities.

Furthermore, Sonatrach and Kellogg Brown and Root concluded in July 2007 an EPC contract on completion of LNG train in Skikda to replace the three liquefaction units lost during the January 2004 accident. For a cost of $2.851 billion and a capacity production of 4.5 million tons/year of LNG, the project will enter into production during 2010.

It should be noted that besides traditional LNG exports, usually supplied through the Everett facility in the Boston area, and after the execution by Sonatrach and the Norwegian company Statoil Hydro of a joint contract for the delivery of 1 billion cubic meters of LNG, in 2004, the two companies concluded, in March 2008, two new partnership agreements giving to the Algerian company the ability of direct access to the U.S. east coast with a regasification capacity equivalent to 2 billion m3/year under the first contract and 1 billion m3/year through the second.

It should be noted also that the Algerian oil is delivered to North America through the Cove Point, Maryland gas terminal where Statoil has a re-gasifying facility, before being sold to local gas distributors for the domestic American market. For Sonatrach, this contracts, which covers approximately 40% of the Norwegian company’s local capacity, constitutes a crucial step for the consolidation of its involvement in the American oil and gas market.

Sonatrach also tries to get a participation and investment in the construction of four gas terminals mainly in the State of Texas. Both countries are eager to diversify and increase their bilateral trade in order to better reflect the enormous cooperation potential applicable to many areas of economic activity; telecommunications and information technology, agriculture, water resources, infrastructure, chemical and pharmaceutical products.

In the field of electrical energy, General Electric was awarded in June 2008, two construction projects of power stations in Algiers and Annaba, for $1.5 billion (the implementation of the plant scheduled for the current year) and a third one for a capacity of 1,200 megawatts for $1 billion in Koudiat Edraouch/El Taref (2012). GE concluded a twenty-years period contract (Contractual Services Agreement) for maintenance of the installation and supplying of machineries.
Bilateral Economic Relationships

Economy

parts. With this new command, the US Group, which already detains 70% of gas turbines service in Algeria, could strengthen fairly its presence in Algerian market, particularly with the rapid growth in term of the Algerian demand which increases by 7%/year. In fact, based on the Ministry of Energy and Mines previsions, Algeria needs in term of electricity will reach 14,000 MW in 2010.

New perspectives for the consolidation of bilateral cooperation

The trade and investment framework agreement, TIFA, concluded by Algeria and the US on July 13, 2001, opens the possibility of new agreements that could bolster bilateral relations in various sectors. This important bilateral cooperation mechanism which held its second session in December 2004, in Washington, should be reactivated by holding its third session which will constitutes for the two sides an appropriate opportunity to examine all the pendent issues. In the same vein, while its WTC membership is pending, Algeria has recommended that some agreements be negotiated on issues such as investment promotion and protection, avoidance of dual taxation, plant health and plant quarantine. While they continue to support the Algerian economic reforms and the country’s WTC membership process, the American authorities reiterate their desire to see more adaptation of the Algerian economy to the world trade organization rules.

In the institutional area, after the conclusion of Bilateral Treaty on Investment -OPIC- (June 1990), the Scientific and Technical Cooperation Agreement (January 2006) and the Nuclear Cooperation Arrangement “Sister Laboratory Arrangement” (June 2007), the two Governments are moving forward to conclude the “Open Skies” Agreement negotiations as well as the Bilateral Customs Cooperation one on which the negotiations have reached an advanced stage.

Investors from both countries support these governmental initiatives for trade diversification and business and investment promotion. In that regard, the role of the United States/Algeria Business Council (USABC) is crucial. Based in Washington D.C., it has an office in Algiers. Since its creation in 2002 at the initiative of the Algerian Embassy in Washington, USABC has become a major provider of trade concepts as well as an effective promoter of bilateral business relations between Algeria and United States.

Its membership is steadily growing; now amounting to forty-one American and thirty Algerian members, and the scope of its activities is constantly broadening. In addition to the receptions and galas it organized in 2002-2003 in honor of President Abdelaziz Bouteflika and other officials from the two countries, the USABC has hosted, in cooperation with the Algerian Embassy in Washington, high-level bilateral conferences on growing Algerian business sectors, such as energy and mining, information technology and communications, environment, public works, banking, water resources, agriculture-food system as well as US trade and investment missions to Algeria (April 2008 and February 2009). The Embassy and the USABC are also planning to organize during the current year more events mainly on Algeria outside the hydrocarbon sector (agribusiness), pharmaceutical industry, technology of information and communication etc... All of these initiatives will undoubtedly foster the enhancement of bilateral economic and trade relations between the two countries and will also serve to lead to further strengthening of the positive political relations that have been established between Algeria and the United States in recent years.
With regards to investments, the legislation provides for various preferential treatments: a generalized treatment that grants various fiscal and customs benefits and special treatments that foster investments based on their objective or localization.

The Algerian Investment Code (Code des Investissements), amended by Ordinance No 01-03 dated August 20, 2001, stipulates the regulations applicable to national and foreign investments made towards the production of goods and services as well as to investments resulting from the attribution of concessions and/or licenses.

The adoption of this new liberal law is intended to establish the procedures to be followed by Algerian nationals and foreign investors. Any creation, extension, rehabilitation or restructuring conducted by a legal entity and relating to economic activities producing goods and services, with the exception of trade are susceptible to give access to advantages as specified for by the Investment Code. In this regard, the regulations apply to both residents and non-residents.

The guiding principle is that, the greater the investment interest for the Algerian economy is, the more significant the advantages granted are:

Investment regulatory entities:

- The National Investment Council (Conseil National de l’Investissement, C.N.I.). This entity defines the governmental orientations in the investment field and authorizes investments that it deems to be useful for the economic development of Algeria. It is the main governmental body concerned by the validation of the shares of foreign investment.


This Agency replaces the Agency for the Promotion, Assistance and Monitoring of Investment (Agence de Promotion, de Soutien et de Suivi des Investissements”, APSSI). Its mission is to:

- Promote, develop, and monitor investments;
- Welcome, inform and assist investors;
- Facilitate the execution of formalities when companies are created;
3 Investing in Algeria
How should an investment be structured?

A single investment office:
A single investment office has been set up within the A.N.D.I. It embraces the administrations and organizations that deal with investments. Decisions of the investment office are opposable to these administrations. Its objective is to ensure, in coordination with the relevant administrations, that the procedures and formalities to be complied with for the creation of companies are reduced in number and simplified, and that projects are implemented.

Investment financial assistance:
A fund for investment financial assistance has been set up within the A.N.D.I. Its goal is to finance the financial contribution of the Government as a part of the advantages offered to investors, especially for expenses related to infrastructure work required for the investment to materialize. A Governmental Order specifies the expenses that are susceptible to be assigned to this account.

Implementation of the Code on Investments
In conformity with the Algerian law, an investment is defined as being:

- The acquisition of assets, as part of the creation of new activities, the extension of production capacities, rehabilitation or restructuring process;
- The participation in the capital of a company, in cash or in nature;
- The re-initiation of activities as part of a partial or total privatization.

Compulsory procedure:
Application form:
The application form must include the investment declaration and the request for fiscal benefits. Both documents must be presented concomitantly. The investment declaration must be presented to the ANDI and indicate in particular:

- The activity sector;
- The location;
- The jobs created;
- The technology used;
- The investment and financing plans;
- The measures for environmental protection;
- The anticipated length of time for the investment to materialize;
- The commitments related to investment materialization.

By presenting his request, the investor can benefit from the guarantees of stability and security that are provided for by law. The said guarantees are:

- Non-discrimination;
- Juridical security and inviolability of the law;
- Settlement of disputes.

Another application, namely, the request for fiscal benefits must be presented to the ANDI to take advantage of one of the preferential taxation packages provided for by the Code on Investments. In this regard, the investor must choose one of the various fiscal preferential options offered. Both these applications are still structured as far as they were under the previous regulations on investment laws, pending the adoption of the implementation texts for the Ordinance of August 20, 2001.

The ANDI gets 30 days, from the declaration day of the investment and the request for fiscal benefits presentation, to provide investors with the required administrative documents to materialize and notify its decision of acceptance or rejection.

In case of absence of reply from the ANDI, the investor can appeal to the supervisory authority of the Agency who has fifteen days to respond. The decision made by the
supervisory authority can be subjected to a court appeal. In case fiscal benefits are granted, the Agency determines how long they will be in effect and specifies the time frame granted for the investment.

In the field of investments, the Algerian legislation provides advantages for different preferential categories. There is a general category that allows for various advantages regarding taxation and customs' requirements, without any distinction, and there are specific categories that favor certain investments based on their goals and locations.

Benefits granted to investors

General category:
The main benefits offered to investors are:

- The application of customs duties with reduced rates specifically for imported equipment dealing with the investment;
- The exemption from the Value Added Tax (VAT) for goods and services directly related to the investment;
- The exemption from the transfer tax payment for all real estate acquisitions that are part of the investment.

These benefits are granted for a period specified by the ANDI, on a case-by-case basis. The said period starts unfolding from the day when the decision to grant the general category benefits to the investor has been taken.

Special system:
Investments intended to take place in economic areas that the Algerian Government wishes to develop and presenting a specific interest for the national economy, especially those that involve the use of environmentally technologies to protect natural resources, to save energy and lead to sustainable development, can benefit from the following specific advantages:

1. For investment materialization:
- Exemption from transfer tax payment for all real estate acquisitions that are part of the investment;
- Application of a set fee, namely, the standard rate reduced by two per thousand, for registration formalities when companies are created or their capitals increased;
- Partial or total payment, by the Government, and once they have been reviewed by the Agency, of expenses incurred for infrastructure work required for the investment to materialize;
- Exemption from the Value Added Tax for all goods and services related to the investment, whether they are imported or acquired on the local market, when the goods and services are provided for the performance of transactions subject to V.A.T;
- Application of customs duties reduced rates for goods that are imported and directly related to the investment materialization.

2. After the operation start-up:
- Exemption, for a period of ten (10) years of effective activity, from the Tax on Corporate Profit, T.C.P. (Impôt sur le Bénéfice des Sociétés, I.B.S.), the T.G.R. (I.R.G.) on profit distribution, the Lump Sum Payment and from the Tax on Professional Activity;
- Exemption from the land tax for real estate properties, from the time when they were purchased and as long as they remain part of the investment during the ten (10) years' period;
- Offer of additional benefits to improve and/or facilitate investments such as the postponement of deficits, and extended recouping time frames.

Specific categories:
Investors who wish to take advantage of the attractive benefits offered by any of the existing specific categories must fulfill certain conditions. These categories provide for various benefits and fiscal exemptions depending on the case under consideration. The specific categories concern:

Specific areas:
The ones that the Government promotes for development.
Privileged investments:
Investments that present a specific interest for the national economy, such as investments that involve environmental technologies, protect natural resources, save energy and lead to sustainable development. These types of investments are the subject of conventions between the ANDI and investors.

Companies that benefit from fiscal benefits:

i) Full benefit:
The following companies can take advantage of all fiscal benefits provided for by the Algerian legislation on investment:
- Limited Liability Companies ("Sociétés à Responsabilité Limitée", SARL);
- Joint Stock Companies, J.S.C. (Sociétés par Actions, S.P.A.),
- Limited Partnership with Shares (Sociétés en Commandites par Actions)


Yielded or transferred investments:
In case the ownership of an investment is yielded or transferred before the exemption period has ended, benefits remain in full effect as long as the new owner promises the Agency that he will comply with all the obligations that the initial investor committed to.

Guarantees granted to investors:
Essential guarantees are granted to investors by law:

Non-discrimination:
Foreign individuals and foreign legal entities are treated in the same way, subject to specific arrangements concluded, in the way of conventions for example, between the Algerian Government and the Governments investors belong to.

Juridical security / inviolability of the law:
Unless expressly required by the investor, future revisions or the future abrogation of the investment legislation are not applicable to projects that fall under a current legislation at the time of the investment.

Settlement of disputes:
Any dispute between a foreign investor and the Algerian Government, whether it is initiated by the investor, or caused by a measure taken by the Algerian Government against the investor, is submitted to the competent jurisdictional court. Only multilateral conventions on conciliation and arbitration concluded by the Algerian Government, or specific agreements including compromising clauses or allowing the parties to agree on a special arbitration compromise, do not fall under this regulation.

In this context, Algeria has:
- Approved the Convention for the Settlement of Disputes regarding Investments between a Government and the Nationals of Other Governments, Washington, 1965;
Algeria is the most buoyant market of the Mediterranean and the Arab regions and one of the most flourishing amongst emerging countries. As a result of the global trade liberalization ensured by the signing of association agreements in 2002 between the European Union and Algeria, entered in force on the September 1, 2006, investing now in Algeria guarantees a role in the European economic and legal environment of tomorrow. Not to forget the untapped potential of the country’s wealth of natural resources.

The market
With 35 million inhabitants, a GDP of roughly 140 billion dollars, and a potential annual import capacity of almost 40 billion dollars, Algeria is undoubtedly the first largest market in all of Maghreb. Given the depth of the local market, most investments can be made profitable at the national level. From 2004 to 2008, public and private investments, including foreign investments, totaled more than $150 billion. Of this amount, the State contributed more than $130 billion to equipment and to the Economic Recovery Support Program, while foreign investments (including the hydrocarbons sector) reached almost $20 billion.

Comparative advantages
The large scale availability of a highly qualified labor force, a high quality technical support and highly competitive wages helps to greatly reduce the production costs and constitutes an incentive for delocalization and export-oriented production. The proximity of Europe and the opening of major European markets to Algerian goods following the establishment of a free-trade zone must also be noted.

Prices and costs
After repeated devaluations of the Dinar, retail prices, labor, property and energy costs, and in general local tax expenses, were rolled back currency-wise to some of the lowest in the South-Mediterranean region.

Privatization
The Government initiated a major privatization program, spread over ten years, encompassing most of the public sector. This process ranges from partial capital opening to absolute assignment. Among guarantees given foreign investors are equality of treatment as their status is the same as that of local investors in matters of privatization, unlimited participation, and guarantees. They are:

- Unrestricted capital and product transfer.
- Protection against dispossession.
- Recourse to international arbitration in case of litigation.
3 Project Area
Economy

Energy and electricity: By themselves, Sonatrach’s investment programs ($45 billion dollars for the 2008-2012 period) and Sonelgaz’ programs ($20 billion in gas and power operations between 2009 and 2017) represent a huge amount. While Sonatrach intends to develop new deposits, to build new pipelines, to increase petrochemistry production, Sonelgaz will implement or supervise an electricity production development plan, involving construction of thermal power plants running on new gas fired power stations as well as gas transmission and distribution.

Infrastructures: Besides housing activities (1 million of housing units implemented at 80%), major programs are being in completion, including the 1,250 km East-West highway (completion due in 2010), the 1,300 km Hauts Plateaux highway project, and dozens of projects relating to transport in final completion process, seaports and airports, bridges and aqueducts and subways (Algiers metro, Algiers, Oran and Constantine tramway), railways electrification and extension, hydraulic dams and new towns (Sidi Abdallah and Hassi Messaoud).

Agri-food: Agriculture is the second contributor to GDP (roughly 12%) with a substantial agricultural production with around 25% of the population employed in the sector, and imports of nearly 5 billion dollars in cereals, milk and milk products, sugar, coffee and grain legumes. The agriculture processing industry is beleaguered by considerable handicaps and thus offers significant investment opportunities.

Advanced technologies: Algeria is actually the largest Euro-Mediterranean market. A substantial equipment program has been initiated: 5 million mobile telephony lines by 2005, 3 million stationary telephone lines, hundreds of thousands of computers for installation in all primary and secondary facilities, banks, and administrations, local communities, etc.

Macro-economic data
Overall GDP: US $ 159.7 billion in 2008
($ = 72.6 AD)
Per Capita GDP: US $ 4,588
GDP Ventilation: 65% private sector, 35% public sector
Currency Reserves: US $ 146 billion at the end of September 2009
Inflation: 5.8% in 2008
Growth: 5% in 2008
Overall Trade Volume: US $ 120 billion
Exports: US $ 78.23 billion
Imports: $39.16 billion in 2008
Balance of Trade: $18.11 billion in 2008

Pharmaceuticals and medical: products: Projected cumulative annual requirements for consumable medication and medical equipment amount to $2.8 billions. Local production only covers 30% of the whole national market.

Industry: In terms of overall industrial goods, the Algerian market is extremely dynamic. But national production only partially meets the market demand, evaluated at more than 5 billion dollars (auto parts, machine tools, semi-finished goods, electronics, etc.). Annual steel consumption reaches around 2 million tons, local production meeting only 30% of the demand.

Sonatrach corporate offices
External Debt: $4.5 billion in 2008 with a 3% ratio of outstanding debt to GDP and a 6% debt service to exports ratio in 2008.

Major trade partners: France, Italy, Spain, United States, Germany.

Industries, mines, main productions
Hydrocarbons: 1.42 million barrels/day in oil equivalents in 2008, making Algeria the first place overall oil-producing nation in Africa.

Electricity: 6,000 megawatts.
Cement: 7 million tons with a consumption level of 11 million tons.
Iron: 1.5 million tons.
Phosphates: 1.4 million tons.
Zinc: 4,500 tons.
Smelting, metallurgy, steel works: 700,000 tons.

Agriculture
Dates: 550,000 tons in 2006.
Olives: 40,000 of olive oil and 100,000 of table olives in 2007.
Tomatoes: 700,000 tons.
Oranges: 620,000 tons.
Livestock: 30 millions comprised of 21 million sheep, 5 million cattle, 3.6 million goats, and 400 thousand camels.
Wine: 400,000 hectoliters.
Fishing: Over 149,000 tons in 2007.
Milk: 1.9 billion liters (between 2004 and 2008).

Structural Infrastructures
Road Network: 110,000 km.
Airports: 35 including 13 that meet international standards.
Ports: 13 in Algiers, Annaba, Arzew, Bejaïa, Beni Saf, Delys, Djendjene, Ghazaouet, Jijel, Mostaganem, Oran, Skikda, and Tenes.
Railway Transport: 7,500 km with 220 operational commercial stations.
Telecommunications: The entire network has been digitized.
Optic Fiber Network: more than 9,000 km.
Landline Telephones: 3.5 million lines as of December 2008 with 6 million planned by the end of 2012.
Mobile Telephones: 27 million lines as of June 2009.
3 Project Area
Economy

Internet: Experiencing strong growth: 3,000,000 cybernauts as of December 2008 with 6 million by the end of 2013, over 6,000 cybercafés as of December 2008 with 10,000 planned by the end of 2013.

Automobile Base: more than 3 million vehicles of which 65% are privately owned and 35% of which are utility vehicles.

Electricity: 99% of the country is electrified.

Natural Gas: more than 45% of households are connected to the gas network.

Population
Population: 35.2 million inhabitants in 2009 (34.4 million in January 2008)
Birth Rate: 1.91% in 2008 (1.86% in 2007)
People between 15 and 59 years old: 60%, less than 15 years old: 28%
Life Expectancy: 74.9 years for men and 76.6 years for women (2009)

Media
Print Media: over 150 weekly and monthly publications with approximately forty five daily papers
Global Circulation: over 2 million units/day; with 600,000 units per day published by Echourouk (Arabic) which has the largest circulation.

Education – Training – Health
Primary and Secondary
Schooling: 8 million students
Higher Education: 600,000 students
Hospital Infrastructures: 100,000 beds (13 University Hospital Centers)
Medical Coverage: 1 doctor per 930 inhabitants

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The industrial sector has been much affected by the choices made during the two decades following the country’s independence, a period characterized by an extreme active “industrializing” industry.

The industrial sector remains hostage to the choices made during the two decades following Algeria’s independence. This was guided by the belief that a focus on basic industry would spawn broad-based industrialization. The State spawned, owned and managed almost 1,000 industrial units. These gigantic plants were established in the various industrial sectors: steel, iron, hydrocarbon, textiles, leather, processed foods, electronics, etc.

Following Independence, more than 60 percent of development plan budgets were allocated towards industrialization. Given prevailing dire human resource shortages, public authorities resorted to the import of plants on a turnkey basis. Those initiatives were intended to meet fundamental consumer needs for basic good products (textiles, leather, processed foods, etc.) to facilitate inter-industry integration (good agricultural equipment, building materials, etc.) and to enhance export capacity.

Algeria became, in a few years, the pride of developing countries, particularly in Africa. This rapid industrialization gave Algeria industrial complexes, such as the El Hadjar steel mill, as well as a substantial infrastructure in the hydrocarbon sector, large industrial vehicle assembly plants and large cement manufacturing plants, which were worthy of a developed country.

By the end of the 1970’s, many studies deem Algeria an “emerging” country, of a level comparable to that of some European countries, such as Spain and Portugal.

…and hazards
In spite of positive results, in terms of job creation and of meeting the demand of industrial goods, the Algerian industry faced acute problems such as:

1. A lack of harmonization within the industrial nexus, as a result of excessive emphasis on internal integration rather than inter-industry cohesiveness.
2. An imbalance of production capacity and demand leading to acute shortages in the following products: sugar, iron rods, concrete,
fertilizer, glass, mechanical components, basic chemistry, telecommunications, etc.

An insufficient concern with production costs which were incongruent with international prices.

Consequently, the country remained much dependent on imports. State monopolies on foreign trade, through to the mid eighties, simply made matters worse.

With this inter-industry mismatch, opportunities for subcontracting remained limited. Furthermore, corporate financial performance was dictated more by social considerations (increased employment) than by cost-benefit analysis. To replenish their cash-flow, state corporations relied heavily upon government grants than on elusive profits.

Given the 1986 and 1996 oil price drastic drops and the ensuing drop of oil taxation revenues, the Public Treasury was less able to take action to support public industrial businesses. And as a consequence, Algeria's social policy simply could not overcome the financial strain imposed by the so difficult 1994-1999 period.

Setting it right...
After the 1986-88 period where Algeria knew a very difficult financial situation, the 1996 oil price drop and the ensuing fall of oil tax revenues constrained more the public treasury's ability to bankroll public enterprise. By the 1994-1999 period, Algeria's social system became unable to bear the financial strain.

Failing technological expertise, a lack of resources for research and development (product design, maintenance, innovativeness, etc.) and inadequate management prevented the Algerian industry from becoming self-sufficient, from espousing technical progress and from meeting the growing requirements of the local market, both quantitatively and qualitatively.

Correcting Post-Independence Strategic Options...
By the early nineties, Algerian industry had joined the rest of the economy on embarking on and initiating a reform process based essentially on restructuring public corporations, which accounted for 80 percent of national industry, the remaining 20 percent being held by some around 65,000 private small and medium enterprises and industries.

State-owned Economic Enterprises (SEE's), whose number in late 2000, many of them underwent restructuring, being divided into subsidiaries of a restricted core. Those subsidiaries became operational, as restructuring was completed by 2003. This facilitated privatization, beginning with the service industry, and with other communal and departmental entities. The wave of privatization is currently expanding to the vast majority of State National Enterprises and has already touched almost more than 400 companies.

Gas turbine Sonatech in the Edjeleh
The Algerian public industrial sector covers the entire range of processing industries.

- Basic industry: iron, steel, mechanical, non-ferrous metals
- Electric and electronic industries
- Food and agricultural industries
- Textiles and leather
- Construction materials (cement plants, brick-making)
- Wood processing
- Chemicals - pharmaceuticals, fertilizers
- Building and civil engineering industry

Adjusting and reforming....

Sectoral Reforms
Reforms carried out during the past decade have had the following outcomes:

- A positive macroeconomic trend: lower inflation rates, lower interest rates, a significant replenishment of foreign currency reserves and stabilizing exchange rates.
- A legal framework better suited to the requirements of the new economic environment.

This positive macroeconomic trend will however be short-lived if the microeconomic performance of economic agents does not also improve.

Consequently, the government’s industrial policy has set itself three priority objectives:

- To proceed with and intensify the implementation of the restructuring policy.
- To proceed with the implementation of the privatization program.
- To provide an institutional economic environment conducive to an efficient and consistent industrial policy that will facilitate the long-term recovery of investment and production.

Thanks to the hydrocarbons revenues during almost the last decade and to efforts made by the State in regards to the upgrade of public enterprises, the Algerian market can now proceed with its partnership agreements.

Even though, experts still look to the Algerian industrial sector from two different points of view. One camp claims that the country’s development happened thanks to the hydrocarbons revenues and the other believes that without this source Algeria could be better after having established a much more balanced economy and be less at risk from today’s volatile world petroleum prices.

During the recent years, it took strong efforts for Algeria to get back on an even keel and the country has finally been able to pay off its external debt. Most importantly, the Government considered that in a very wealthy country, a degree of self-sufficiency can be a huge asset. That’s what explains its 2008 decision to unveil an industrial strategy to guide Algeria toward real industrialization. The country now has the means to re-industrialize and the sector is still dominated at 80% by the public operators.

The Government focused mainly on nonhydrocarbon sectors such as agri-business, metallurgy, mining, electrical and electronic products, chemicals, pharmaceuticals, building material and textiles. This should assist the public Authorities in their plan to reduce dependence on hydrocarbon industries.

Given the rising prices in building materials and the historic number of construction and public works projects under way in the country, the Government, primarily in regards to the petrochemicals, plans to invest $30 billion over the next five years (2009-14). Fertilizer projects include the construction of a $1.7 billion Sorfert Greenfield fertilizer plan in Arzew (Oran). In the steel industry, ArcelorMittal is set to build a new facility in the Bellara industrial zone of Jijel at a cost of $116 million. Other huge aluminum facilities are to be built with Emirati in Beni Saf at a cost of $7.5 billion and Canadian operators for $7 billion.

In this context, the Government gives a big importance to the investment process. In moving forward and launching the process, it focuses on four policies: (1) the invest plan where industrial lands now are available and local and foreign investors can move to acquire properties in Algeria; (2) the upgrading policy and changing of state policy; (3)
the privatization launched initially in 1995 and re-launched more fairly in 2005; and (4) the investment by nationally held companies into sectors that could generate growth, such as petrochemical, heavy metal and agri-business.

In all these sectors, it appears more clearly that very few private companies are investing. There is no competition with the public sector which still dominates the national industry. That's why the Government decided to create new public-private strategic partnership to develop those growing sectors.

**Integrating the world economy...**

Thanks to private sector performance and to the upgrading of public enterprises by the State, conditions are now propitious on the Algerian market, for the spawning of partnership agreements with private investors, whether major corporations or small and medium enterprises.

**Promoting Competitiveness**

Creating an environment supportive of increased competitiveness requires further adjustments in the existing Algerian industry. The economy and especially the industrial sector are being updated to internationally accepted standards, to ensure their survival, consolidation and growth, despite international competition.

Algeria has implemented an industrial competitiveness enhancement program, providing support to State enterprises with a view to implementing an extended privatization program.

This program and its implementation mechanism are intended to backstop the process of liberalization of the economy. That should lead in 2010 to the implementation of multilateral regulations for the conduct of trade in compliance with WTO requirements and to the establishment of a free-trade area with the European Union and the Arab World.
**Pharmaceutical industry**

*Algeria meets nearly 30% of its domestic drug product needs. With a capital of 2.5 billion dinars and a turnover of 4.2 billion dinars, the Saidal Group is responsible for most of that production.*

Algeria is one of the key pharmaceutical markets in Africa. According to the Ministry of Health, Population and Hospital Reform previsions, with more than 35 million inhabitants and an increasing consumption of medication, the Algerian market will grow to become three times the size it is today by 2015. Algeria meets nearly 30% of its domestic drug product need from France. Private foreign companies that have set up production facilities in Algeria include Sanofi-Aventis, GSK, Pfizer, and Norvatis. The first player which entered the Algeria market, Pfizer, which in partnership with Saidal, has a production plant in Oued Smar with output totals of $20 m. It manufactures 11 products locally and imports others to supply the Algerian market.

Aiming to increase local production of generic to 60% and reduce the import bill which was around $2.8 billion in 2008, the Government passed, in October 2008, new measures to reorganize the market. Further to prohibiting some generics produced locally, the new legislation provides for the creation of a national pharmaceutical agency to monitor drug availability, safety, quality, inspections and regulatory compliance. The main objective remains the control of the sector and the business support in favor of the national pharmaceutical industry.

Around 60 private pharmaceutical production units contribute to the production and export of medicines. Importers are required to invest in a manufacturing unit within the first two years of the start-up their import activities. More than 50% of pharmaceuticals are imported by the private sector.

From its side, the state-owned company Saidal, with a capital of AD 2.5 billion ($38 m), develops, produces and distributes pharmaceutical products for human and veterinarian uses. Created in 1982, it was established in 1989 as a joint-stock company before deciding in 1997 to divide its production capacity in three different subsidiaries: pharmaceutical with three production plants, antibacterial with one big production plant in Medea and biotic with four production plants. In February 2005, the company obtained the ISO 9001/2000 certification and won, in 2008, an award from the World Intellectual Property Organization for innovative product formulation.

The company invested in 2007 around $8.1m and in terms of production reached 135 m selling units, a 10% increase over 2006, accounting for 42% of the local production. The remaining 58% are produced by foreign companies with facilities in Algeria and privately-owned local companies. The local pharmaceutical production, which accounts for only 30% of the Algerian market size, is expected to reach $1bn in 2009.

**Telecommunications**

In 2008, the telecommunication sector is certainly a top priority as it largely determines the outcome of all reforms initiated in other sectors, including the banking sector, as well as fixed and mobile telephone services. In 2008, the...
sector reached two major milestones: With the partial privatization of Algeria Telecom, the State will have almost completely relaxed its grip on the sector. The upcoming tender for a 3G system will also push the country to the forefront of communications development in the region.

Since 2000, the sector underwent tremendous change thanks to the new liberalizing measures. Mobile phone penetration in Algeria has soared from 0.6% (54,000 subscribers) to 80% (more than 27 million). Even if the internet expansion is still low because of the handicap of fixed-line penetration (3.5 millions or 10%), there are more than 6,000 cybercafés throughout Algeria. Furthermore, there are around 4 millions internet users.

In term of investment, massive operations have been done by the State to develop the ICT. Investment in recent years has already brought a total of around $4 billion in foreign direct investment (FDI). Many Arab companies such as Emirates Telecommunications Corporation (Etisalat), Kuwait-based Zain and Qatar Telecom (Qtel) are ready to be among the more than 40 companies interested in bidding for a share in Algérie Telecom when it is privatized.

Continuously evolving sectors...

Today, fixed phone lines are entirely digital. The installation of optic cabling began some ten years ago. The network already covers almost 10,000 km, installing more cable in the last decade than had been the case since independence. Fixed-line services cover the entire territory, but are constrained by the scarcity of connecting stations and of available lines. Considerable investments are planned, over the next few years, to add additional lines, including more ultra high-capacity lines.

Mobile Telephone Services:

With currently almost 27 millions lines, and as more GSM operating licenses are granted to private operators, mobile phone services will expand rapidly. After the national state operator Algérie Telecom, the Egyptian operator Orascom, whose trade name is Djezzy, was granted in 2001 as the second GSM license. The five-year objective is to meet the demand for an estimated five million cell phones. Today, the Egyptian operator claims to have 13.5 millions subscribers at end-2007.

The arrival of Nedjma on the scene in 2003 has done little to dent the ascension of Djezzy and with an estimate 4.5 million customers, is the smallest of the three operators. Nedjma which was initially owned by Kuwait’s Wataniya Telecom, has been sold to Qatar’s Qtel. Algérie Telecom’s, Mobilis, became operational in 2004. Its shares of the market are estimated at between 6 million subscribers and 9 million (company’s estimate).

Internet:

Algerian records claim more than 3,000,000 cybernauts, approximately 400,000 subscribers and the Government aims to reach the number of 6 million subscribers by 2013. Furthermore, cybercafés have been implanted even in the remotest parts of Algeria (over 6,000 cybercafés). Considering that the internet was introduced only recently into Algeria, these numbers are substantial. The internet sector has been open to foreign investment since 2000. The number of providers reached 35 and major service suppliers are CERIST, SERVRET, SOLINET and EXPRESS-WANADOO.
Partnerships between foreign and Algerian enterprises are intensifying. Opportunities are numerous. The Ministry of Industry and Promotion of Investments is doing its utmost to list all submitted partnership projects and to disseminate all related information.

Hot on the heels of the Emirati aluminum project, Algeria private sector conglomerate Cevital, in partnership with Canada’s Alcan-Rio Tinto International, has announced plans to set up an aluminum plant. Located in Jijel and estimated at $7bn, this plant will produce around 720,000 tons of aluminum per year.

In the cement sector, where the local production of the 13 state plants is about 15m tons per year, demand is so great within Algeria because of the huge needs of the national market. This is due to the current high demand (16 m tons) from numerous huge construction projects. The Government aims to reach 25 m tons by 2010.

Foreign investment in the sector has already come from Egypt’s Orascom Construction through its subsidiary, the Algerian Cement Company (ACC) which has established a cement facility in Msila and has another project in Sig (Wilaya of Mascara). Subsequently, the world large cement producer Lafarge (France) acquired OCI’s subsidiary, Orascom cement, for $12.8 m and gained control of the plants in Algeria. Buzzi Unicem, an Italian company, has also acquired a minority share in two other existing plants and Egypt ASEC Group has signed a $550 m contract to establish a Greenfield cement plant in the Djelfa region. Furthermore, a total of 13 state cement plants in Algeria were originally put up for sale in 2001.

The Government is inciting state-owned enterprises to welcome private domestic or foreign partnerships in order to increase competitiveness. In this context, SAIDAL, the national pharmaceutical corporation, has entered into partnership agreements with internationally known firms such as Rhône Poulenc Rorer (France), European Pharmaceutical Group (France), Novonordirsk (Denmark) Pfizer, Eli Lilly (United-States).

SNVI, the national industrial vehicle firm, is currently considering vehicle assembly opportunities with DAEWO O (South Korea), Renault (France), and M.A.N (Germany). Other projects have been implemented, or are currently being negotiated, especially in the fields of electronic industries, telecommunications and agribusiness.
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Algeria’s economy relies on its hydrocarbon resources which were worth $59 billion in 2007 (4.6% of GDP) and around $75 billion in 2008. The energy sector accounted for around 98% of exports and 77% of the country’s revenue in 2007. Algeria is also the fourth-largest exporter of LNG and the 10th-largest oil exporter. Spread over more than 1.5 million square kilometers, Algeria’s mine area is essentially underexploited. Its oil and gas potential is evaluated at 150 billion barrels of oil equivalent (BOE), with salvageable reserves totaling approximately 65 billion BOE, including 40% oil, 73% natural gas, 12% condensates, and 10% LPG.

Algeria is well positioned to become a key supplier of gas and electricity to Europe and is the third largest exporter of gas to the EU, accounting for 10% of supplies. Electricity generation gets its input from gas although the Government is looking to alternative renewable sources and nuclear energy to free up gas for export. Solar power is abundant and is fundamental for Algeria’s renewable energy plans.

Currently, there are approximately 200 oil and gas fields in Algeria concentrated in four main areas, basically, in the Eastern Sahara. Hassi Messaoud and Hassi R’mel fields cover around 67% of the initial reserves. After the discoveries of 2007, which gave some 300m barrels of oil equivalent, six other discoveries have been made by the end of May 2009.

A long-awaited first bid round was announced by the Ministry of Energy and Mining in July 2008. The new regulator, the National Agency for the Valorization of Hydrocarbons Resources of Algeria (ALNAFT), will carry out the bidding round under updated tendering rules. 64 companies have been pre-qualified for the bidding round which involves 16 different areas and 45 blocks. The contracts will be concessional ones rather than production-sharing agreements as was the case.

The new bidding rules are a result of the amendments in July 2006 to the Hydrocarbon Law, passed originally in 2005 to liberalize the sector. The significant result of this amendment is that, based on the foreign investors themselves, Algeria is still very attractive as it is one of only two or three countries in the world still open for business.

Stable for many years, Algerian oil will be more constant. Reserves were 12.5 bn barrels in January 2007 (the third-largest in Africa) and the latest crude oil production figures are 1.4 mbd in 2008, from 1.37m bpd from 2006 (2.2m bpd with condensate and NLG). The Government envisions lifting crude oil production at 1.5 m bpd by 2012.

Domestic oil consumption was around 280,000 bpd in 2006 and forecast to increase to 333,000 bpd by 2009. 3,862 km of pipelines transport oil from the product fields in the Sahara to the Mediterranean coast for export. The main facility is at...
Arzew, which handles 40% of Algeria hydrocarbons exports and is undergoing continuous expansion.

There are currently four oil refineries in Algeria with a total capacity of 450,000 bpd. To meet domestic demand and maximize capacity for value-added exports, the Government has committed $4 bn to develop sufficient capacity by reaping half of its capacity and renovating some refineries by 2012. There are plans for new refineries, like the 300,000 bpd capacity of Tiaret ($3 bn) expected to begin production in 2013.

In the gas sector, Algeria has enormous potential and production remains stable. With its eighth largest gas reserves position in the world, Algeria is seeking to expend capacity, distribution and exploration to cater to growing international and domestic energy demand. In 2006, the Algerian gas production was 194.8 bn cbm. Gas exports were 66bn cbm/y (61% through pipeline and 37% LNG) and domestic consumption stands at 15bn cbm/y, of which 6% is used to generate electricity.

Most of Algeria's natural gas production is unrelated to oil and is concentrated in the Hassi R'mel field. Sonatrach is responsible for around 90% of gas production and carried various partnership actions with foreign companies. The fundamental challenge for the Government is now to develop the fields to increase productions, expand domestic and international pipeline network and further enhance LNG production to benefit from the added value and wider scope of supply by ship. This explains the Ministry of Energy and Mining aim to increase exports to 85bn cbm/y by 2012 through the new fields brought online with the completion of domestic and international submarine pipelines and new LNG plants.

It is also important to note the Government willingness to extend its plan of action, in particular, through the new strategy of Sonatrach to increase its production. Thus, the Government is committed in new structuring projects as the Skikda LNG one whose implementation contract has been stalled by US Kellogg Brown and Root, for a cost of $ 2.8 and a capacity production of 4.5 million tons/year of LNG. This project will come into production in 2010 and could help with the second project got by the Italian partners, to increase domestic production by 50% up to 2025.

The Ministry of Energy and Mining in May 2002 adopted a plan to 2004 for developing of the public gas supply system, improving its efficiency and increasing transparency. At the same time, it changed the terms of finance for public gas distribution. The law calls for transparent and non-discriminatory third-party access to the transmission grid, with rules of access and pricing set by Sonelgaz. Distribution will be opened to franchises, to be licensed by the state. Their commitments will include a number of public service obligations.

To curb domestic oil consumption, long-term measures were initiated in 1984. To increase the share of gas in the consumption mix, the government introduced a new system of tariffs, distribution networks, and more gas consuming industries. In the transportation sector, for example, it launched a program to encourage use of propane and compressed natural gas.

Thanks to its extraordinary potential and ideal geographical location, Algeria plays a major role in supplying energy to Europe. The capacity of the two gas pipelines supplying this continent will be increased in the near future. In fact, furthermore the main domestic pipelines which connect Hassi R’mel with plants on the Mediterranean for exports, Algeria has planned the construction of two new major pipelines, : one to Italy via
Sicily (Trans-Mediterranean pipeline) with a capacity of 24bn cbm/y and plans to increase capacity to 33.5 cbm/y by 2012, and an other to Spain known as the Maghreb-Europe Gas (8.6bn cbm/y). Construction is under way for two others, each for a 10 billion cubic meter capacity: one to Spain - the Medgaz (completion expected by the end of the current year) and another to Italy via Sardinia - the Galsi (due for completion in 2012).

In another major international initiative involving numerous parties, a $13bn Trans-Saharan Gas Pipeline (TSGP) project with Nigeria, will be combined with the completion of the road and the Trans-laying of a fiber optic line connecting the two countries. When completed in 2016, this pipeline will transport 20-30 billion cbm/y of Nigerian gas through Algeria to Europe. The transport of such high volumes through Algeria will strengthen the country's hold on the European market.

In fact, Algeria is among the three largest suppliers of gas to Europe, the other two being Russia and Norway. Currently more than 95% of Algeria’s gas exports are sold to Europe and 5% of exported LNG is shipped to America. Therefore, Algeria aims to export its natural gas exports with an approximate volume of 85 billion cubic meters/year in 2010 and 120 billions up to 2020.

Sonatrach is a fully integrated oil and gas corporation that is gradually acquiring a greater share of the electrical production sector and is active in Africa, Europe, and Latin America. The company has already expanded its operations through Egypt and Libya, Mali and Peru. It is involved in the Peruvian Camisea Project, a gas deposit expected to start producing this year. The company has helped plan the transmission lines that will be used to deliver hydrocarbons to Lima and to Peru’s Pacific coast where construction of a LNG plant is being undertaken to supply the West Coast of the United States.

Oil exploration, production, transport via transmission lines, and marketing are amongst Sonatrach’s main activities. In conjunction with partners it operates over an area greater than 152,000 square kilometers. Since the national mines sector was opened to foreign investments in 1986 under Law 86/14, and its 1991 amendments, Sonatrach has entered into dozens partnership agreements with international corporations. One third of these contracts were signed between 2001 and 2003.

Aided by partnership agreements entered into force in the 90s, including agreements with American firms, Sonatrach has made many discoveries leading to the identification of several giant deposits. Their development and exploitation activities have restored hydrocarbon reserves to levels that have replaced all quantities sold since 1991.

Algerian hydrocarbon reserves identified to this day are distributed over hundred oil and gas deposits in Illizi basin, Central Sahara basin, Ghadames-Rhourde Nouss basins and Oued Mya basin.

Algeria has developed a substantial infrastructure and production capability. An aggressive hydrocarbon development policy has facilitated the establishment of sound economic foundations. A major petrochemical, chemical and plastics industry has been instituted. At the present time these industries are state-owned.

This industrial network, which is active in several regions, encompasses many natural resources and it has contributed to the expansion of many parallel economic activities, both upstream and downstream.

As an alternative to diesel, the Government is encouraging fuel diversification to LPG and condensates which are currently in surplus and accounted for $7.3 bn and $3.6 bn in 2006, respectively. A large Algerian condensates production is used in petrochemical production in US and Europe.

With oil revenues piling up, the Government is pumping resources into the energy sector to increase production and enhance the industry’s competitiveness. In this regard, the current investment program involves $45 bn for 2008, 12.67% of which will be devoted to oil and gas. Major expenditures include $1.3 bn per annum on explorations efforts, $9 bn on refineries and petro-chemicals plants, and 5.5 bn on transportation and pipelines.
In recent years, power consumption of electricity in Algeria has been growing by 7%. Economic and population growth, housing construction, energy-intensive desalination and petrochemical plants in Algeria explain these increases.

The national company Sonelgaz has today more than 8,400 MWs power production capacity (5,900 MW in 2000). An other 4,500 MW of generation plants were contracted in 2007, with 2,100 MW of simple-cycle plants expected to be completed in 2009-2010 and a further 2,400 MW of combined-cycle gas and steam plants to be completed by 2011-2012. Plans for $3 billion (2,000 MW involving Sonelgaz, Sonatrach and a consortium of mostly European international firms), purely for export to Europe is currently under development.

Electrical power production has increased by 50% over a period of 10 years. The territory of Algeria is almost completely electrified. To meet electrification requirements more than thirty local public and private companies have been established, along with a state-owned corporation that specializes in rural electrification known as Kahrif. Also, more than 4.5 million households are already connected to Sonelgaz’ electrical network.

Representing 47% of high voltage consumption, the hydrocarbon sector is the largest electricity consumer followed by the construction materials sector at 24% and then by the steel, iron, and engineering industries.

With the liberalization of the European electrical industry, Algeria, currently a primary energy exporting country, now has the opportunity to become an end-product energy exporter by also selling gas-generated electricity.

Energy options from renewable energies and nuclear are now part of the Algerian Government’s energy policy: a power hybrid gas project of 150 MW whose achievement in Hassi R’mel is entrusted to the new Algerian company NEAL (New Energy Algeria) with a Spanish partner and another in Tindouf to ensure an output of 10 MW of which 6 MW wind farm and the first power plant started production in 2008 in Skikda and Cherchell.

In the framework of the new Government policy, Sonelgaz is to invest some $20 billion in its gas and power operations between 2009 and 2017. Of that, about $7.5 bn will be devoted to construction of thermal power plants running on gas (new gas-fired power stations) and $12.5 billion to electricity and gas transmission and distribution. There is also an ongoing Government program in renewable energies.

The tender for $6 billion project was announced in early 2008 for the construction of a new city at Hassi Messaoud, the center for companies operating in Algeria’s oil and gas industry. The contract was awarded in 2008 and completion will be in 2014.
Algeria is really fortunate in geological terms. The country’s sub-soil contains enormous wealth, some of it so evident that the exploration is helpful. 2002 and 2003 witnessed the intensification of institutional reforms to align the mines sector with current economic requirements and to develop more aggressive formulas for establishing partnerships. But, before that, the Government passed a law for the first time in the history of the sector: the Mining Law (July 13, 2001).

In conformity with this law, the national mining sector includes both public and private enterprises. Mining authorities are responsible for the establishment of overall policies and State programs as well as for the monitoring of mining and mining related sectors. The Mining Law promotes domestic and foreign investments in particular economic sector.

The sector was revitalized by the 2001 law which authorized private exploitation, both national and international, of Algeria’s mining sector. Provisions of this law apply to all activities pertaining to geological infrastructures, research, mineral substances and fossil exploration. However, the law does not apply to water, liquid or gaseous hydrocarbon deposits or oil-bearing shales. They are subject to other statutes specifically designed for the energy sector.

The 2001 Mining Law is an important step for economic liberalization and it clearly demonstrates the willingness of the Government to welcome foreign investments into this sector. It questions the existing quasi-monopoly by public corporations in the mining industry and it offers mining investors an attractive taxation system and defines in more clear and simplified terms the legal requirements to engage in such activities and, unlike the prior law, it provides mining companies with a taxation system tailored specifically to their unique investment needs.

In return, the Government claims around 40% of the total value of mining operations and mining statistics show that the turnover of mining companies grew by more than 50% between 2005 and 2006, while production grew by 22% and added value rose by almost 18%.

The country is glutted with many exploitable mineral deposits and by many others that remain underdeveloped. Major sources include an estimated 3.5 billion tons of iron reserves grading 57% Fe in south-western Algeria, at Méchéri Abdelaziz and Gara Djebilet. There are also phosphate reserves estimated at 2 billion tons in Djebal Onk basin, gold, diamonds and uranium resources in for main deposits. And during 2007, over 1,000 mining operations were active.
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Faced with water shortages, the Government has initiated a huge program for the construction of desalination plants to increase to 2.3 cbm/d the desalination water. 13 stations are due for completion by 2011 with a combined capacity of 2.3 mcu (cbm/d). Among these stations is the El Hamma desalination unit of Algiers built by General Electric at a cost of $250 m and a capacity of 250 000 cbm/d, inaugurated in February 2008. Financed by GE and Algerian Energy Company, a Sonatrach subsidiary, this desalination complex provides 20% of Algiers’ potable water needs.

Furthermore, the Algerian Government contracted, in July 2008, the world largest desalination plant (500,000 cbm/d) to Singapore Hyflux firm at a cost of $470 m. Financed at 70% by the State and 30% by the Singapore Company, this project is due for completion by 2011.

In June 2008, Algerian Water Investment (AWI), a consortium of SNC-Lavalin and Spain’s Acciona Agua, was awarded engineering, procurement and construction (EPC) contract for the $150million and 120,000 cbm/d Myah Tipaza plan, due to be operational by 2010. Other projects include the 200,000 cbm/d, $291 millionTenes (Chlef) plant awarded to Spanish firm Befesa Agua in April 2008. Currently, 10 of the projects are either already under construction or completed.

Maghnia Hamman Boughrara aqueduct
Nuclear power is an alternative source of energy that Algeria has been developing since the 1980's when the country established cooperation on the matter with China and Argentina. Algeria has two small reactors for civilian use acquired from these two partners. There are some cooperation agreements in the nuclear field between Algeria and some other countries like the United States (2007), France and Russia (2008). The use of nuclear energy for electricity generation is required by a strong growth in energy demand due to rising population, dynamic economic activities, low energy consumption as well as a process of accelerated industrialization. In this regard, the Minister of Energy and Mining, Dr. Chakib Khelil, emphasized, in June 2009, that the first electroly-nuclear power plant will enter into service in 2020.

Aiming to provide a legal framework for the development of nuclear power in Algeria, draft legislation on the matter will be soon submitted to Parliament to clear the way for the establishment of an energy program. The new law, when adopted, will cover all peaceful uses of nuclear power in Algeria and help the establishment of an independent safety nuclear agency. It will, in particular, define the legal basis for the use of nuclear energy for economic and social development of the country, the conditions governing the performance of nuclear activities and rules of nuclear safety and security.

Finally, the continued reliance of the national economy on oil leads to the development of renewable energy and energy efficiency where a process of legislative reforms to establish an institutional framework best suited to serve as a basis for energy development through the adoption of a new legislation such as the Mining Act (June 2001), the Law on Electricity and Gas Distribution (February 2002), the Law on Renewable Energy (August 2004) and the Hydrocarbon Law (July 2005). In addition, the regulatory activities related to the mining, oil and electricity were created.
4 Agriculture
The Algerian agriculture sector has always had tremendous potential.

Once major exporter of agriculture goods to Europe, Algeria became one of the largest food importers because of two main causes: the country’s post-independence centralized economy, which favored industrialization, and the mass migration from rural areas to the urban zones. A poor relation of the Algerian economy for many decades, agriculture is currently undergoing far-reaching changes and achieving spectacular results. Three years after the implementation of the 2000 National Agricultural Development Program (Plan National de Développement Agricole, PNDA), Algeria became an exporting country. This new developing program allowed the sector to regain its role in the country’s long-term socio-economic growth. Algeria is transforming from a net food importer into an exporter.

In fact, to increase the level of agriculture exports, the Government initiated reforms focusing on promotion of goods having comparative advantages, such as dates, wine and olives, as well as giving attention to agro-industry, transformation and packaging and commercialization of foodstuffs.

A true indicator of the state of the agricultural sector, the agriculture became the second-largest GDP contributor (12%), with around 25% of the labor population of the country and in term of growth, the sector has increased by 4.9% in 2006 and 5.9% in 2007. With around 1,000,000 jobs created, including 620,000 permanent ones, agriculture is now one of the highest job-generating sectors.

However, Algeria remains a top importer of agriculture goods, basically cereals and dairy products followed by vegetable oil and sugar (almost $4.8 billion or 17% of its total imports). A figure which explains the major measures taken by the Government to reduce cereals imports (4.6 million of tons of wheat and 2.27 million of corn) basically the extension of the area used for cereal production and the new irrigation policy. Up to now, there are around 800,000 ha of irrigated land in Algeria.

Olive production is currently expanding. Olive groves are being expended and the production and processing of olive and olive oil is being modernized. There are
Agriculture

Currently 300,000 ha of olive groves in Algeria and, in 2007, the sector produced about 40,000 tons of olive oil and 100,000 tons of table olives.

Cultivated in 9 Saharan Wilayas, of which the most productive are Biskra, Adrar, El Oued, Ouargla and Ghardaia, dates are the single largest agriculture export item in Algeria which is the world seventh largest date-exporting country ($20 million in 2007). The production was around 550,000 tons in 2006 and the surface covered by date palm trees has significantly increased under the PNDA, rising from 12 million trees and 100,000 ha in 2000 to 17 millions trees and 154,800 ha by 2006.

Estimated at 700,000 tons, tomato production far exceeds the requirements of local markets and is now hampered by limited processing and conditioning capabilities. Many market fruit and vegetable productions exceeding national consumption levels are now facing the same obstacles. With an inventory of 30 million animals, red meat production is nearly meeting the domestic demand while white meat production actually does meet the demand.

Although previously showing a significant increase in the milk production under the PNDA, this sector production is now meeting 40% of local needs based on a per capital annual consumption of 110 liters, far exceeding WHO standards, for a total production of 1.6 billion liters. The annual average need in Algeria is about 3.3 billion liters and about $600 million are spent annually by the State to bridge the deficit estimated at 900 millions liters.

Fishing is also doing very well with a record production of 149,000 tons as well as potatoes (21,765 millions quintals in 2006) and oranges (620,000).

Consequently, Algeria is entering the new millennium knowing that its dynamic agricultural sector will be better equipped to feed its inhabitants, both quantity and quality wise. There are however new challenges: the issue is not to deal with the shortage, as before, but to reorganize production by investing in conditioning and refrigeration as well as updating commercial networks and the export industry.

Agriculture: the mythical, prosperous past.
Whether collective or individual, private or public, the overall relationship with the land has always determined social evolution, and still does. As Marc Coté states in one of his works on the Algerian environment, the 1830-1962 colonial era generated considerable upheaval in the land and its people.

Military conquest may have lasted for only forty years but territorial colonization lasted for a century, until 1930. It had a tremendous impact on the Algerian agricultural space which underwent drastic changes.

Towards the end of the 19th century several laws were enacted to expropriate the land of Algerian peasants. Of the 7.5 million hectares of arable land, 3.5 million were taken away from their rightful owners and given to French settlers, almost free of charge.

These lands were the most fertile and, therefore, they were the most desirable plots. They played a major role in assuring the self-sufficiency of the population, and at times their true food prosperity, as confirmed by many reports issued by the French military during the first decades of colonization.
Initially self-sufficient and at times producing surpluses, Algerian agriculture would undergo a transformation to meet external needs which continues to produce repercussions today.

The introduction of so-called commercial products such as soft wheat, grapes and citrus fruits occurred at the expense of forests, traditional crops and animal breeding because pasturage was greatly reduced.

After a devastating drought that decimated the population by an estimated one-fifth according to various French sources, and a coincident reduction of the amount of cereals available for the population, Algeria was forced to start importing cereals in the 1930’s after having exported them for centuries.

Besides the negative impact of an anarchic occupation and excessive exploitation of sensitive soils, the secular social equilibrium was brutally and permanently upset. Stripped of their possessions, with their numbers depleted by the colonization, Algerian laborers had no choice but to leave the mountains where they had been forced into isolation and to offer their services to major colonial estates at planting and harvest times.

Even though nine-tenths of the Algerian population was receiving an inadequate dietary ration, as confirmed by many documents from the 1950’s and 1960’s, wine exports of up to 17 million hectoliters and citrus fruits exports helped preserve the myth of a prosperous agriculture and gave the illusion of self-sufficiency, a misperception that continues till this day about that period.

Algerian agriculture was definitely prosperous on the vast colonial estates which benefited from the latest technology, were over-equipped, and which had no equivalent in a metropolitan society.

Given their exogenous nature in terms of production, market and financial means, French government subsidies were rolling in and, with the exploitation of a quasi-free labor force which was denied minimal rights, the agricultural sector could not remain unchanged after the drastic changes brought about by Independence.

The “self-management” imposed on these sectors by decree in March 1963, which would later become the ideological basis for Algeria’s unique form of socialism, simply accelerated the collapse foreshadowed by existing general trends in a country undergoing extensive restructuring.

Agriculture is now the new engine of economic growth. Contributing roughly 12% of the GDP. Its turnover represents between 8 and 12 billion US$ in current terms, and it employs 25% of the labor force.

Agriculture: the new engine of economic growth
Algeria’s agriculture surface area currently stretches over 8.5 million ha and is expected to reach 9 millions ha by 2010. Two funds have been created to promote and modernize the sector: the national Agriculture Investment Development Fund (to support the agriculture investment) and the National Fund for the Regulation of Agriculture Production (to support the agriculture production).

To increase the level of agriculture exports, reforms have focused on promoting those goods that have comparative advantages. However, the country still relies on imports to meet domestic demand for basic foods products such as cereals, meat, milk and sugar.

With an annual growth rate of 6% over the last decade, recent Algerian agricultural performance is often underrated. Since it did not rely heavily on artificial inputs, the natural orientation of Algerian agriculture could benefit from the increased European demand for organic products.

Given total maximum imports of $3.2 billion, each Algerian is only consuming $100 worth of imported products. Based on CNES data, each household allots 50% of its revenues to food related expenses, or approximately $500 annually per capita. This is hardly the total dependency on imported food often cited in the press, both in Algeria and abroad.
New challenges must be met to maintain the remarkable progression of the agricultural sector following the implementation of the 2001 National Agricultural Development Plan. The objective is to fast-track investments in order to increase stocking, canning and processing capabilities and to energetically develop foreign markets, especially, as the Government funding is provided to the farmers through the "Banque de l’Agriculture et du développement Rural (BADR)". Options to reschedule debts and access enhanced credit facilities are also incentive.

The objective of the Government is to increase the amount of arable farmland by more than 1,000,000 hectares, to create 2,000,000 new jobs and to achieve a growth rate averaging between 8% and 10% starting in 2010 and continuing thereafter.

The adaptation of production systems to climatic and physical conditions of the various regions, in order to increase production and diversification and to ensure food security at the national level, is among the objectives of the NADP.

In light of such attainable results, Algeria will gradually recover its national agricultural potential. Furthermore, implementation of the National Agricultural Development Plan (NADP) is carried out through a concrete set of programs that affect the various components of the agriculture sector:

- a reforestation program emphasizing the development of useable and economical forests while confining the encroachment of the desert;
- a Land Management Program based on a concession system to increase arable farmland;
- a Steppe Protection Program emphasizing the protection of grassland ecosystems and the development of grazing areas;
- a Livestock breeding and agricultural product development programs.
VINS D’ALGERIE

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Un groupe aux activités agricoles multiples

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  Production et commercialisation de vins de qualité
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Email : dg@oncv-groupe.com Site Web : www.oncv-groupe.com
5 Education
The evolution and development of the education system stem from the tremendous pressure exerted by personnel, as a result of demographics, and from a policy based on the democratization of a free education environment.

The Algerian educational system currently relies on three subsystems, each linked to a different government department:

- National Education
- Higher Learning and Scientific Research
- Vocational Training

This policy has required major infrastructure investments and considerable operational funding. Measured as a percentage of GDP the budget allotted to national education by Algeria has always been one of the highest in the world.

The Algerian educational system experienced fundamental changes after the implementation of an unequalled training policy; 600,000 students were enrolled in schools in 1962 while more than 8 million attended school in 2005:

<table>
<thead>
<tr>
<th>2005</th>
<th>Girls</th>
<th>Boys</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary Education</td>
<td></td>
<td></td>
<td>6,617,976</td>
</tr>
<tr>
<td>Percentage</td>
<td>47.69</td>
<td>52.31</td>
<td></td>
</tr>
<tr>
<td>Secondary Education</td>
<td></td>
<td></td>
<td>1,123,123</td>
</tr>
<tr>
<td>Percentage</td>
<td>57.73</td>
<td>42.27</td>
<td></td>
</tr>
<tr>
<td>Enrollment in Elementary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage</td>
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<td>96</td>
<td></td>
</tr>
<tr>
<td>Enrollment in Secondary</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Percentage</td>
<td>62</td>
<td>67</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>7,741,099</td>
</tr>
</tbody>
</table>
The plan outlines the principle objectives of the restructuring of the Algerian educational system whose fundamental mission is to promote instruction, socialization, vocational training and preparation for the exercise of the responsibilities of citizenship and of global awareness.

In order to fulfill its mission the Algerian educational system must integrate the values associated with national identity into its programs; the nation’s history, its religious traditions and its languages.

The reform of the educational system hinges on a number of critical elements:
The establishment of a revised and stable training system that includes the assessment of the quality of instruction is at the head of these elements. Measures have been instituted for that purpose in connection with the following concerns:

Initial teacher training
In regard to intermediate and secondary academic teaching hiring of graduate masters degree holders based on a competitive process has been proposed to ensure adequate initial training of aspiring intermediate and secondary teachers in teachers’ training colleges.

Furthermore, the high-level competitive examination for secondary teachers will be reinstated and new teachers’ profiles will be established to ensure that teachers meet the requirements of the educational reform.

Finally, the training of teachers of technical subjects that will consist of a baccalaureate degree plus five years of experience, has been established as the norm for the training of teachers of technical subjects in graduate programs.

On-the-job training
Many options have been considered regarding teachers’ performance and continued training, such as advanced graduate studies, remote training or cooperative training, using new technologies and planned field experiences.

It should be noted that the retraining of the youngest...
teachers in primary as well as in intermediate and vocational schools, who demonstrate professional shortcomings in terms of knowledge, skills and other important attributes, will be deemed a top priority.

Finally, motivational tools will be implemented to enhance teacher expertise and skills in collaboration with various social partners.

Validating the status of teachers
A law validating the status of teachers must be enacted in collaboration with concerned parties in Algerian society in order to ensure high standards in the fields of education and training.

Furthermore, the modalities for establishing teacher associations and self-sustaining retirement programs shall be considered.

Finally, a code of conduct and ethics applicable to teachers and the introduction of new regulatory controls over occupational illnesses, sabbaticals and professional development have been provided for.

Educational reform and the redesign of academic disciplines; measures taken to achieve these goals are numerous.

There has been a complete overhaul of educational curricula based on the strategic orientation of the National Reform Commission under the guidance of the CNP.

The Arabic Language
Where the Arabic language is concerned, measures will be implemented to:
- review Arabic language programs and manuals from the standpoint of both content and format and to update teaching methods;
- include traditional and contemporary Arabic literary and cultural concepts, as well as other literary genres such as novels, short stories, poetry, and theater into the program content;
- use ICTs;
- translate to and from Arabic reference works selected from the universal scientific, technological and cultural heritage, with the support of the Arabic Language Academy.

The teaching of Tamazight
In this regard, the following actions have been planned:
- make available all organizational, human, material and educational resources to institutionalize the teaching of Tamazight;
- introduce the teaching of Tamazight at the beginning of basic education, as an early learning activity and, subsequently, as a core curriculum discipline in fourth grade of primary school;
- integrate the study of Amazigh culture into social and humanistic studies;
- teach Tamazight, or teach modules in Tamazight, in selected university-level subjects such as sociology, anthropology and others;
- establish a Language Training Center or, on a medium-term basis, an Amazigh Language and Culture Academy that shall be responsible for research and harmonization of the lexicon.

The teaching of Foreign Languages
The introduction and learning of a third, optional foreign language within literary subjects at the secondary educational level shall be considered.

The teaching of the Sciences
The integration of universal symbolic values and bilingual terminology in mathematics, physics, chemistry and the natural sciences has been planned.

The teaching of History
The teaching of history must be reinstated at all levels while giving priority to the national millennial historical development.

The teaching of Philosophy
A new orientation for the teaching of philosophy, based on reflective thinking, questioning and the writing of dissertations is under consideration.
**Arts Education**
Arts education must be extended to all levels and introduced as an option for Baccalaureate and Certificate examinations.

**Physical Education and Sports**
Training in physical education and sports must be made mandatory for all students and taken into consideration for ongoing student assessments, as well as for Baccalaureate and Certificate examinations.

**Islamic Education and Civic Education**
This educational field must prepare students to exercise their responsibilities of citizenship, to learn moral and religious principles, and to understand how to apply such principles to protect the civic values of the Algerian people. In this regard, it is essential to:

- review exiting programs and develop new school manuals;
- introduce this discipline in the first year of primary school education.

It should be noted that specially trained teachers will be responsible for teaching Islamic Education. In regard to secondary schools teachers will be trained in specialized institutes of the Ministry of Advanced Education.

**Advanced Information and Communication Technologies (AICTs)**
The following guidelines have been formulated in these fields:

- establish a National Development Program for the integration of AICTs into the educational system and create a national institution that shall be responsible for its management;
- implement a training program for new technologies geared to the entire teaching community;
- over time equip every educational institution with computer-based tools, as well as links to the Intranet and Internet networks, and assign a top priority to teacher training institutions and to graduate and secondary level educational establishments;
- request the PTT to design a fast, high-volume communication system with preferential access by educational and training institutions;
- establish structures for educational production at the level of institutes and universities to support the training and professional development of schoolteachers;
- develop long-distance teaching and training capabilities by establishing virtual networks with external financial and technical support by entities such as UNESCO, ALESCO and the European Union.

**Enhance Programs for Preventing and Combating Violence and Substance Abuse**
Establish and implement an Adult Literacy Strategy with the support of existing institutions, organizational movements and Koranic schools, in collaboration with the Ministry of Religious Affairs.

Re-establish vocational schools for those who wish to improve their educational standing, their professional skills and their socio-economic status.
Global restructuring of the educational system

Expansion of pre-school education
Pre-school education for five year-old children shall be expanded by opening special nurseries. To do so a legal framework must be established to support pre-school education and the training of female educators.

Furthermore, it should be noted that pre-school education shall not be free-of-charge since it will be operated by organizational movements, local communities and businesses. However, the State will ensure equal opportunity by setting up specialized nurseries, particularly in underprivileged areas.

Establishment of a new, mandatory, basic educational structure
For increased efficiency it has been decided to divide basic education into two distinct steps, primary and intermediate schooling.

Adjunction of an additional year of intermediate teaching.
That decision was reached to trim curricula, thus meeting demands of the educational community. Implementation will be incremental and will go hand-in-hand with the new program distribution.

The primary school teaching cycle will be shortened by one year, on a short-term basis, in conjunction with the gradual expansion of pre-school education.

Draft restructuring of the post-mandatory teaching cycle
From this restructuring emerges a clear division between academic secondary teaching, which prepares the student for graduate education, and technical and vocational training, which prepares the student to lead an active professional life.

Additionally, it requires setting-up an Inter-sector Technical Commission composed of representatives from the Ministries of Advanced Education, National Education and Vocational Training, whose mission it will be to restructure technical and vocational training in terms of trade categories, years of schooling and educational assessment.

Institutionalizing the democratization of education
Democratization will be implemented by preventing educational attrition through the reactivation of remedial educational policies and the development of support programs targeting under-funded schooling areas such as school cafeterias and transportation.

The Reform Implementation Framework
An ad hoc mechanism to ensure adequate follow-up and assessment of the reform process has been put into effect. Two national institutions have been set up for that purpose:

- The National Education and Training Council, composed of State representatives, representatives from the educational sector and representative associations and experts in educational science. The Council shall be a consensus-building institution accredited to make recommendations on educational issues.
- The National Observatory for Education and Training, composed solely of experts, shall be responsible for evaluating the implementation of the reform and ensuring a continuous follow-up.
Still at the embryonic stage immediately after Independence, the Algerian academic circle would evolve in dramatic fashion, keeping up with its aspirations.

Higher education and scientific research has experienced an exponential rate of growth: 979,949 enrolled students in 2008 compared to 600 students in 1962. Such growth speaks for itself and demonstrates remarkable progress.

School year: 2007-2008

Higher Education and Scientific Research: 979,949 students

National Education Infrastructure:
Universities: ............................................................34
University Centers: ..................................................13
National Institutions of Higher Learning: ................13
Teacher Training Colleges: ...................................... 4
(Ecoles Normales Supérieures)
Other National Centers of Higher Education: ..........6
(Under different ministerial authority)

Few developing countries have managed to make available such diversified infrastructures, selectively distributed over their entire national territory.

Within a span of forty years the number of students has increased a thousand-fold, from 600 in 1962, to 19,000 in 1971, and to 979,949 in 2008.
Advanced Training
With regard to advanced training, higher education supports:

- Graduate higher education
- Post-graduate higher education
- Continued professional development

Graduate and post-graduate higher education lead to higher educational diplomas that are national diplomas conferred exclusively by the State.

Graduate higher education includes:

- Long-term graduate higher education
- Short-term higher education

Long-term higher education or Level 6

This educational level requires four to seven years of schooling and, depending on the subject, the objectives are:

- Enable students to acquire, develop and diversify their scientific and cultural knowledge through basic academic disciplines, to develop theoretical and practical work processes and to promote research awareness;
- Ensure that students are able to evaluate their own capacity to retain the required basic scientific concepts associated with each type of training and to develop the appropriate requisites to make a career choice;
- Prepare students to join the labor force after having acquired the appropriate qualifications, or to guide them to long-term studies, if they are qualified to do so.

Concerning Institutions of Higher Learning: Under the provisions of Act No. 99-05 of April 4th 1999 that pertains to higher education guidance, higher education institutions are public establishments of a scientific, cultural or vocational nature that operate as legal entities and are financially self-sufficient. They are managed by a governing board composed of State representatives, elected academic representatives and representatives from the main end-user sectors.

Based on their missions such establishments may, through contracts and conventions, provide services and assessments for a fee, develop patents and license and market the products of their various activities. The management and operation of such establishments are governed by rules reflecting their specific missions, especially through post-monitoring measures, and by the direct use of resources generated by their own services and the marketing of their own products. They may, based upon applicable regulations, set up subsidiaries and acquire interests in other legal entities and assets.

Legal entities established for a private interest may, following regulatory approval, take over advanced technical training functions.

Concerning the National University Conference: The National University Conference is a body that answers to the Minister responsible for higher education. It acts as a framework for concerted action, coordination and assessment of activities within the higher education network. It is also responsible for the implementation of related policies. The Minister responsible for higher education, or his representative, presides over the conference. An office composed of active regional conference chairmen supports the Chairman of the
National University Conference. The Conference meets in ordinary session twice a year. Three regional conferences have been established in the center, east and west. The chairman of a regional conference is duly elected. Principals of the various geographical areas represented attend such regional conferences. Their role consists of issuing comments and recommendations on the following matters: development perspectives for the public system of higher education; development perspectives for the national program of advanced training; development perspectives for the national network of higher education institutions; control over the number of baccalaureate degree holders and the determination of resulting needs.
Training is provided for Levels I to V, from semi-skilled worker to senior technician, in the form of initial or continued training, and in various formats:

Training Formats

Resident training
This type of training takes place in specialized establishments such as institutes and the CFPA on a full-time basis. On-the-job instruction completes resident training. This type of training can also take the form of night courses for workers who want to develop or hone their skills so as to enhance their occupational status. This type of training is characterized by flexible hours.

Apprenticeship training
The purpose of this type of training is to acquire on-the-job initial vocational skills, alternating between vocational training institutions to learn the theoretical aspects of the trade or profession, and assignment to businesses or administrations to learn their practical aspects. The main benefit of apprenticeship training is that the trainee is put into a real working environment from the very beginning.

Remote training
Training of this type is provided through correspondence courses and regular meetings of trainees in training institutions near their place of residence. It applies primarily to fields that do not require specialized equipment.

Objectives
The purpose of vocational training and education is to develop the necessary technical skills that are required to meet the needs of the workplace. Thus, vocational training and education represents a social marketing tool, promoting the qualifications and skills essential to meet the national development agenda. The vocational training sector cannot determine the level of skills required by itself or with just the help of teachers, or even just by consulting businesses that want to enhance their competitiveness. The process of defining such requirements calls for the active involvement of all of the stakeholders, especially the business sector.

There are three levels of possible involvement by the business sector:
- At the outset of the training process: by contributing to the development and updating of training programs.
- During the training process: by facilitating the internship of trainees in accordance with program-based field experiences.
- At the end of the training process: by validating the training provided by training institutions.

Missions
The principal mission of vocational training is:
- Provide students with the professional qualifications required to obtain a wage-earning position, or to create his or her employment opportunity.
- Provide workers with further training either for the development or enhancement of their skills, to maintain their qualifications based on market requirements and the evolution of the labor market, as well as to help them achieve their professional aspirations.
- Train and make available to economic operating bodies qualified and adequate human resources with the required professional expertise in the related fields of activities.
- Promote the interests of particular segments of the population for the purpose of improving their social and professional assimilation.
6 Health & Population
Nearly 500,000 babies were delivered in medical facilities in 1998. This is a significant improvement for a developing country where home-birthing is now a thing of the past, being limited to cases in extremely remote rural areas.

Neo-natal mortality has dramatically declined as well as mortality following childbirth.

“Algeria's population growth is currently undergoing a significant decline, dropping from 3.21% in 1977 to 3.06% in 1987, 2.15% in 1998, and 1.72% in 2008. Nevertheless the population increased fourfold between 1962 and 2008.”

Infrastructures:
As a result of a significant budgetary initiative, Algeria has developed appropriate healthcare infrastructures to ensure adequate health coverage, with an overall capacity of nearly 100,000 beds.

- 13 university health centers
- 217 health sectors
- 495 public maternity units
- 42 private maternity units

An increase of light-duty units:
- 500 polyclinics
- 1,300 healthcare centers
- 4,500 treatment rooms

And an additional:
- 448 socio-medical service centers
- 194 testing laboratories
- 188 private radiology units
- 48 Wilaya health laboratories
- 854 school screening units
- 1,065 reproductive health and family planning units
- 366 self-contained family planning centers

Also, there are now 5,299 drug stores (pharmacies), of which 4,305 are privately-owned, to distribute drugs and medications.

Over a forty-year period, life expectancy of Algerian people generally increased by 26 years, women achieving even more spectacular results, with an increase of 30 years within that same period.
Health & Population

Extensive equipment
According to 1999 estimates the overall number of medical equipment units, from the traditional to the most advanced, numbered 18,950 and was distributed over various health structures.

- Instruments were held by health structures, representing 61% of the equipment pool
- 1,334 instruments were held by university health centers, representing 35% of the equipment pool
- 159 instruments were held by specialized hospital clinics, representing 4% of the equipment pool

Also, industrial development activities were initiated for the manufacture of medical equipment and materials and for the production of various pharmaceuticals.

These changes have had a positive effect on the training of qualified medical and paramedical staff, and therefore on the overall health coverage of the population, with an average health coverage very close to international standards.

This phenomenal change, both in infrastructures and funding, has resulted in a superior level of health coverage:

Beds per thousand inhabitants:
- 1 polyclinic: 2 beds per 60,627 inhabitants
- 1 health center: 2 beds per 23,750 inhabitants
- 1 hospital room per 6,709 inhabitants
- 1 pharmaceutical clinic per 5,652 inhabitants

Yet, the public health sector is facing new challenges:
- The reconciliation of mass health care with economic requirements, especially in regard to free access to healthcare by underprivileged persons;
- The integration of technological developments into the healthcare system to deliver services at the level of current international standards in all medical specialties.
Culture
7 Culture

Reaching Independence called for a continuous struggle for the democratization of education, the creation of academic and cultural institutions, and the establishment of universities.

However, it is essentially the multiple factors resulting from the dramatic expansion of education that triggered interest in research and the rediscovery of the country’s cultural heritage.

The development of universal education was reinforced by the establishment of cultural institutions and industries.

The initiatives of public authorities in promoting cultural centers and facilities, national theaters, a film library and a national cinema center, ensured the deployment of related equipment and the implementation of more adequate infrastructures.

Recently relocated to new premises, the National Library is a monumental project involving the participation of a thousand libraries throughout the nation.
Conserving monuments and sites has always been a top priority to insure the preservation of the Algerian archeological heritage. Monuments and sites scattered all over the country are vestiges of many civilizations, including one several thousand-years old that left its mark on the pre-historic period. Dating back thousands of years, the Tassili rock drawings and paintings reflect the wealth and creativity of a civilization that had settled throughout the Hoggar Mountains in the middle of the vast Sahara desert.

Seven Algerian monuments and sites are now part of UNESCO’s World Heritage

**Tassili n’Ajjer**  
*Wilaya of Tamanrasset and Illizi*  
Located in a unique lunar landscape of great geological interest, this site has one of the most important groupings of prehistoric cave art in the world. More than 15,000 drawings and engravings record the climatic changes, animal migrations and evolution of human life on the edge of the Sahara from 6,000 B.C. to the first centuries of the present era. The geological formations are of outstanding scenic interest, with eroded sandstones forming hollows.

2,000 kilometers from Algiers the extraordinary landscape of the Tassili N’Ajjer, a vast lunar-like sandstone plateau of incredible beauty, gives way to gigantic canyons, steep-sided gorges, rock forests, and sandstone domes shaped by erosion. North of the Hoggar Mountains lies one of the world’s richest museums of prehistoric art. Spread over hundreds of kilometers, several thousand majestic rock paintings shed new light on the universal history of the arts and on our knowledge of pre-historic African civilizations.

**Djemila**  
*Wilaya of Sétif*  
Situated 900 m above sea-level, Djemila, or Cuicul, with its forums, temples, basilicas, triumphal arches and houses is an interesting example of Roman town planning adapted to a mountain location.
M’Zab Valley
Wilaya of Ghardaïa
A traditional human habitat created in the 10th century by the Ibadites around their five ksour, fortified cities, has been preserved intact in the M’Zab valley. Simple, functional and perfectly adapted to the environment, the architecture of M’Zab was designed for community living while conforming to the structure of the family. It is a source of inspiration for today’s urban planners.

Casbah of Algiers
Wilaya of Algiers (Capital)
The Casbah is a unique kind of medina or Islamic city. It stands in one of the finest coastal sites on the Mediterranean, overlooking the islands where a Carthaginian trading-post was established in the 4th century B.C. The Casbah contains the remains of the citadel, old mosques and Ottoman-style palaces as well as the vestiges of a traditional urban structure associated with a deep-rooted sense of community.

Al Qal’âa of Beni Hammad
Wilaya of M’Sila, Commune of Maadid “Bechara”
In a mountainous site of extraordinary beauty the ruins of the first capital of the Hammadid emirs, founded in 1007 and demolished in 1152, provide an authentic picture of a fortified Muslim city. The mosque, whose prayer room has thirteen aisles with eight bays, is one of the largest in Algeria.

Timgad
Wilaya of Batna, Daira of Batna, Commune of Timgad
Timgad lies on the northern slopes of the Aurès Mountains and was created as a military colony by the Emperor Trajan in A.D. 100. With its square enclosure and orthogonal design based on the cardo and decumanus, the two perpendicular routes running through the city, it is an excellent example of Roman town planning.
Tipaza

Wilaya of Tipaza, Daira of Tipaza

On the shores of the Mediterranean, Tipaza was an ancient Punic trading post conquered by Rome and turned into a strategic base for the conquest of the kingdoms of Mauretania. It comprises a unique group of Phoenician, Roman, Paleo-Christian and Byzantine ruins alongside indigenous monuments such as the Qbor-er-Roumiya, the great royal mausoleum of Mauretania referred to as the “Tomb of the Christian Woman.”

Ruins - Timgad

Roman ruins with Triumphal Arch - Timgad, Batna

Timgad - Tomb
A traditional culture gradually emerged from the lengthy “colonial darkness” and the days following Independence, which were marked by the sustained restructuring of all daily activities.

The traditional Algerian creative spirit is reflected very strongly in weaving, ceramics, pottery, jewelry, wood sculpture, wickerwork and other handicrafts.

Traditional art goes back more than fifty centuries as represented by pottery, engraving and painting and it was an integral part of the everyday life of former periods. It is the vivid heritage of women and men of the plains and mountains, from the Hoggar Mountains to the villages surrounding the Kabylie and the Aurès Mountains.

In fact, this expression of the traditional spirit covers all material and non-material Algerian creations such as rugs, songs, proverbs, cooking recipes, and habits and customs. The non-material heritage, in which UNESCO is now highly interested, has been a concern of Algerian authorities and experts for decades.

National museums are a very useful reference for this tremendously varied and eloquent cultural heritage. It remains a major tourist attraction for Algerians and foreigners alike and is an under-exploited source of potential revenue.

Nowadays, it is not only traditional masters who are involved in the revival of arts and crafts, but also numerous scholars are interested in their development.

Algerian arts and crafts

The local environment has always inspired Algerian traditional arts and crafts such as pottery, ceramics and weaving. Yet, they remained open to the universal dimension, thanks to the close relationship with Africa, the Orient and Europe. Thus, Algerian arts and crafts represent a wide, colorful, shimmering and evolving creative landscape, reflecting the magic transmitted by many generations of Algerians.

Algeria's nature-rich and unbelievably attractive landscape has been a constant source of inspiration for traditional rural and urban arts and crafts.

No anthropological or ethnographical resource other than that of the miraculously preserved rural traditional arts and
Arts and Crafts

Culture

crafts, especially pottery, could make it easier to discover the Maghrebian mother-civilization. In this field the unique symbol-filled repertoire is subject to strict definitions that go back thousands of years.

Whether it is pottery from M’sirda (Nedroma), Maâtkas (Kabylie) or Djemila (Sétif), a jewel from Béni-Yenni (Kabylie) or the Aures mountains, an engraved copper plate from Constantine or Ghardaïa, a rug from Djebel Amour or the Némemchas, all of these works were inspired by national poetry created by time-honored cultural and moral rules. Each object reflects the creative drive of the artists who engaged in a constant effort to create objects that are a mixture of harmony and functionality. They offer a mystical yet plastic beauty that embraces the overall diversity and wealth of Algerian art, driven by hard work and creativity.

These traditional arts and crafts, at this point often considered minor art forms, are the very essence of the traditions from which Mediterranean civilizations would rise together with their related philosophies and religions. Generally speaking each and every city or village can claim a historical past, a recognized archeological heritage, or a well known seaside or thermal resort. The main objective is not to organize festivals or cultural events for their own sake, but to step out of seclusion, to reach out to others, to establish new relationships, and to give the legendary Algerian sense of hospitality concrete meaning. Whether under the clear skies of Timimoun – “The Red Oasis” – with its lush palm grove and many treasures, or Ghardaïa and its unique architectural pentapolis, or Tipaza the former Roman trading post and witness of the old religion with its numerous basilicas and necropolises, or Bejaia (formerly Naciria) and of Skikda, major oil centers, or Oran with its Pasha Mosque, the Sidi-Mohamed El-Houari marabout, the Demaeght Museum, or El-Kala and its national park, or Batna and its stunning Rhouti gorges, or the ancient Timgad, or Lambaesia and its unique Roman influence dating from when Augustus’ third legion set up camp there, one invariably reaches one overriding destination: the serene yet vibrant Algeria lives on in all of its authenticity.

Algerian arts and crafts are more than a simple manual rendition of folklore, aimed at curious tourists or ethnographic researchers, it is tangible proof that the most humble of peasants wishes to live in an Algeria molded by a lyrical life force. Heir to age-old traditions, influenced by many sources, product of a nation swathed in light and beauty, more than any other artistic activity Algerian arts and crafts embody the genius of folk creativity that has never been deflected from its course and which must be preserved in its original beauty, in its natural outpouring.

Whether of rural (pottery and rugs) or urban (goldsmithery, jewelry, and copperware) descent, Algerian arts and crafts present all the characteristics of the national identity. Algerian arts and crafts evolved into the production of refined copperware, highly detailed jewelry and chests of imposing beauty. Algerian arts and crafts spontaneously translate into action a singular sensibility, without requiring a critical interpretation.

Arts and crafts are expressed through the following fields: Pottery, embroidery, copperware, leatherwork, jewelry, and tapestry. Additional information is available on the Internet at: http://www.pmeart-dz.org

Ceramist Mohamed Boumehdi
Pottery is a continuously evolving art form. Thanks to the contribution of successive Algerian civilizations, one can detect the influence of the Berbers, of the Arabo-Muslim and oriental cultures, as well as easily noticeable Turkish nuances and “Hispano-Moorish” characteristics.

Guelma, M’sirda and Ait Khlili are some of the Algerian regions renowned for the quality of their clay deposits which are non-existent in other parts of the country. Situated in eastern Algeria, the first region is famous for its kaolin deposits of white clay that is reserved for the production of fine porcelain. The second region, closer to the Moroccan border, and the third region of the Great Kabylie share honors for excellence.

While pottery production methods are similar from one region to another, some variations do occur giving this art form myriad facets. Pottery making is practiced in many Algerian regions, more often than not in mountainous areas.

Pottery of the Sahara
The least known of all pottery types is based south of Adrar, in the old Ksar of Tamentit, and is commonly referred to as “black earthenware.” Best known are ram head shaped ashtrays crowned by a solar disc. From Béchar to Béni Abbès, and Timimoun to Touggourt one can find ancient pottery reflecting the architecture of the regions mentioned.

Pottery of the Great Kabylie
Of renown fame this pottery is defined by common traits and a certain likeness. Whether originating in Mâatkas, Bourouh or Ath-Kheir, Berber pottery uses the same symbolism. It combines simplicity, functionality, solidity, water-tightness, aesthetics and human values. Its forms and ornamentation draw from rural cultural symbols and feminine sensibility. The color red is prevalent.

Pottery of the Small Kabylie
This pottery is characterized by a wealth of shapes and themes as well as a tremendous creative force. The color red is used sparingly and judiciously. True to its environment, alternately mountainous and coastal and open to all civilizations such as those of the Phoenicians, Romans, and Turks, it shares a likeness to the pottery of the Great Kabylie. It combines strength, functionality and charm.
Arts and Crafts

Pottery

Pottery of Chenoua (Tipaza)
The influence of the sea is pervasive. Roman and Phoenician artistic heritage also prevails in the region. However, the traditions seem to be fading away.

Pottery from Eastern Constantine
This pottery is created from the major kaolin deposits in Guelma. In some locations, from Hammam Maskhoutine to Skikda, one can find very old pottery decorated with agrarian symbols and commonplace objects. Such pottery is marketed on a large scale.

Pottery from the Aurès Mountains
This pottery is formed in austere shapes and colors reflecting the surrounding environment.

Pottery of the Némemchas
This pottery is shaped from pinkish clay and is decorated with brownish drawings, and is left unvarnished. This art form was threatened by lyrical improvisation that distorted the original look of this aesthetic pottery.

Pottery of M’sirda
This pottery is made of high quality clay with sober ornamentation and is given a smooth profile.
Unequalled reference to the past, whether remote or recent. As told by fabrics combining daintiness, imagination and creativity.

Embroidery is a wonderful illustration of know-how influenced by various meaningful cultural contributions. Commonly referred to as “Tarz,” it is a highly refined urban art form.

The Embroidery of Algiers
There are several designations for a single, famous creation, a masterpiece called Tarz, Truz, Triz, “Guerguaf”, or “N’djoum-Kentid”, meaning “quest for elegance.” “B’nïqa”, “Cافتans”, Qats”, and “Karakous” are the jewels of ancient El Djazair haute couture. Skillful hands of renowned dexterity sewed wonderful ornamental scrolls on fabrics that have transited from “el gargaf” to the “fetla”, stopping at “El Kentir” where the embroiderer or embroideress let his or her imagination run wild. Celebrations are indicative of current trends and fashions. Ottoman Algiers witnessed the success of Badrûn, Qwiyat, B’diya and other B’niqa and El Abrouk, associated with the constant desire to please and be admired with loving eyes.

Embroidery of Miliana
The embroidery style of Miliana is a revised version of that of Algiers and highlights the refined and sophisticated urban touch called “Hadras”. From Blida to Médéa, by way of Koléa, the Turkish, Arab and Andalusian influence is visible everywhere. The results are works in total harmony with the heritage of ancient El Djazair.

Embroidery of Annaba
These are generally based on floral motifs and were inspired by the works of our Tunisian neighbors, hence their designation as the embroidery “of Nabeul.”

Southern Embroidery (Touggourt and M’nea)
Owing to Touggourt’s proximity to the M’Zab valley, the first is reminiscent of embroidery commonly produced in the city of Ghardaïa, while M’nea, known for its rugs, distinguishes itself through many innovations in style, with subtle nuances in shape and color. However, where embroidery in these two cities is concerned the period in which they were produced is of great significance.
The emergence of copperware in Algeria dates back to the Middle Ages. It reflects a variety of successive styles and a major Turkish influence.

The copperware trade which relies on copper sheets to produce or decorate art objects, has been perpetuated around casbahs and communities devoted to that art. Vases and containers of unrivaled beauty from Kirouana to Mahbess and Tassa to Taftal demonstrate an incredible range of ornamentation. Algiers, Tlemcen, Constantine, and to a lesser degree Ghardaïa and Tindouf are the main sources of this art form. For example, in spite of the passing of time and the disappearance of the famous Zenkat Ennahassia, Algiers is considered the birthplace of this art form, inherited from the Ottoman Empire. Among its specialties are Mahbess, Berreds (teapots), tebssi laâchouets (couscous steamers with a conical lid), l’brik and tassa (used to perform one’s ablutions), El Mordjen, El Mahrez (pestle and mortar) and S’nioua (copper or silver tray).

The Ottomans, who lived in the city for many centuries, have influenced the art of Constantine known for its huge oriental-like decorative trays. Mahbess, Soukkhna, Cafatira, Kirouana, M’rach, and El Kettara are icons of this art form. They are produced by the skilled hands of brilliant artisans. They are, in fact, toiletry items used according to urban traditions.

Like Constantine and Algiers, Tlemcen has seen age-old Andalusian art, once under oriental influences, develop according to Almohade traditions, which clearly confirms the considerable artistic talent of this multicultural region able to combine authenticity and originality in specialized applications such as bookends, chandeliers, large trays, or the now famous door knockers, vestiges of a rich art form.

Ghardaïa and Tindouf are lesser-known centers of production of this art but they are deserving of a visit. As a matter of fact, the M’Zab valley, a highly dynamic cultural center, has found its niche. The production of coppersmiths is nonetheless limited to everyday utensils such as kettles and trays.
Leatherwork is well established in Algerian regions where husbandry is done on a large scale. These arts and crafts are geared towards the production of footwear, belts, horse and camel saddles, containers, pillowcases, sword scabbards, and flywhisks.

Leatherwork of Tlemcen
This craft owes a great deal to the local embroidery and sewing heritage. Greatly influenced by Andalusian culture it remains a stronghold of Hispano-Moorish art. The leatherwork of Tlemcen is famous for its motifs and forms used in boots, saddles, satchels, wallets and other manual items used in everyday life.

Leatherwork of the Deep South - Tamanrasset
In this region know-how is organic, mystical and a reflection of the vast surrounding spaces. Inspiration is always glimmering and the product is of very high quality. Whether an Arreg (travel bag), El-sedira (saddlebag) or Tarallabt (wallet) perfection prevails.

Leatherwork of Médéa
Synonymous with expertise and refinement, Médéa was once famous for its leather moccasins, harnesses, saddles and belts. Wallets, cigarette holders, and bags embroidered with gold and silver thread were eventually added. Artisans are desperately trying to uphold traditions but trade modernization based on foreign models prevents them from returning to earlier designs.
Inspired by a variety of sources, jewelry is the living testimony of an age-old creative force. From prehistory and antiquity to the Middle Ages, from the Roman-Byzantine era to the emergence of Islam, traditional jewelry has always expressed the very essence of those eras through harmonious symbolism.

Not so long ago Algiers, Tlemcen and Constantine were vibrant jewelry centers, if only because of the sheer number of stands and shops. Other regions are also known for the quality of their jewelry.

Kabyle jewelry (Béni Yenni)
Ath Yennis are famous for their silver jewelry. The forms and colors used are specific to the region. The glazing technique was introduced around the 15th Century. One could proudly show off a renewed Ameslukh, Ikhelkhalen (anklet), Taharabt, Tbessaht, Letraks, Tigwedmatin, Adwir, Tbzimin, or Tabzimt.

Chaoui jewelry
While of a different shape than Kabyle jewelry, “full” or “hollow” Chaoui jewelry has stood the test of time yet it has managed to preserve its authenticity. It is defined by the “Alaq Tchoutchara” (earring) that is sadly not made anymore, the Timcherreft (also an earring), the Korsa Bel Qouta, a more recent creation, “Amquyas,” the Abzim, whose close resemblance to the Kabyle fibula can surely be rooted in an obvious ethnic analogy, the Lamese, a recent creation true to the Chaoui style, the Tinahissin, the Cherketh or Semsem, the khelkhal (ancient ankle bracelet that women from the region never take off), the Guerrar, the Skhab, or necklace, to be found throughout the Mahgreb region.

M’zila jewelry
This tradition that very closely resembles Chaoui jewelry of a hybrid style, with Roman and Byzantine external influences, and is based on traditions pertaining to daily life and the environment. Besides the Akhelkhal, one can find Abzims and necklaces whose main characteristic is a close resemblance to Chaoui jewelry, although of a less refined style.

Tuareg jewelry
This jewelry reflects a well-preserved and wisely maintained tradition, thanks mainly to the legendary Inadens. It attained mythical social status. The Tuareg
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Society is truly devoted to artisans and noble trades, such as jewelry. Its symbolism echoes the perpetual quest of the Tuareg to control natural elements. Pendants, rings, pectorals, earrings, anklets, brass rings, and shell necklaces are all loyal representations of a bygone era. One should also mention the Tareout, Tasralt, Tineralt, Khomessa, Tareout N’azeref, Tiseguin, Ihebsans, and Asarou ouam Afer that combine utility and pleasure reminiscent of nearby Black Africa by their mystical aspects. Tuareg jewelry reflects a constant concern for pure aesthetics.
After surviving unscathed for centuries, traditional Algerian rug-making has now blossomed to its full vibrancy. For this trade, time has stood still. Authentic shapes and styles have been preserved even if some rugs show slight hints of modern influences. The range of rugs available clearly demonstrates the Algerian cultural melting pot. Rugs can be of Berber, Maghrebian, Arabo-Muslim, African, or even Oriental inspiration.

Rugs of Eastern Algeria
The shapes of rugs of Haracta (Aurès) and Nèmemcha-Babar (Tèbessa-Khenchela) are so similar that distinguishing them is no easy task. Even more so the latter, with its Berber-Oriental symbolic ornamentation, is reminiscent of the legendary Haracti rugs, rooted in everyday life, after the near disappearance of all Chaoui influence.

Rugs of Small Kabylie
Maâdïd (M’sila – Bordj Bou Arréridj) and Guergour (Sétif- Béjaïa) rugs, with their Berber symbols, show the same Oriental influences, however slight, reflecting the various civilizations that have blossomed in the region.

Weavings of Great Kabylie
The most magnificent weavings are undeniably the rugs of Ain Hichem (Tizi-Ouzou), which combine delicateness and refinement, swathed in folk and rural imagery.

Weavings of Oranie
Created with soft and varied tones and gorgeous nuances, these rugs show slight Berber and Hispano-Moorish influences. The rugs of Kalaâ des Béni Rached are the most famous of all Oranie. They are an authentic, high quality product, and probably the best product of its genre in the entire Maghreb region.

Rugs of Djebel Amour
Made with stunning ingenuity in terms of the complexity of weaving, they are one of the most magnificent specimens in Algeria, famous for their originality and motifs of Berber inspiration. Extremely sober in style, they are defined by a harmonious balance seldom affected by contrasts.

Southern weavings
Oued Souf (El Oued – Guemmar) rugs are characterized by Ottoman influences and borrow from Nèmemchi rugs. Those of Béni-Isguen (Ghardaïa) are world-renowned thanks in part to very effective marketing. Doukkali (Adrar) weavings and those of Timimoun, date back to 1270 of the Hijra and still use original designs.
Individuals who are unaware of the evolution of this exceptional people are overwhelmed by the wealth, diversity and complexity of Algerian literary and artistic trends. They represent a vast “cultural seascape”, alternately swelling and smooth, loyal and rebellious, calm and then raging. While we thought it was spent and dying, this culture is currently rising from its ashes again.

Following Independence a new cultural elite surfaced in various fields as Algeria asserted its cultural and creative vibrancy. Its movies, literature and music, to name only these fundamental fields of activity, gained a national and at times international audience. Some works even created quite a stir: Lakdhar-Hamina’s “Chronicle of the Years of Fire” (Chronique des années de braise) received the Golden Palm for best film at the Cannes film festival while Mohammed Dib and Assia Djebar joined the ranks of potential Nobel-prize winners.

The last decade saw the introduction of multi-party democracy, freedom of expression, and freedom of association which promoted an unprecedented cultural richness in spite of the terrorist violence associated with religious extremism. That violence targeted first and foremost those intellectuals, artists and journalists who were brave enough to reject the archaic and reactionary social blueprint that was seeking to undermine the foundation of the Republican State. In 1993 Youcef Sebti and Tahar Djaout were victims of terrorist incidents that shocked the Algerian nation.

Nowadays, after years of suffering, Algeria’s cultural expression is full of buoyancy once again. This cultural expression ranges from the most esoteric art forms to the utmost unrestrained writings, from poetry to novels, from the Arabic dialect of Moutanabbi to that of Voltaire, from the dialectal to the Berber. Even thrillers of Algerian origins such as those of Yasmina Khadra were all the rage during the country’s darkest hours. Yet he would later become known for his highly literary works such as “L’Écrivain” and “L’Imposture des mots.”

Poetry, the Arabic literary expression of choice, remains the reflection of the Algerian soul. A weapon (“silah”) before and after the Second World War, poetry would galvanize the nationalist movement into action thus making way for a modern literary tradition that marked a changing of the guard in the wake of cultural globalization.
“In the early 20th Century, when written Arabic was only allowed in zaouias, a writer would seldom publish an essay, a poem or a novel. The very first anthology of Arabic Algerian poetry was published only in 1925.”

A Retrospective

Not until the 1930’s would the Ulemas, first united under the helm of Cheikh Abdelhamid Benbadis and then El Bachir El Ibrahimi, launch the “Echihab” and “El Bassair” journals, whose writings would eventually play a major role in the fight for the preservation of national culture and identity. Poets such as Mohamed Laid Al Khelifa, Tayeb El Oktbi, Ahmed Ghoualmi and Mohamed Salah Ramdane also used these journals to publish their writings. Yet, novels would be slow in coming. In fact, Abed Djilali would be the first writer of this new literary genre to see his works published.

As far as Redha Houhou is concerned, he is deemed the first writer to make his mark by introducing a new genre within the Algerian literature of Arabic expression, different from poetry, novels or chronicles.

Following the Second World War, Algerian creative writing intensified at an unprecedented pace. More colorful writings were produced such as Rhēda Houhou’s “Types humains” and “En compagnie de l’âne du Hakim”, Lahbib Bennassi’s “Le Cri du cœur” and the poetic works of Rabi Bouchama and Rhēda El Aggoun.

On November 1, 1954, the decades old pent-up anger of the Algerian people suddenly erupted.

Moufeti Zakaria, flag-bearer of the revolution, symbolizes traditional poetry. However, three poets, Abdelkacem Saâdallah, Abdallah Cheriet and Aboulkacem Khemmar gave free poetry new life. Reflecting a great breadth of imagination, their works talk of the evanescent substance of things through Revolution-based insight.

Not until 1959 could one read the first novels of Abdallah Rekibi, Othmane Saâdi and Abdelhamid Benhadouga, followed in 1960 by those of Tahar Ouettar, Z’hor Ounissi and Aboulaïd Doudou.

Three of these short story writers (Ouettar, Ounissi and Benhadouga) kept publishing works during the 60’s, followed by Merzak Bagtache. This young writer breathed new life into Algerian short stories of Arabic expression.
The Algerian Literature of Arabic Expression: From Reformism to Modernism

Culture

Only in 1971 did the novel genre shed its shackles when Abdelhamid Benhadouga published his now famous “Southern Wind” (Vent du Sud), a contemporary novel reflecting the true conditions of Algerians living in those days.

In 1974 Tahar Ouettar published “The Ace” (L’As), a deeply moving novel that lifts the veil on some of the misery associated with the War of Liberation.

1975 sees the dawning of Merzak Bagtache, when he published “Les Oiseaux du Zenith,” a work very similar to modern French novels with visual descriptions and monologues. The seventies also crowned numerous other short story writers such as Amar Belahcène (1953-1994), Laid Benarous, Djilali Khellas, Cherif Ladrâ, Abdelhamid Abdous, Ahmed Mennour, Abdelhamid Bourayou, Mohamed Mellah, Mosfeta Fad, Laâredj Waciny, Abdellaziz Bouchefirat, and M.S. Harzallah. As for poetry it is only in the mid-seventies that poets such as Abdellali Rezzaqui, Ahmed Hamdi, Slimane Djouadi, Mohamed Zettiti, Azradj Omar, Zeïneb Laâredj, Rabia Djeliti, and Mohand Hassan Aklal started to make their mark.

In the early 1980’s, as private initiatives gradually gained ground in the world of publishing, short story writers such as Laâredj Waciny, Laâredj Zeïneb, Wali Khellas, Mohamed Ali Ar’ar, Mohamed Meftah, Ismail Gharmoukat, and Habib Sayah decided to move on to writing novels. Their works breathed new life into Algerian literature of Arabic expression.

Other individuals also added to the wealth of poetry: Lakhdar Feilous, Amar Merlièche, Othmane Loucif, Aboubakr Zemmal, and Nacira M’hameddi. Novels were far from abandoned as new writers emerged in the early nineties such as Bachir Mefti, Yasmina Salah, Hamama El-Amari, Allal Sengouga, Hamid Abdelkader, and Didani Azezki. Nowadays, supported by a relative wealth of high quality works, Algerian literature of Arabic expression has no reason to be envious of neither Mashrek literature nor universal literature, since it often draws from their modern formats and techniques.

In the 1990’s an Algerian woman, Ahlam Mostaghanemi, would revolutionize modern Arabic literature by publishing novels of such realism that all taboos fostered throughout the Arab world suddenly collapsed. Her works, especially “Memories in the Flesh” (Mémoire de la chair) (Dhakir el djassad), was the winner of the Naguib Mahfouz literary prize and was translated into French (Albin Michel), reflecting the vibrancy of the emerging Algerian literature of Arabic expression.

The revival of Algerian theater goes beyond some of the more traditional taboos. Many plays were performed by the same actors in classic and dialectal Arabic or French such as plays by Slimane Benaïssa, Chérif Ayad, and Sonia or Boudjedra.

Algerian literature of French expression

There is a tremendous wealth of Algerian literature of French expression. It should be noted that such literature was produced by a new generation of fiction writers, essayists, historians, social anthropologists, and sociologists most of them the product of the post-Independence Algerian educational system that was so unfairly condemned. The works are so numerous that one can hardly name all of the writers.

Some of them, such as Rachid Boudjedra, Rachid Mimouni, Tahar Djaout, Yasmina Khadra, Boualem Sensal, Salim Bachi, Anwar Benmalek, Rabah Belamri, Malek Chebel, Ahmed Rouaïda, Azeddine Bounemeur, Leïla Sebar, and countless others have had tremendous success.

This new wave of writers is in the tradition of elders such as Mohamed Dib, Mouloud Ferraoun, Kateb Yacine, Mourad Bourboune, Mouloud Maameri, Mohamed Harbi, Mostefa Lacherfa, Mohamed Arkoun, Djamal Eddeh Bencheikh and others.

This stunning inter-generational continuity contributes in a very particular fashion to the Algerian literary heritage and constitutes a priceless cultural link with France and other foreign countries.
In the quest of the Orient and its mysteries, its sun and particular light, artists have visited every corner of the Near East or of North Africa.

There is something about the air and the sky in Algeria that has always inspired artists from prehistoric to contemporary times. As early as 10,000 years ago it inspired the rock paintings of the Hoggar Mountains in the far south. These were a blend of Berber and Black African art. The stylized representations of people and animals depicted by these paintings are reminiscent of modern art in a breathtaking time warp.

In the 19th and early 20th centuries a new world and a different civilization was discovered offering a new vision. Foreigners who visited Algeria have always been fascinated by it. It aroused enthusiasm and envy and it inspired conquests and occupations.

But many peaceful and sincere artists also came armed only with pencils and brushes. Several hundred painters from every corner of the globe drew from this endless source of inspiration to immortalize the “tremendous diversity of sites and ambiance.”

French artists-reporters of the “conquest” era, from Horace Vernet to Raffet, and more inquisitive and neutral ones from Switzerland, Germany and Great Britain discovered a stupendous country. Through their studies, water paintings, engravings and paintings of a scientific or documentary nature, William Wyld, Adolph Otth and Weidenmann revealed to the world the Algerian shores and the Sahel.

Orientalist paintings in Algeria provide another remarkable illustration of the universality of its art. European techniques inspired by Algerian scenery have brought forth a form of art specific to our country. It was Matisse who said: “Revelation came to me from the Orient” by which he meant Algeria.

The stunning revelation of Delacroix’s “Women of Algiers” (Femmes d’Alger) in 1832 precedes masters such as Chassériau, Fromentin and Chataud who would later make Algeria a preferred land for painters. In the 1860’s some of them undertook a study of the south and the nomads.
Others, seeking authenticity and freedom, would commit fully, such as Dinet who converted to Islam, or Verschafelt who married an Islamic woman. Both of them settled in Bousaâda and painted everyday Algerian life. Bousaada and Biskra were true oases, which welcomed French, British and American orientalist painters such as Bridgeman, Thericat, Muller and Lord Weeks-Edvin. In their works one discovers the enchanting natural light, the space, the fantasy, the dances and bright colors of both the Mediterranean shores and the Ksours bordering the desert immensity.

Many artists have used their poetic sensibility to pay tribute to the capital city of El Djezair and the Algerian landscape. For example, Eugene Fromentin described and painted “the great mystery and the faded charm” of this natural environment and its architectural treasures.

Also we should not forget the eerie enchantment created by the Casbah and the Algerian port that inspired so many artists: Jules Magy and his seascape on exhibition in the Museum of Fine Arts of Algiers; Pouilliard, Caillet and the American Bridgeman who, among others, painted several canvases representing this Mediterranean city, then referred to as the “well protected.”

Italian artists were seduced by the mild climate of Tlemcen, Annaba and Béjaïa, while English artists preferred Algiers.

From 1907, the “Villa Adeltif,” an Algerian “Medici” villa, played host to French artists, year after year, until 1960. It was visited by Cauvy, Carre, Bouviolle, De Buzon, Bouchaud, and Hambourg.

After the Second World War European painters still found Algeria fascinating, but orientalist painting tinged with the exotic overtones of former years went out of fashion.

Emerging artistic trends were reflected in a very different manner, as brilliantly demonstrated by Dubuffet, a pioneer of crude art, in his painting entitled “Peindre en Arabe.”
With artists such as Abdelhalim HEMCHEB, Azouaou MAMMERI, and later Mohamed BOUZID, Bachir YELLES and Ali KHODJA, Algerian paintings of occidental inspiration were quite remarkable, well before Independence.

Moreover, thanks to the Racims, Algerian miniature and illuminated art forms developed at an accelerating rate. One must point out the role played by Mohamed Racim in preserving Algerian authentic values. His school suddenly expanded with artists such as Mohamed Temam, Mohamed Ranem, and Hamminouna as well as new generations of artists who drew inspiration and techniques from this art form.

The figurative trend also owes a debt to older artists. Each in their own way, Racim and Dinet have greatly influenced this artistic movement that reflected Algerian traditions, social values and daily life.

Baya and Benaboura are representatives of this so-called “naive” painting, which mirrors the Algerian spirit. Zmirli, Samson, Abdoun and many others also adopted this expression of stunning freshness and simplicity.

More refined, the creations of Issiakhem breathed new life into the art world and paved the way for the more abstract works of Khadda, Mesli, Benanteur and Guermaz.

Finally, many other artistic movements flourished throughout the various Algerian regions such as crude art, “El Aauchem” (sign painting), and “Essebaghines”, all represented by artists such as Hakkar, Ammar Bouras, Zineb Sedra, Samta Benyahia and many others.

Dalila Orfali, curator of Algiers’ Museum of Fine Arts, characterized the Algerian painting of recent years as follows: “The last decade was defined by the intensification of such trends”

A major revival of artistic activities within the country, dominated by individual techniques, defined the period between the 1990’s and year 2000. As such, symbol-free figurative art forms have made a strong revival.

Djemai, Bourdine, Hafidh, Heinen-Ayech and Chegrane are some of the disciples of this movement.

The emerging school of contemporary painting was now spreading to every corner of the globe, carrying a vision.
which inadvertently rallied historical and cultural heritage patterns such as avant-garde compositions, transient art and others.

Moreover, in the early 1990’s, in times of extreme hardship, women did not hesitate to affirm themselves through their writings, even as others chose to remain silent:

- Malika Modadem’s “L’interdite,” 1993
- Mina Bouraoui’s “La voyeuse interdite,” 1991
- Leïla Sebbar’s “Le silence des rives,” 1993
- Assia Djebar’s “Loin de Médine,” 1992

Nadia Ghalem was published in Canada, while other writers were published in Paris or Damascus.

Visual arts provide a diversified landscape, accessible to all, in fields such as miniatures and illumination (Racim, Temmam, Bendebbag, Ghanem and Sahraoui), figurative art (Yellès, Baya, Ali Khodja and Houamel), abstract art (Issiakhem, Khadda, Mesli, Guermaz and Hakkar. As a matter of fact abstract art is quickly becoming the expression of choice for those wishing to illustrate the obscure.

Many painters decided to concentrate on landscapes, such as Abderrahman Sahnouli, Nedjar Bencheikh, Zermane, Hamchaoui and Chaouane.

In the quest for an authentic Algerian pictorial form of expression, some artists were self-taught, some were “naïve-realists,” and others chose the forms of “photographers.”

In the eighties, a new generation of artists such as Sid Ahmed Chabane, Slimane Ould Mohamed, Amar Bourras, Yahia Abdel-malek, Myriam Aït Chehara, and Réda Tebib emerged to enhance artistic expression by using new media such as powders, refined tar, pelts, plants, plastics, wood, and cardboard, thus developing an art form permeated by modern technologies. One could hardly find a direct reference to the city’s landscape in Nadia Laggoune’s “Alger dans la peinture.”
## Museums of Algeria

### Algiers
1. National Museum of Antiquities
   *(Classical and Muslim antiquities; Muslim art)*
2. National Museum of Fine Arts
   *(Modern Art, paintings, drawings, sculptures, engravings)*
3. Museum of Modern Art
4. Mudjahidin Museum *(Collections referring to the National Liberation War)*
5. Le Bardot National Museum *(Ethnography, prehistory, African collections)*
6. Children’s Museum *(Works by children)*
7. Museum of Traditional Art *(Handicrafts collection, traditional art)*
8. Army Museum *(Collections referring to the National Liberation War)*

### Algiers – Tipaza
9. Tipaza Museum *(Antique sculpture and archeology)*

### Cherchell, Bocquet Park
10. Open Air Museum and New Museum *(Antique mosaics)*

### Timgad
11. Timgad Museum *(Classic antiquities, sculptures, mosaics, and collections)*

### Annaba, Hippone
12. Hippone Museum *(Classic antiquities and sculptures)*

### Tébessa
13. Minerva Temple Museum

### Djemila
14. Djemila Museum *(Sculptures and classic mosaics)*

### Sétif
15. Sétif Museum *(Classic antiquities and ethnography)*

### Cherchell
16. Cherchell Museum *(Archeology, Egyptian, Greek and Roman antiquities)*

### Constantine, Koudiat Plateau
17. Constantine Museum *(Prehistory, antiquities, Muslim arts, paintings)*

### Tazoult (formerly Lambèse)
18. Tazoult Museum *(Classic antiquities)*

### Oran-Zabana Boulevard
19. Oran Museum *(Prehistory, antiquities, modern art, ethnography, natural sciences)*

### Guelma
20. Guelma Theater Museum *(Sculpture and numismatics)*

### Ouargla
21. Ouargla Saharan Museum *(Prehistory, ethnography, arts and crafts)*

### Tlemcen
22. Tlemcen Museum *(Antiquities, Muslim arts)*

### Béni-Abbès
23. Béni-Abbès Scientific Research Center *(Botanical and zoological park)*

### El-Oued
24. El-Oued Museum *(Prehistory, ethnography and craft works)*

### Béjaïa (formerly Bougie)
25. Béjaïa Museum *(Archeology, natural sciences)*

### Ghardaïa
26. Ghardaïa Folk Museum *(Art craft, folk collections)*

### Algiers – Hamma
27. Botanical Garden *(Flora)*

### Béni-Saf
28. Botanical and Zoological Park *(Flora and fauna)*

### Algiers – Hamma
29. Zoological Park *(Fauna)*

### Bou Ismaïl
30. Aquarium *(Marine wildlife)*

### Bou Saâda
31. Bou Saâda Museum

### Dj Janet
32. Prehistory and History Museum
Started on Algeria’s Independence Day, the 2\textsuperscript{nd} Algiers Pan-African Cultural Festival (July 5-20, 2009) turned Algeria into the heartbeat of Africa.

“Africa is a continent of the future and Algeria fully subscribes to such a logic of African renewal”, said President Abdelaziz Bouteflika sometime before Algiers welcomed over 8,000 artists, writers, playwrights, and intellectuals from 53 African countries to the opening ceremony of the 15-day second edition of the Algiers Pan-African Cultural Festival on July 5, 2009, Algeria’s Independence Day celebration. “Grandiose” and “magnificent” were some of the qualifiers used by African, African-American, and other artists and participants to depict the festivities which thrilled and enthralled audiences throughout Algiers and numerous Algerian cities for two weeks of fun, dance, exhibits, music, theater, and a wide palette of artistic activities. For the Algerian minister of Culture, Mrs. Khalida Toumi, “the organization of the Second Pan-African Cultural Festival has demonstrated that Algeria has remained true to its struggles, its founding principles, and to its African identity”. Asked to assess this repeat cultural performance 40 years after the first edition, symbolically and felicitously taking place as Algeria celebrated the 47th anniversary of its independence, Mrs. Toumi admitted that it was too early to do that but added that this festival amounted to “Fifteen day of sheer delight and happiness shared by the Algerian people” with so many guests to whom they have shown “the image of a happy people and a country at peace”.

Inaugurated on July 5, 2009, with a parade by participating delegations and individual artists that started at the Sofia Park in central Algiers and continued along the beautiful seaside boulevards of the capital and into the area of Bab-El-Oued, the festivities began with a mega-concert featuring such luminaries of world music like Warda El Jazairiya, Algerian star of Arab music, Youssou N’Dour, the genius of African music, the bare-footed goddess from Cape Verde Cesaria Evora, French-Algerian actress Isabelle Adjani, and Amazigh Kateb, son of Algerian world-renowned writer and playwright Kateb Yacine and leader of the celebrated fusion band of Gnawa Diffusion.

For 15 days, Algeria moved, danced and swayed to sounds and rhythm of a variety of traditional instruments, such as tam-tam, luth, karkabu, and watched in awe and
admiration Touareg from deep in the Sahara perform war dances next to West African tribal traditional choreography. Even “Lucy”, the human fossil discovered in Ethiopia in 1974 and considered the ancestor of mankind, was exhibited at the Bardo Museum in Algiers, having left the Addis Ababa Museum a second time since its famed trip to the United States.

Entirely produced by Algeria, the Second Pan-African Cultural Festival of Algiers has demonstrated the ability of Algerian artists and other professional and technical experts to organize festivities involving no less than 30 musical and dance shows per day! Requiring a huge injection of funds and demanding the involvement of professional organizers, the Festival impressed a lot of guests, including Ms. Johnetta Betsch Cole, eminent US anthropologist and director of the Museum of African Art in Washington, D.C. Ms. Betsch Cole said that she was “very impressed by the support that the Algerian Government provides to Africa and its cultures through the organization of the Pan-African Festival which made it possible to get together thousands of participants with a very big budget.”

Indeed, additionally to the daily dance and music shows, the Festival included the Algiers International Cinema Festival, which featured over 120 Algerian, African, and African-American movies and documentaries, and the International Theater Festival. In fact, the festivities were so successful that Algeria has already proposed hosting in 2010 a festival entirely devoted to the African Cinema.
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8 Tourism
Tourism

A North African land of contrasts, Algeria stretches over a 2,381,741 square kilometer area. Its 6,000 kilometer long borders run along Morocco, Western Sahara, Mauritania, Niger, Mali, Libya, and Tunisia.

In the north, the Mediterranean Sea extends over 1,200 kilometers of coastline while in the south the expansive desert spreads over nearly two million square kilometers.

Four different areas make up the national terrain, the Tell coastal mountain range, a series of plateaus and highlands, a southern mountainous strip that is an extension of the Moroccan High Atlas, and the Sahara region with its massifs. Algeria enjoys a Mediterranean climate; the sun shines year round and winters are mild.

These natural assets as well as the Algerian cultural, historical and civil heritage foster many tourism-related activities such as:

- coastal tourism
- outdoor and alpine tourism
- thermal tourism
- cultural and sport tourism
- Saharan tourism
- hunting and fishing

Various tourist activities take place year round in focal points where exoticism and beauty go hand in hand:

- The coastal strip
- The Aurès mountains
- The Kabylie region
- The Oued M’Zab valley
- The Hoggar Mountains and Tassili
- Touat and Gourara
- Oued Souf

Algeria began to develop its tourism industry in the late 1960s and early 1970s. By the end of the 1980s, overall these regions represent 174 Tourism Expansion Areas (TEA) - identified by Decree No. 88-232 dated November 5th, 1988- and they covered over 47,073 hectares of national territory as follows:

- 140 TEA established within 14 coastal Wilayas over a 34,852.86 hectare area;
- 13 TEA established within inland and highlands Wilayas over a 3,480.6 hectare area;
- 20 TEA established within southern and deep south Wilayas over a 9,501.09 hectare area;
- 202 thermal springs, distributed over the
Tourism

national territory, selected for their physico-
chemical characteristics and other properties.

These springs were ranked as follows:
- 136 major local thermo-mineral springs
- 55 major regional thermo-mineral springs
- 11 major national springs.

By virtue of its history, geography, climate, and tourist
venues, and an ambitious tourism policy implemented in
recent years, many factors are instrumental in making
Algeria a worldwide tourism focal point, enhanced by a
wealth of attractions.

Sea, mountains, and desert. This is no doubt where the
ture Algerian identity or “Algerianity” stems from,
influenced by the various lifestyles born by the changing
surroundings. In fact, other than colonization-based
alienation, Algerians have preserved every trait to mold
the Algerian identity. However, their awareness of heritage
and contribution is still young. For that reason, Algeria is
a land where art and history shall forever shine through.

Africa, the Orient and the Mediterranean merged to
become the seed of a new civilization. The countless
military installations, religious and cemetery monuments,
palaces, public and private buildings testify to that fact. If
one considers the untold wealth of artifact collections
handed down by those civilizations, the legacy is
breathless in its diversity and beauty. All of these treasures
are scattered over a territory whose land has still not
yielded all of its secrets. The adventurous visitor will
nonetheless discover the “living” messages transmitted
by the unchanged Casbahs of Algiers and Constantine
and their legendary terrace houses dating back thousands
of years, the attractive Kabylie and its indomitable Cretan
settlements whose tranquility is ensured by the majestic
Djurdjura, the historic Aurès Mountains and their unique
cedar and Aleppo forests, the unique and fascinating
Sahara Desert, the mystical and yet unexplored Hoggar
Mountain Range and the prehistoric Tassili.

And that is only the beginning. The geographical
contrasts, not to mention climatic variations, are so
dramatic in Algeria that while some are swimming in the
beaches of Les Andalouses (Ain-el-Turk, Oran) or Sidi-
Fredj (west of Algiers), others are skiing in Chréa (near
Blida) or in Tikjda (Kabylie). Meanwhile, the vast and
complex deep south offers an exceptional tourist
environment of the Saharan type. There, absolutely
stunning natural sites surround areas where the
unbelievable grandeur is challenged only by the absolute
stillness, while time passes inexorably. But to simply
appreciate the beauty of the natural or man-made sites
would risk overlooking the cultural aspect of this unique
country. Tlemcen and its prestigious past as an
Abdelwadite capital city; Constantine, the antic
Phoenician and Roman Cirta; the charming Annaba; the
proud Médéa; Aflou and its famous Djebel Amour rugs;
the Hammamite Béjaïa, and so forth. The social fabric of
those cities, like many others, is as ancient as those of
Algiers, Oran, or Cherchell. Do they not reflect the artistic
genius of all those that once lived there?
While worldwide annual tourist arrivals have now reached 900 million, Algeria received about 2 million in 2006. According to the World tourism Organization’s world tourism barometer for 2007, tourism in Algeria did well especially in the adventure tourism industry. Over dependent on hydrocarbon exports, the time has come to further develop other potential sources of national income, such as tourism. That’s why the Government adopted a new strategy based on the overall participation of all institutions directly or indirectly involved in the design, development, and promotion of tourist activities, in order to create a true tourism industry.

Tourism

The Ministry of Tourism also intends to implement an ongoing framework to guide and coordinate the development of tourism over the next decade and to ensure a cohesive implementation of inter-sector tourism activities.

In fact, unlike other economic sectors, tourism is still essentially a horizontal sector whose development is tied to the overall infrastructure; transportation, culture, arts and craft, agriculture, communications, health and so forth.

Needless to say this initiative, which requires the support of all institutions and interested parties, is based upon the Government program. The objective of the new tourism policy was; “The creation of a true tourism industry based on the development of national natural, cultural and social capabilities.” The realization of this objective hinges on “realistic and quantifiable objectives, and the availability of appropriate institutional, organizational and funding tools, provided by various sources.” In regard to the implementation of this new policy, the role of the Government is to promote the Algerian tourism model abroad, to attract investments and to establish partnerships with holders of capital, expertise and markets and to consolidate the tourism industry within commercial networks.

This sustainable strategy relies on the following elements:

- An overall policy framework for the sustainable development of tourism
- A master plan indicating the sectors to be prioritized, the types of services envisioned for each sector, the estimated capacity of each sector, and so forth.
- Strictly enforced, concise and rational regulations for land-use management
- A human resources policy for the efficient planning and management of tourism infrastructures and activities
- Sector-specific standards and regulations for environmental and general quality control.
- The broad-based involvement of the population in all stages of planning, implementation and management of tourism services.
The Tourism Development Strategy

Tourism

Ultimately, the objectives are:
- Increasing the capacity of tourist accommodations
- Rehabilitating and updating the existing hotel and catering industry
- Diversifying tourism services
- Enhancing the image of Algeria as a tourist destination
- Making Algeria a tourist destination within international tourism marketing networks
- Increasing tourist flow to Algeria and diversifying the cash-based sources of revenues
- Creating and expanding employment.

These objectives obviously require the lifting of organizational, legal, financial, material, and human constraints that are creating current obstacles to progress and the development of proposals to formulate this strategy. Only a blueprint Tourism Act, currently under development, could ensure the implementation and sustainability of sound public authorities’ initiatives for the upcoming decade.

The following factors make such a real strategy essential for the establishment of Algeria as a tourism destination and the growth of its tourism industry:
- Tourism-based socio-economic issues and inputs
- The state of tourist sites in Algeria
- Challenges that must be met by the country in the next decades
- The greater challenges of globalization

A national investment development agency (ANDI) was established to promote these goals. The missions of that agency are:
- To ensure the promotion, development and follow-up of all investments
- To welcome, inform and advise resident and non-resident investors
- To facilitate the implementation of the formalities of incorporation for businesses and to promote the feasibility of projects through decentralized one-stop administrative services
- To grant investment benefits in line with national economic objectives
- To manage the special investment fund
- To ensure that commitments made by investors during the tax-exemption period are met.
Investments in the tourism sector

Tourism

Algeria is firmly committed to an overall and extensive reform process. The liberalization of the Algerian economy has set the conditions necessary for the development of the private sector, by opening the national market to foreign investors.

One-stop Service Center
A one-stop service center has been established within the agency for all administrations and bodies involved in the investment sector. Its mission is to ensure, in collaboration with all State authorities and interested bodies, the relaxation and simplification of procedures and formalities for incorporation for businesses and the implementation of projects.

Land use Policy
This policy defines 174 tourism expansion areas that are spread over the entire country. Investors now have the opportunity to implement their projects in seaside, Saharan, urban, rural and other climatic areas.

These investment opportunities clearly demonstrate the will of the State to accommodate interest in the development of a broad cross-section of major tourist sites. The tourism authorities have launched a substantial initiative within the framework of the action plan for the sustainable development of tourism in Algeria. Labeled “Horizon 2010” this initiative took the form of an analysis of the financing program for tourism-based land development and the servicing of twenty tourism expansion areas.

There are at least ten good reasons for investing in Algerian tourism:

- Diverse, immense, preserved spaces
- Contrasting climates and an outstanding complementarity of sites, ensuring a year-round tourist season
- Exceptional natural and cultural heritage resources
- The close proximity of issuing markets
- The finest overall road infrastructure and airport facilities in all of Africa.

Since it is relatively unknown from the standpoint of tourism, Algeria represents a “new destination” for a great number of potential international tourists.

- A considerable domestic demand for tourism services.
All types of tourism are available:
- Guided tourism
- Business tourism
- Seaside tourism
- Hiking tourism
- Cultural and/or sport-based tourism
- Archeology
- Hunting and fishing
- Rallies
- Health tourism
- Thermal spring therapy
- Climate-based tourism

An extremely advantageous system of laws for investors

The Government now considers tourism a vital national economic lever for the promotion of overall growth.

Many international hotel brands have already entered the Algerian tourist market. Accor group with Sofitel hotel in the center, Mercure next to the airport, Hilton close to the international exhibition center, Sheraton with two hotels in Algiers and Oran, and Marriott will join in the near future. Investors from the Arab world started new projects in the areas reserved for tourism expansion. Saudi group Eddar-Sidar is investing around $390 million for two Tourism Development Zones (zones d’expansion touristiques or ZET) on the seaside. The first one, Zéralda, will boast 20,000 beds, with two five-star hotel, two four-star hotels, villas and apartments, a business center, a horseback riding center, a marina and a water park. The second complex, Skérat, will include approximately 8,000 beds, hotel, villas and apartments, as well as a tourist complex. An agreement has been concluded between an Algerian private group Mehri and Accor to create a joint venture, SIEHA, to build 24 hotels with 36,000 beds. The construction is underway for 178-rooms Ibis (three-star) and 117-rooms Novotel (four-star) in Constantine, and 260-rooms Ibis next to the Algiers international airport.
The tourism sector in Algeria currently provides around 300,000 jobs out of a population of more than 35 million inhabitants. With the development policy launched by the Government, this number should rise significantly, helping to ease unemployment which is particularly acute among the younger generation.

President Abdelaziz Bouteflika said that “tourism in Algeria must be a national priority and we have many expectations in this field. It is now imperative to push for the development of the development of the tourism sector, as there are currently more Algerians who travel abroad than there are foreigners that visit Algeria.”

In this regard, the Government launched, in February 2008, a new plan focusing on the implementation of the tourism quality centres and with the aim of gradually positioning Algeria as a world-renowned destination in coming years. With this new commitment and in accordance with the Government's intentions to establish tourism as a growth engine, the sector will be capable of providing an economic balance to hydrocarbons.

Thus, by 2025, the Algerian Government plans to be catering to as many as 20 million tourists annually. At the launch of the plan, M. Cherif Rahmani, the Algerian Minister of Tourism, said that 15 tourism projects, notably, with investment from Arab groups (Gulf investors), had already been validated and some were already getting under way.

The Government lays out five major proposals at breathing new life into tourism and build up the sector:

- Presentation of Algeria as a vibrant tourist destination
- Introduction of high-end tourism facilities in seven development areas across the country (shop windows or areas that have high-end installations and activities)
- Application of quality plan designed to raise standards nationally
- Encouragement of public-private partnerships
- Formulation of a financing strategy to encourage development and investment

The plan also includes incorporation of the above-mentioned 174 tourism extension zones which are already established through Algeria into the overall program, with 22 of them being given priority status. Overall, an additional 60,000 hotel beds will be available in the sector by 2015. The current investment action for 2005-2009
allocated a budget of $540 million for the tourism sector in order to provide financial support for the development of these 42 tourism extension zones.

The Algerian Government is also offering specialized tourism: desert tourism, ecotourism, sport tourism. Several international ecotourism projects are being considered. The National Investment and Development Agency (ANDI) announced a total investment of $13.6 billion.
A valid passport is required for entry into Algeria by foreign travelers.

In regard to visas, Algeria observes the principle of reciprocity. Visas are provided to travelers at Algerian diplomatic and consular offices and by foreign missions entrusted with the authority to represent the interests of the Republic of Algeria.

Customs formalities
Upon entering Algeria, the traveler will be eligible to free duty and taxes for the following items: personal items and belongings such as new or used items that the traveler may reasonably need while traveling, with the exception of all merchandise imported for commercial purposes. Merchandise disclosed by the traveler that is intended for personal and family use may not exceed 50,000 AD.

Allowances
In regards to tobacco, alcohol and perfume, travelers entering Algerian territory are exempt from duty and taxes based on the following limits:
- Tobacco: 200 cigarettes, 50 cigars or 100 cigarillos
- Perfume: 50 grams of perfume or 0.50 liter of eau-de-toilette
- Alcohol: 1 liter of alcohol or 2 liters of wine

Control facilities
Travelers arriving by air or by sea who do not possess any merchandise requiring the payment of duties or taxes can proceed through the green corridor labeled “Nothing to declare.”

Currency imports
Bank notes and other forms of payment can be imported with no monetary limitation. However, upon entering Algerian territory the traveler must declare bank notes and other forms of payment as well as gold, silver and platinum jewelry using the designated Customs Service form that contains a section which will be retained by the Customs Service.

Temporary exemption
Provided that they belong to the traveler and that they are currently being used, the following items are eligible for temporary exemption: personal clothing, sports equipment and items such as a pair of skis, two tennis racquets, a tent and regular camping equipment, a motorless recreational craft of no more than 5.5 meters in length, two photographic cameras and ten rolls of film, one musical instrument, one radio, one portable computer (laptop), and one bicycle.

Vehicle-related formalities
Automobiles, motor caravans, planes and boats are eligible for temporary exemption. A three-month Tourist Card will be issued upon arrival by the Customs Service. Since the international insurance card is not recognized, tourists must subscribe at the border for vehicle insurance.

Currency exchange
Once customs formalities have been completed, the first objective will be to exchange currencies at bank terminals installed in the arrival areas of ports and airports. Tourists may exchange currencies in city banks as frequently as necessary. However, each currency exchange should be recorded on the traveler's currency declaration form and all currency exchange receipts should be retained for presentation at the time of departure. As for settling accounts during one's visit, some establishments such as hotels and restaurants do honor credit cards.
9 History
As demonstrated by the Aïn Hanech (Sétif) lower Paleolithic site, human presence in Algeria goes back more than one million years. The faceted spheroids and chopping tools found beside the remains of archaic wildlife confirm the existence of a settlement in early times.

The faceted spheroids and chopping tools found beside the remains of archaic wildlife confirm the existence of human settlements in prehistoric times.

However, the most ancient ancestor discovered to this day is the famous Atlanthropus found in Tighenif (Mascara). According to tests his bones are 400,000 years old, going back to the era of elephants, rhinoceroses and giraffes.

The Aterian civilization would emerge later, near Bir El Ater (Tébessa).

Finally, the Ibero-Moorish group found in Mechta Laarbi (Constantine) and the Capsians found in the east and south represent neolithic sites dating back a few millenniums B.C. It is the era of snail plates and snail eaters. This group of Homo sapiens is considered to be the direct ancestors of the Numidians.

Northern Capsian art as well as southern engravings and paintings heralded the blossoming of outstanding civilizations from the Sahara to the Tell Atlas.

Constantine’s bear caves and Oran’s troglodyte caves are some of the most important habitats of that era.

Human beings who lived in that region are known as Berbers but the Romans called them Moors or Numidians. They actually called themselves “Imazighen,” the singular form of which is Amazigh, meaning “free men” or literally “men from the heights.” Most of them were nomads or small-scale cattle, sheep and goat breeders.

Those living in the rich humid plains combined animal breeding with growing wheat, barley and olives. Living as settlers, they sometimes inhabited caves or mud and earthen houses that were grouped in villages on hilltops for better protection against pillaging.

The Berber population evolved from a Neolithic mixture of old Paleo-Mediterranean ancestry and two Mediterranean groups originating from Western Asia. From early historical times Berbers acted as a link between the Occident and Orient. This period saw the...
propagation of cultural influences, mostly from Western Mediterranean and European countries, such as dolmens, silo-shaped graves, ceramics and settlements. At the same time, Berbers were integrating Oriental cultural contributions. Berbers are linguistically related to the Orient, their language being of Hamito-Semitic origin, a group that covered all of the Near East and North Africa.
Berber civilization emerges on the (written) historical landscape in the 6th Century BC, in a Greco-Pheonician confrontation for the control of the Mediterranean.

For centuries Carthage imposed its supremacy over the entire Mediterranean Basin. Towards the end of the Carthaginian era and early Roman dominance, Berbers (Numidians) were divided into two major groups, Massyles and Massaesylis, and were led by their respective kings, Masinissa and Syphax. Syphax, king of the Massaesylis (Numidians) initially lived in western Algeria and was the most powerful Berber monarch during the Second Punic War. The two greatest powers of the Mediterranean, Carthage and Rome, were competing to win him over as an ally. His rival, Masinissa, king of the Massyles, ruled over his kingdom from 202 to 148 B.C. Cirta, later known as Constantine, was the capital of that kingdom.

Masinissa offered his services to Rome and was influential in the destruction of Carthage in 146 B.C. Syphax went into exile in Italy while his son Vermina inherited some parts of his father's kingdom. Heartened by his alliance with Rome, Masinissa decided to conquer all of Numidia which he turned into a unified kingdom. However, Rome could not tolerate the emergence of a Berber power. With Carthage eliminated this new power had to be eradicated. Roman hegemonic designs would be hampered by the tenacious Jurgurtha, Masinissa's grandson and the son of Micipsa. Jurgurtha hoped to reunite all of Numidia but he was imprisoned and sent to Italy. He died of starvation in Tullanium, the Rome prison where Vercingetorix had been strangled.

During the last century B.C. all of Maghreb was ruled by Roman public servants. The last two Massyle Kings, Juba from 25 B.C. to 23 A.D., and Ptolemy from 23 to 40 A.D., acted more as vassals of the various “Caesars” than as truly autonomous princes. This bloody “Roman peace,” that was forced on the Berber kingdom for a period of over four centuries, was marked by two major events.

The Roman occupation triggered a brutal reorganization of social structures, lifestyles and production processes. Not content with ending the first Berber political centralization effort, it also brought an end to structural benefits that had resulted from the emergence of villages initiated by Masinissa. Pushed back towards the desert, the population had no choice but to reluctantly resume a
nomadic lifestyle. Confined behind the “limes,” as Roman boundary lines were called, for nearly three centuries entire fragments of Berber society were disenfranchised from their right to a normal agrarian lifestyle and were compelled to lead an enforced Bedouin lifestyle, synonymous with constant uprooting and roaming.
The substantial development of cities in the Maghreb during the Roman era, is a source of contention for many historians who do not always have access to the necessary data to evaluate their respective population and to better understand their legal and administrative structures as well as urban characteristics.

Archeological excavations performed in the 19th Century and the first half of the 20th Century have brought to light only a handful of ancient major urban centers. The main objective of those excavations was often to dig up art objects and ceramic tiles or to dig up monuments to a “useful level” with very little thought for archeological layers or subsequent levels under them. This is why, upon visiting museums, the Italian archeologist M.A. Carandini declared: “One is under the impression that the only occupation of ancient people was to sculpt statues, create elaborate mosaics or paint vases and walls”.

When visiting ancient archeological sites one is frequently told that the first cities were Roman colonies and that “in this barbaric country inhabited by nomadic tribes, the first sedentary inhabitants were Roman soldiers released from duty.”

As J. Toutain observed, “A vision of archeology and ancient history that only seeks to enhance Rome's reputation, by focusing exclusively on its colonizing efforts and its urbanization of Africa, must indeed be reviewed in the light of recent research and requires a thorough reevaluation of the colonial centered point of view.”

One must remember that French archeologists working in Algeria, even the most scientifically competent ones, have been prone to focus on Roman colonization during a century of research in Africa, if only to legitimize French colonialism. The introduction of J. Toutain's work devoted to the study of Roman cities is quite revealing: “The better we will know the accomplishments of Romans in their African provinces, the better we shall orient our efforts and the quicker we shall succeed.” He wrote those words at the end of the 19th Century.

However, in recent years, the backlash of de-colonization and the use of new and stricter scientific methods have greatly affected archeological research. The old historical concept of the primacy of Roman conquests is the object of fierce criticism, which reminds us, with good reason, that African-based Roman civilization was dependent on Libyan and Punic civilizations that preceded them, a fact that we are only now beginning to fully recognize.
From that point of view accurate archeological insights are still in their earliest stages of development. With this in mind we must rid ourselves of some biases and clichés that some reference works, and even identifiers of records, rely upon to turn almost every antique archeological object into a “Roman ruin.” This is symptomatic of an insistence on defining ancient Maghrebian cities as the exclusive creations of Roman conquerors, especially where central Maghrebian cities are concerned. But how can anyone forget Carthage, and its influence or the powerful Cirta (Constantine).

Toponomy, as applied to established ancient site guides, provides interesting data on the occupation of some Algerian coastal sites during the Phoenician and Punic eras. Such is the case of Icosium, currently Algiers, whose first syllable is found in the names of some trading posts such as lol (Cherchell) and Igilgili (Jijel). Elsewhere, the prefix “rus” refers to sites established on capes or promontories, such as Russicade (Skikda), Rusazus (Azefoun), Rusucuru (Dellys) or Rusgunia (Bjord el-Bahri or Cape Matifou). It should be noted that this prefix is of the same Semitic origin as “ras” (cape in Arabic).

Toward the end of the first millennium Phoenician sailors, and later from the 8th Century onwards Carthaginian sailors, almost certainly inhabited coastal islands before settling on the main continent. Their stations, called “ladders” or trading posts, were thus set along the Maghrebian coast roughly fifty kilometers apart, which equaled the distance covered by ancient vessels in a day’s voyage.

We must consider those ancient Maghrebian cities from a new perspective, as their dug up content may date back to the Roman era but their true origin may quite often precede the Roman conquest.

These facts raise an interesting question: What was the nature of the relationship between those trading posts and the neighboring tribes and, generally speaking, with Libyan or “Imazighen” populations during those particular centuries? One should also wonder about the number of “Punic posts” and whether there could have been more ancient villages established by the natives near those posts or at the very same locations. Only necropolises, from which Tipasa, Cherchell, Jijel, Gouraya and Rachgoun inherited a wealth of funeral goods, confirm the substantial Punic contribution and exchanges with Greece, Sicily, Italy, and Spain. Grave steles, geometrically ornamented pottery, the prevalent forms of stone-cutting and the shape of monuments are valuable clues that can help us determine the true identities of the local artists.

The historical emphasis has too often been placed upon Carthaginian expansion and Roman conquest, thus neglecting the main participants of Algerian history, the Berber or Amazigh populations. Nowadays many historians insist on the need to review the role and the evolution of the native substratum with a point of view that is not only based on Greek and Roman perspectives but also on the basis of data that provides us with a proper understanding of the “indigenous” peoples’ share in the formation of the same history.

Although Roman architectural models are omnipresent in ancient cities, several characteristics distinguish African cities established during the Roman era from those encountered in Gaul and in Italy.

Archeology can better serve history, especially economic and social history, by using modern archeological survey and excavation technology such as aerial photography. In recent years, aerial photography has become a key element of archeological research when studying ancient cities. It represents a very useful discovery tool and offers unrivaled benefits for ground level shots.

Few literary works or ancient maps contain information on the history of cities or their economic and social structures. Hence, archeological excavation remains the primary source of information.

A strict policy of colonization was maintained during the Roman era with the help of Augustus’ Third Legion, a military body that played a deciding role and which was based in the Ammaedera camp (Haidra – Tunisia) and the Théveste camp (currently Tébessa). This African army’s base camp was set up in Lambèse (currently Tazoult), because of its strategic location along the Aurès Mountains.
The ruins of these camps are among the best preserved of the thirteen known camps of the Roman legions. A military road was actually built through the Aurès mountains, between Lambèse and Biskra (the ancient Vescera), and led to the various southern posts forming the so-called “limes,” or borderline. A rock engraving located along the Fighaniminet narrows, between Roufi and Arris, states that the road was built in 145 A.D. in the reign of Antorrin the Pious by a detachment of the Eight Ferrata Legion.

In the north there were colonies such as Cuicul (Djemila), Mopth (Mons), and Sitifis (Sétif), and in the south there were the colonies Theveste, Caesaris (Youks), Vazavi, Mascula (Khenchela), Aquae Flavianae (Hendair El-Hammam), Thamugadi (Timgad), and Vercendra (Arcouna).

This progression was maintained toward the south and the west during the reign of Emperor Septimius Severus with the conquest of cities such as Pomaria (Tlemcen), Numerus Syorum (Maghnia), and Altava (Ouled el Mimoun).

Roman occupation was relatively negligible in Western Algeria where columns sent by Augustus eventually reached the Sétif valley.

As Paul-Albert Février wrote in his book “L’Art de l’Algérie antique”: “This Roman progression gave rise to resistance efforts and throughout the occupied zone remained some undefeated and at time rebellious pockets, located in mountainous areas of the Small or Great Kabylie or of the Tellian Atlas. Around the middle of the 3rd century and until the second half of the 4th Century, these tribal pockets of resistance clearly conveyed to Rome that it had not yet won the battle.”

After two centuries Roman influence had a great impact on the Maghrebian landscape, with Rome administering four of its provinces.

- Proconsular Africa included Augustean, Verus and Nova Africa. It formed a senatorial province headed by a Carthage based proconsul. As to its territory, it included parts of Libya, Tunisia and the oriental part of Algeria, along with several cities: Hippone (Atmaha), Calama (Guelma), Thubursicu Numidarum (Khamissa), Thagaste (Souk Ahras), Madauros (M’d’aourouch), and Theveste.

A second Numidian province was established west of proconsular Africa, essentially for military purposes, at the very beginning of the First Century. It was delimited on the western side by the entrance to the Ampsaga (Oued El-Kébir), a series of valleys west of Cuicul (Djemila), the Zarai region (nowadays Zraïa), the Hodna plains and the Zahrez Chergui, right up to the Laghouat region. Headed by a legate, a commander-in-chief of the entire region based in Lambèse, this province served as a military base.

Numidian King Syphax meeting Scipio The Elder (Publius Cornelius Scipio Africanus Major) - Fresco by Alessandro Allori (1535-1607)
The two Mauretanias formed the two other provinces. The first extended to the center and west of Algeria as well as to a part of what is now Morocco. Its capital city was Caesarea (Cherchell). The second one covered the northern part of Morocco and its capital city was Tingi (Tangiers). The emperor assigned them a procurator, with a rank below that of the proconsul, and the Numidian legate.

Inscriptions etched on funeral steles found virtually everywhere remind us of the sustained and deadly insurrections that Roman troops tried to quell for nearly four centuries.

Given the wealth and diversity of art and architectural treasures of Ancient Algeria, recalling this past history covering many centuries, from the end of prehistory to the emergence of Islam, translates into a quest for knowledge and an invitation to travel.

A Municipal Berber elite, whose names had been Latinized, contributed to the economic expansion of provinces and to urban development. Under no circumstances should one think that overseas foreigners inhabited all cities, about five hundred in all, during the late Empire. Indeed, according to Gilbert-Charles Picard, from the Second Century onwards, “If one wishes to explain these developments and renewed expansions, one should consider the social dynamics as language and mores slowly evolved. Roman and Latin socialization was indicated not only by monuments but also by tens of thousands of preserved inscriptions as well as by the Second Century works of such writers as Fronton de Cirta or Apulée de Madaure, and then of Christians authors such as Tertullian, Cyprian, and eventually Augustine, all of whom were driven by apologetics and polemics and offer us a vibrant testimony to the legacy of the Third Century.”

Annaba

Overlooking the charming and inviting city of Annaba, located in eastern Algeria an hour from Marseille or Italy by air, is the majestic Saint Augustine Basilica imposing in its strength and beauty. Over a millennium ago Saint Augustine delivered sermons in which he described a building made of stone and wood, skillfully assembled, into which one could set foot with “no fear of its crumbling to the ground.”

Construction of the actual basilica started on October 30, 1831 and was consecrated on March 20, 1900 with the assistance of the Italian city of Pavia.

It is now a large complex including the basilica itself, a library, a monastery and a reception house. It represents a harmonious combination of Moorish, Byzantine and Roman design. Participants to the first International Symposium of Algiers and Annaba, held from April 1st to April 7th of last year and organized by the Supreme Islamic Council, had the opportunity to visit this site at the conclusion of the conference that dealt with the life and work of this philosopher, son of Thagaste (Souk Ahras). They discovered the splendor of the basilica, overlooking a sumptuous site, in the midst of Roman ruins from the former Hippone.

Saint Augustine, The Algerian

One of the towering figures of medieval philosophy whose authority and thought came to exert a pervasive and enduring influence well into the modern period (e.g. Descartes and especially Malebranche) and even up to the present day, Saint Augustine was born Aurelus Augustinus on November 13, 354 CE in Thagaste, in the eastern Algerian city of Souk Ahras and 650 km from the capital city of Algiers. More commonly known as “Saint Augustine of Hippo”, often simply as “Augustine”, he was the son of Patricius, a Roman citizen and a Pagan, and Monique, a convert to Christianity, and was educated in Thagaste and Madauros, both in what is now Algeria and Carthage.

The genial author of “The Confessions» and «City of God» was the founder of African monasticism and is one of the most famous sons of Algeria.

Augustine converted to Christianity in 386 and was baptized by Bishop Ambrose of Milan on Easter Sunday 387. Having spent five years in Rome (his only time outside North Africa), he returned to his place of birth, Thagaste, and would spend the rest of his years immersed in the affairs and controversies of the Church into which he had
been recently baptized. In 391, Augustine was ordained priest of Hippo Regius (now the Algerian city of Annaba) and in 395 he was made Bishop. He died in August 430 in Hippo, thirty-five years later, as the Vandals were besieging the gates of the city.

On April 1-6, 2001, an international conference was held in Algiers and Annaba on “The Africanness and Universality of Augustine”, under the sponsorship of the Algerian Higher Islamic Council, the Augustinian University of Rome and the University of Fribourg, Switzerland. Speaking at the conference, the Archbishop of Algiers, Mgr Henri Tessier established a parallel between Augustine’s body of work, namely his City of God, and the contribution of the famous Muslim scholar Mawardi, particularly his Treaty on the Imamate, to say that “both the Christian thinker and the Muslim jurist wanted to “let the work of God shape the minds of men” and not substitute a religious law for the free temporal power of men”, thus debunking the claims of those who misinterpreted Augustine’s view on faith to “justify the holy wars of history”.

For Augustine, faith is the result of divine grace and can never be imposed other than accepted as a truth and freely confronted to that held by others. Numerous scholars underlined that the alliance of faith, intelligence, and freedom proclaimed by the “Roman-African” philosopher would later be adopted by Thomas d’Aquin in the Christian tradition but also by Islamic philosophers such as Ibn Sina and Ghazali, whose works reflected their beliefs as strong bulwarks against any fundamentalist or extremist views.
In 431, under the leadership of Genseric, Vandals besieged Hippone (Annaba). Berber land once again witnesses insurrections. Byzantines faced the same resistance. Thus, neither of them will succeed in occupying Central Maghreb for a long period.

During the Vandal and Byzantine eras Berber traditions were reinstated throughout the newly independent Maghreb thus leading to the establishment of Berber kingdoms in former Roman provinces, a change that was also supported by the intrusion of Zenete nomads. Descendants of Numidians and Moors, the Paleo-Berber Branes inhabited plains that were gradually replaced by Botr and Zenete nomads from the south and the east who spoke a different Berber dialect. Eventually they would plant the seeds of nomadism in these formerly cultivated lands.
Uqba Ibn Nâfi founded the city of Kairouan in 670 A.D., a bridgehead for the conquest of Maghrebian territory. In 682 he led an expedition that would take him to Tlemcen. He eventually reached the sea but upon his return he decided to split his army, sending part of it directly back to Ifriqiya (now Tunisia) through the high plains, while leading the remaining part of his army southwards to the edge of the Sahara. His troops were assaulted by those of a Kusayla Berber leader. He lost the battle and was killed in 683 A.D. in Tehouda, Biskra. The Arabs decided to regroup in Tripolitania. They would eventually capture Kairouan in 691 A.D. and Carthage in 697 A.D.

Berber resistance gradually reemerged in the Aurès Mountains under the leadership of a woman, Kâhina. She was defeated in 698 A.D. After 711 A.D. the Maghreb became a province of the Arab Empire, at least theoretically. In actuality, strictly from a military point of view, the conquest of central Maghreb was a failure. After fifty years of struggle the Arabs only controlled Ifriqiya. The conversion of the Berbers to Islam proceeded but it faced great resistance and resulted in numerous schisms.

Most of the 8th Century was defined by a sustained revolt against central Arabic government that originated from an oriental schism, the Kharijism. Beginning in 141 A.D., having joined this movement, central Maghreb had already earned its independence. The Maghreb was then controlled by Kharijite natives who were unified around a Persian family known as the Rostemides that would rule over Tahert, now known as Tiaret.

Two key elements defined the emergence of this dynasty, the refusal to submit to a Byzantine-based state geared to exploitation and inequity, and the refusal to submit to any foreign domination. While Zenete Berbers gradually spread onto the high plains, driven by Kharijism, the other branch, the Sanhadjas, inhabited the mountainous areas of central and eastern Algeria.

One of these tribes, the Kutamas, settled in Small Kabylie and sponsored a Shiite missionary, Abu ‘Abdallah. Shiites believe that only Ali and his descendents, the sons of Fatima, are the Prophet’s legitimate Caliphs. It all began in 893-894 A.D. at Makkah, when a number of Kutama chiefs met Abu ‘Abdallah, the Shiite missionary (dâ’ia), while on a pilgrimage. The missionary won them over and accompanied them on their way back to the Maghreb. He settled in Ikjan, in the mountainous area separating the Sétf plain from the Tellian Atlas. He then assembled an army and attacked the fortresses built by the Aghlabides that faced the Kabylie and Aurès mountains. After many assaults, the Kutamas, led by Abu ‘Abdallah, finally crushed the Aghlabides’ army. In the next few years, they would conquer Sétf, Constantine, Béjaïa and Kairouan in March 909 A.D. He then proceeded to seize Sijilmassa in southern Morocco, where ‘Ubayd Allah, a Fatimide Mahdi, was held prisoner. Once free ‘Ubayd Allah affirmed his Mahdi status and became Emir al-Mouminine, Commander of the Faithful.

During their three hundred-year history, from the early 10th Century to late 12th Century, the Fatimides inhabited the Maghreb for a mere sixty years. In 973 A.D. they settled in Egypt making Cairo their capital city. Before returning to the Orient the Fatimide Caliph entrusted his Sanhadja lieutenant, Ziri Ibn Manâd, with the governance of the Maghreb. He would go on to establish the Ziride dynasty.
While marching through ancient Numidia, the Zirides gave their former central Maghrebian realm to their Hammadide cousins. For a century and a half Hammadides ruled over Central Maghreb. They established two successive capital cities. Built in 1007 A.D., the first capital of Kalaa of Béni Hammad was located at the Tellian heights overlooking the Hodna Steppe on a trading route between the Biskra region and the sea. Founded in 1607 A.D. the second capital of Béjaïa (Bougie) became the main trading, political and cultural center of all Maghreb.

Three generations later, the Zirides had rejected Fatimide and Shiite suzerainty. In retaliation the Fatimide Caliph deployed nomadic Arab tribes, then stationed in Upper Egypt, to attack the Maghreb.

In doing so he was also trying to get rid of unruly elements. Those tribes claim a common ancestor, Hilâl, hence the designation “Hilalian invasion” was given to this second Arab invasion of the Maghreb. The Beni Hilâls first entered Ifriqiya in 1051 A.D., and were eventually followed by other Bedouins such as Beni Solaims and Beni Maqils. This second Arab invasion had considerable repercussions on central Maghreb such as the enhancement of the nomadism that was still practiced by a majority of Zenetes and the gradual introduction of resistance and anarchy into the social fabric.

At first, the Hammadide kingdom benefited from the Hilalian incursion into the Ziridian kingdom but it would soon suffer from a backlash. The penetration of Hilalian tribes deep into Hammadide territory quickly fostered the internal disintegration of the kingdom and resulted in the creation of many rival principalities.

This territorial incursion also triggered a major crisis that was exacerbated by economic and military pressures exerted by Christians on the western Mediterranean region. In fact, the late 11th Century and early 12th Century are marked by the first Christian counter-offensive in the Mediterranean or, generally speaking, in the Muslim world. In Spain Castile kings took advantage of the disruption and breakup of the Umayyade Empire, which had resulted in the creation of numerous principalities, to launch the “reconquista.” The first Christian Holy Crusades were aimed at the Orient. Christians captured Jerusalem in 1099 A.D. and the Hammadide kingdom was on the frontline of this confrontation between the “Crescent and the Cross.” The Christians also targeted the Hammadides. In 1136 A.D. Genoans launched an attack on Béjaïa and in 1143 A.D. Normans from Sicily took over Jijel. From the 12th Century on the political center of gravity slowly shifted to western Maghreb. From then on new imperial initiatives would be launched from
the southwestern sector of western Sahara. Although the Almoravide offensive was stopped at Algiers’ doorstep, Almohades nevertheless managed to quickly invade the Maghreb. Bougie finally fell in 1151 A.D. In 1160 A.D. the Almohades ruled over the entire Maghreb.

The Almohade Empire rose from a Sanhadja mountain tribe, the Masmoudas of the High Moroccan Atlas and from the religious reformer Ibn Toumert. Ibn Toumert became a Mahdi and established his base at Tinmall in 1124 A.D. amid the mountains. Following his death in 1130 A.D. his successor, ‘Abd el-Moumen, became Amir el Mou’minin, Commander of the Faithful. It was under his leadership that the Almohades set out to conquer the Maghreb.

They first conquered the southwest by taking control of the gold route. Then they advanced northwards to secure Fès. They seized Marrakech, the Almoravide capital in 1146 A.D. Almohades armies kept marching eastwards. The fall of Béjaïa in 1151 A.D. signaled the end of the Hammadide kingdom. The fall of Mahdia in 1160 A.D. marked the end of the Ziride kingdom and, importantly, it also led to the defeat of the Sicilian Normans who had occupied the city for the prior twelve years. Almohades carried this fight against the advance of the Christians into the Mediterranean and over to Spain (Andalusia), where they did their best to confine the “reconquista.”

The constant state of war maintained by the Almohades against Spain’s Castilians would have a disastrous effect on the Magrebian economy since the bulk of its resources were allocated to the war effort. Spanish sovereigns would eventually get the upper hand in this confrontation. Almohades were defeated in 1212 A.D. at the battle of Las Navas de Tolosa. Furthermore, the Almohade State was also unable to control internal dissension that was producing recurring rebellions. As the Almohade Empire finally collapsed the Maghreb was once again fragmented, this time along a three part axis, the Hafside kingdom of Ifriqiya (Tunisia and east Algeria) in the East, the Abdalwadides in central Maghreb with Tlemcen as its capital city, and Merinides in Morocco, in the west.

The Hafside kingdom extended from Algiers to Tripoli, with Béjaïa, Constantine, Kairouan, Mahdia, Sfax and Tunis under its rule. Aghlabides could only claim one city, Tlemcen. These cities were essentially Arabic centers and none of the sovereigns’ traits could be said to be specifically of Berber heritage.

During their roughly three hundred-year history, from the early 10th Century to late 12th Century, the Fatimides inhabited the Maghreb for a mere sixty years or so.
Another brutal historical event occurred in the 14th Century. The Maghreb was for a long time at the crossroad of all trading routes used to carry precious metals towards the east and to Arab countries also to the north, meaning Europe. Sub-Saharan African gold transited through Maghrebian cities and villages.

From the 14th Century on caravans would use other southern communication routes bypassing the Maghreb. Having stretched its influence to the Upper Nile Valley the Mameluk dynasty, which ruled over Cairo, could reach the Atlantic through Savannah and deal directly with Sudanese suppliers of precious metals.

The Mediterranean north-south axis also lost some of its influence following the opening of new trading routes by Christians, namely the Atlantic trading routes. Around 1540 the Portuguese started to move most of the Sudanese gold toward the east coast. The role of central Maghreb as an intermediary steadily declined. The depletion of this unique source of wealth resulted in a weakening of the region and, eventually, in its fragmentation into many principalities.

In order to take advantage of the situation Spain, which was on the verge of completing the reconquest initiated in the 13th Century, prepared to conquer North Africa with the support of Francisco Ximenes de Cisneros, Cardinal and Minister under King Ferdinand. On September 13,
1505 Spanish soldiers occupied Mers el-Kébir, then known as Bougie on January 6, 1509, followed by Tripoli on June of the same year and then Oran on May 19, 1509. After capturing the stony island facing Algiers, Peñon, the Spanish army banned all port activities. The inhabitants abandoned the cities and, after being subjected to Spanish raids, the hinterland collapsed.

The presence of Turks in Algeria over many centuries (1518-1830) gave rise to endemic violence. The sheer frequency of rebellions fomented by local populations and the propagation of political assassination attest to that fact. One must also take into account the permanent state of war against Western powers (Spain, France, England, Portugal, etc.) and neighboring countries (Morocco and Tunisia).

Cheikh Salim Toumi, the King of Algiers, asked the Barbarossa brothers, Turkish pirates based on Djerba Island, to help him fight the Spanish. In May 1515 Aroudj launched an attack on Algiers’ Peñon, but the fortress withstood his assault and the adventure failed. While waiting to repeat his offensive, Aroudj had Cheikh Salim Toumi strangled and declared himself “King of Algiers.” On September 30, 1516 the Spanish government sent 3,000 men, under the leadership of Diego de Vera to assist the Peñon. The expedition was a total failure. The Spanish defeat only enhanced Aroudj’s popularity throughout all of central Maghreb. Other port cities called upon him to evict Spanish garrisons. Tribes of the Mitidja, Sétif plains, Titteri, Ouarsenis, Dahra, and Zaccar were willing to place themselves under his leadership.

After Aroudj’s death in 1518 his brother, Kheir ed-Dîn, based in Algiers, pledged allegiance to the Sultan of Constantinople (Istanbul). The regency of Algiers became reality. Kheir ed-Dîn was named Pasha and then Beylerbey, Emir of all Emirs. The Spanish saw the regency of Algiers as a threat to their Maghrebian interests. In 1519 the new King of Spain, Charles the Fifth, sent Hugo de Moncada, Lord Lieutenant of Sicily, to Algiers with a fleet of forty ships and five thousand men. Spanish troops had to retreat. In 1529, he liberated the Peñon.

Controlling most coastal cities and some inland ones the Turks dominated Algeria for about three centuries. They managed part of the country with the support of “Maghzen tribes,” who levied taxes on “Ra’ais tribes,” on their behalf. But their authority did not extend beyond those limited cities and plains. The more remote or unruly the tribes, the less effective was the centralized power.

The Turkish minority led an isolated existence, far from the hinterland, where it maintained a military presence solely for increasingly oppressive fiscal purposes. Its inability to merge with the local populations forced the militia to hang on even when the resources it provided could not offset ensuing international problems. Trapped between local rebellions and increasingly influential European powers, the Dey’s authority collapsed with only a small push. When in June 1830 37,000 French troops landed on Sidi Ferruch beach, west of Algiers, it easily defeated the 6,000 Ojak soldiers.

The middle class of Algiers opened the city’s doors and the Dey retreated, leaving the conquerors enough to reimburse the costs of the expedition. Only the tribes would continue fighting. Thus another era of foreign occupation began for the Algerian people, with dreadful consequences.

**El Mansourah - Tlemcen**
Emir Abd-El-Kader
Background
Abd-El-Kader was born in Guetna, near Mascara, in 1808. He was raised in the paternal zaouïa managed by Mahieddine. He was well educated and was tutored by the great scholars of Arzew and Oran. He studied the religious sciences, Arabic literature, history, philosophy, mathematics, astronomy, medicine and other subjects. He was no stranger to Plato and Aristotle, Al-Ghazâli, Ibn Rushd and Ibn Khaldûn as his writings clearly show. He never stopped studying and learning throughout his life.

The Pilgrimage
He accompanied his father on a pilgrimage to Mecca in 1826 where he discovered the Orient. The pilgrims then continued to Baghdad where they visited the tomb of Sidi Adelkader Djilâni, founder of the al-Qadirîyya brotherhood to which the Guetna zaouïa was attached. They managed to avoid the threat represented by the Bey of Oran, who was jealous of the spiritual authority Si Mahieddine and his son held over Oran.

Commitment and War
Following the capture of Algiers in 1830 Si Mahieddine and the young Abd-El-Kader joined the People’s Resistance. Abd-El-Kader stood out by his bravery and intelligence. Western tribes met to select a leader able to defend the country. When they approached Si Mahieddine he declared that he was too old but he proposed the services of his son, Abd-El-Kader, whom they endorsed unanimously. He became Emir on November 21, 1832 during a Grand Assembly held near Mascara. The Emir committed himself to leading the war against foreign occupation. He set up a national state, established a government, appointed the Caliphs responsible for the management of provinces, proceeded with the mobilization of forces, created a standing army, levied taxes, and administered justice. He went on to sign the Desmichels Treaty with the general of Oran on February 24, 1834. This Treaty acknowledged his authority on the west and on the Caliphs. While ratified by the French government, it was not adequately enforced. The elusive Emir was seen everywhere but he always managed to vanish when he wanted to protect his privacy. His infantry and cavalry were extremely mobile and efficient.

Bugeaud and the Emir
Appointed in Oran, General Bugeaud negotiated a new treaty with the Emir. The Treaty of Tafna was signed on May 30, 1837. From that date the Emir ruled the west, the Titeri and a portion of Algier’s territory. He erected fortified cities and set up military workshops to attract rebels and collaborators. The Treaty was challenged to some extent by Governor Valée and war erupted again in 1839. Appointed governor, Bugeaud hoped to occupy the entire country. He resorted to a “scorched earth” technique by destroying all towns, crops, cattle and other commodities required for subsistence. The Emir resisted firmly winning major confrontations such as at Sidi Brahim on September 23, 1845. However, the country was ruined, tribes were exhausted, and Morocco’s support was waning. The Emir choose to end the war and he went into exile in December 1847. The French government agreed to help him reach the Orient.
Exile and Prison
The French did not honor their commitment. The Emir was taken to Toulon, then Pau, and finally to Amboise. He remained a prisoner of the French government until October 1852 when Napoléon III finally came to free him. He then left for Turkey and settled temporarily in Brousse and then finally he travelled to Damascus where he received an impassioned welcome. Apart from a handful of short trips and pilgrimages, he remained in Syria dedicating all of his energies to meditation, prayer, teaching and philanthropic activities. He distinguished himself as an extraordinary man during the 1860 Damascus riots. He prevented thousands of Christians from being massacred and helped push back the insurgents. Several heads of state, including those of England, Russia and France sent him messages of appreciation and honored him with various state awards. Famous and honored, he passed away in Damascus on May 26, 1883. His funeral attracted a great multitude of mourners.

Written Works
The Emir was a prolific writer. Here are some of his works:

1- Dhikrâ al-âqil, translated in 1856, and then in 1977. This second translation by R. KhawAm is entitled “Lettre aux Français (Letter to the French)”, (Reprint Rahma. Alger). The Emir’s outstanding culture is undeniable.


3 - Al-Sayra al-dhâtiyya (Autobiography), printed in Algiers (Dar-al-Umma).

4 - Al-mawâqif (Mystical studies), Damascus and Algiers editions (ENAG. 1996), 3 volumes.

5 - The disseminated correspondence found in many works and libraries, and which deserves to be edited.

CHEIKH ABDELHAMID BEN BADIS
Religious Educator and Reformer
Abdelhamid Ben Badis, President of the Algerian Muslim Ulemas Association and flag bearer of the Algerian Muslim Reform Movement during the first half of the 20th Century, was born on December 5, 1889, in Constantine where he would die on April 16, 1940. He came from a patrician family that dated back to the Zirides. Bologhine Ibn Ziri, founder of Algiers, was one of the most illustrious patriarchs of that family. Abdelhamid Ben Badis learned the Koran in his native city according to established customs. It is also there that he acquired basic linguistic skills and discovered Arab literature, sciences and the Islamic religion. As a very young child he was tutored by...
Hamdân Lounissi of the Tidjâniyya mystic brotherhood who would strongly influence the young Abdelhamid.

While a student at the Zitouna University in Tunis in 1908 he would come under the influence of scholars such as Tahar Ben Achour who were followers of the Muslim Reform Salafi, which advocated the return to a pure Islamic Faith cleansed of all distortions. This movement emerged during the second half of the 19th Century, both in the Near East and in Egypt. After graduating in 1912 Abdelhamid taught for a year at Zitouna in compliance with a tradition established by that prestigious Tunisian university.

After completing a pilgrimage to Mecca and Medina, following the completion of his studies in Tunis, he encountered the strict Wahhabite reformist movement, then in full bloom in the Islamic Holy Land. While in Medina Abdelhamid was reunited with Hamdân Lounissi, his first tutor, then a resident of the Prophet’s city. There he would expand his knowledge through contacts with self-exiled scholars and others.

Upon his return to Algeria, during the period from 1913 to 1925, he became involved with teaching and cultural activities before dedicating all of his energies to reforming national religious practices. Contrary to what is often claimed, mainly by publicists and historians, Ben Badis and his associates did not create the Algerian religious reform movement out of thin air. Towards the end of the 19th Century and the beginning of the 20th Century intellectual reformists emerged steadily, mainly Ulama and highly qualified teachers from Algiers, Constantine, Tlemcen, and other places. Sheiks Medjaoui, Ben Smaïa, and Benali Fekkhr are among those who condemned blackout practices adopted by some religious brotherhoods and characters deemed to be saints due solely to their piety or ascendance. They also condemned the colonial control of the Islamic cult. Sheik Mohammed Abdou met with several of these scholarly teachers during his visit to Algiers and Constantine in 1905.

From 1913 to 1925, following his return to Algeria, Abdelhamid Ben Badis devoted all of his efforts and remarkable teaching skills to education including such subjects as literature, history and geography, as well as various civic and religious disciplines. His academic endeavours were aimed at both young people and adults, and both boys and girls.

In 1918 Ben Badis, a shrewd planner, sent the very first Algerian student contingent to the Zitouna University in Tunis. They would become the pillars of free education, opening the door to regular study missions.

He promoted, organized, and sponsored the establishment of several musical associations throughout the nation as well as theater companies and sport teams.

He was one of the first leaders to foresee the enormous potential contribution of the scouting movement as a tool for inculcating important core values in the young.

Furthermore, under his stewardship and instigation, cultural centers were gradually instituted including the famous “Cercle du Progrès” in Algiers, animated by Tayeb Al-Oqbi, the faithful companion of the Master.

The establishment of schools in which Arabic was taught, along with the principles of a renewed Islam, was the second initiative employed by Ben Badis and his supporters. In the period 1934 to 1935 the Ach-Chihab newspaper confirmed the establishment of seventy schools which consisted of one or two classes and were spread over the various regions of the country. Three thousand students were enrolled in these schools. In 1950 the Ulema Association, originally founded in 1931, listed its 124 schools with an educational staff of 274 teachers. In 1954 the same Association claimed that 40,000 students were enrolled in its schools. In 1947 the Association created the Ibn Badis Institution in Constantine, a secondary school that would train teachers and students destined for higher education in Fès, Tunis and the Middle East.

The overarching objective of the Master of religious reform was based on safekeeping the Algerian identity, a
melding of ethnic, religious and cultural differences, undivided and indivisible with its famous three-part slogan, “Islam is our Religion, Arabic is our Language, Algeria is our Motherland.”

After his death in 1940 many of Ben Badis’ students, disciples, and companions have done their best to further his initiatives. The most faithful of these, and the one dedicated to achieving National Independence, was Sheik Larbi Tébessi. Kidnapped by the French police during the National Liberation War, his body was never found.

To pay tribute to the memory and work of the preeminent Imam from the last century, Sheik Abdelhamid Ben Badis, a great educator and one of the most illustrious members of our National Hall of Fame, authorities proclaimed April 16th as “Youm El Ilm” or “Science Day.”

Summary of his Works (in Arabic)
1- Mabadi: El Oussoul


Critical Summary of his Works (in French):

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
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<tbody>
<tr>
<td>June 14, 1830</td>
<td>French forces landed on the coast of Sidi Fredj.</td>
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<tr>
<td>July 5, 1830</td>
<td>The Dey of Algiers signed an agreement affirming his surrender.</td>
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<tr>
<td>1832-1847</td>
<td>The revolt of Emir Abdelkader who caused his authority on the central and western regions of Algeria to be recognized as the Algerian State.</td>
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<tr>
<td>1830-1840</td>
<td>The political struggle of Hamdane Ben Otmane Khodja.</td>
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<tr>
<td>1830-1840</td>
<td>The revolt of Ahmed Bey in the east of Algeria.</td>
</tr>
<tr>
<td>November 26, 1836</td>
<td>The Desmichels Treaty was concluded between France and Emir Abd El Kader.</td>
</tr>
<tr>
<td>May 3, 1837</td>
<td>The Treaty of Tafna was concluded between General Bugeaud and Emir Abd El Kader.</td>
</tr>
<tr>
<td>1846</td>
<td>The revolt of Benacer Ben Chohra in the central and southeast regions of Algeria</td>
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<tr>
<td>1845-1850</td>
<td>The revolt of the oases of Zaatcha and Zibane led by Sheik Bouziane.</td>
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<tr>
<td>1851-1860</td>
<td>The revolt of Sharif Boubegla and Fatma N'soumer in Djurdura and Kabylia.</td>
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<tr>
<td>1864-1884</td>
<td>The revolt of Ouled Sidi-Cheikh.</td>
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<tr>
<td>1871-1872</td>
<td>The revolt of Hadj Mohamed El Mokrani Boumezrag.</td>
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<tr>
<td>1877-1912</td>
<td>The revolt of the Touareg in the Hoggar under the leadership of Sheik Amoud Ben Mokhtar.</td>
</tr>
<tr>
<td>May 5, 1931</td>
<td>The creation of “L'Association des Oulamas Musulmans” by Sheik Abdelhamid Ben Badis.</td>
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</tbody>
</table>
### Timeline

#### History

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1943</td>
<td>Ferhat Abbas presented the allies in WWII the “Manifesto of the Algerian People,” requesting equality between the Muslim and European communities in Algeria.</td>
</tr>
<tr>
<td>May 8, 1945</td>
<td>Massacres at Sétif, Guelma and Kherrata where approximately 45,000 people were killed.</td>
</tr>
<tr>
<td>November 1, 1954</td>
<td>The Algerian Revolution began.</td>
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<tr>
<td>September 20, 1957</td>
<td>The Algerian question is placed on the agenda of the United Nations.</td>
</tr>
<tr>
<td>August 9, 1961</td>
<td>Benyoucef Benkhedda became the third President of the Provisional Government of the Republic of Algeria.</td>
</tr>
<tr>
<td>March 18, 1962</td>
<td>Signature of the Evian Agreements.</td>
</tr>
<tr>
<td>March 19, 1962</td>
<td>Proclamation of the cease-fire.</td>
</tr>
<tr>
<td>April 1962</td>
<td>Installation of the Provisional Executive in “Rocher Noir” (Boumerdès).</td>
</tr>
<tr>
<td>July 1, 1962</td>
<td>Referendum on self-determination; 99.7% of the population voted in favor of independence.</td>
</tr>
</tbody>
</table>
10 Algerian-American Relations
Two hundred fourteen years later, the sentiments of peace and amity still form a cornerstone of our ties and the spirit that animated the peoples of our two nations in the 18th century was nurtured through the centuries and produced remarkable moments in the histories of both countries.

Algerians recall with great fondness and admiration that, on July 2, 1957, Senator John F. Kennedy called on France to recognize the rights of the Algerian people to independence, earning their everlasting gratitude and generating significant goodwill toward the United States and its people. Years later, in 1979, Algeria demonstrated its strong regard for peace and invested the skills and capacities of its diplomacy to secure freedom for 52 Americans held hostage in Iran.

While the appeal made by the future President of the United States was motivated by respectable principles, it did nonetheless place him at odds with his government's position towards an ally. On the other hand, Algeria's voluntary involvement as a go-between was also motivated by principles, even though our relations with the United States were far from their current warm and friendly state. Indeed, our two countries had experienced a low in their relations, in the 1970s particularly, because of divergent perceptions of other nations' policies and multilateral issues, such as the Vietnam War, policies towards China, and the best means of solving the Middle East conflicts. Fortunately, political goodwill and the passage of time helped mend the relationship and brought the positions of our two countries closer together on several of these issues.

Since the end of the 1990s, however, relations between our two countries have progressed at a staggering pace at all levels, culminating in July 2001 when Mr. Abdelaziz Bouteflika became the first Algerian President to visit the White House since 1985. While that historic visit marked increased interest in a stronger diplomatic and secure relationship between the two countries, it is an acknowledged fact that the events of September 11 were an important catalyst of the major transformation that the Algerian-American bilateral relationship would undergo from then on. In November 2001, President Bouteflika
made a special visit to the White House where he met with President George W. Bush. Recalling Algeria's firm, immediate, and unequivocal denunciation of the September 11 attacks as acts of terrorism, the Algerian President pledged Algeria's total support in the fight against terrorism and the country's unmatched experience in the area. President Bouteflika explained that Algeria was one of the first countries to offer its support to the United States because "our country understood America's grief and pain over the events of September 11, perhaps better than many others because of our own decade-long experience with similar deadly attacks."

That unequaled experience, acquired through the lonely but determined fight led by our country against transnational terrorism during the “Dark Decade of the Nineties”, is at the heart of the efficient and effective cooperation Algeria has since offered to all its partners around the world, including the United States. Acknowledging the value of that contribution, President George W. Bush publicly praised Algeria's support of the global "war on terror" and declared that the United States “express their gratitude to Algeria for its abiding and outstanding cooperation in the global fight against terrorism”. Mr. Bush added that “Algeria brings a unique perspective to this fight.”

Following his visits to the White House in July and November 2001, President Bouteflika met in New York with President George W. Bush in September 2003 and participated at the June 2004 G8 Sea Island Summit, Georgia, thus reflecting the closer relationship between Algeria and the United States. That closeness has also translated in intensified official contacts in key areas of concern, including law enforcement and counter-terrorism cooperation. The two countries have also increased their conversation on key regional and international issues. High-level visits by officials from both countries have multiplied as well. In February 2006, former US Secretary of Defense Donald Rumsfeld became the first Pentagon chief to visit Algeria. In April 2006, then-Algerian Minister of Foreign Affairs Mohamed Bedjaoui met in Washington with his US counterpart, Secretary of State Condoleezza Rice. In September 2008, Secretary Rice made an official visit to Algeria. Furthermore, parliamentary exchanges between Algeria and the United States have developed as well. Indeed, an increasing number of members of Congress from both sides of the aisle, and staffers, have repeatedly made official visits to Algeria, where cooperative programs have been developed with both houses of the Algerian Parliament.

The military relationship between Algeria and the United States has also been bolstered and cooperation between the militaries of both countries continues to grow. Numerous senior officers of the Algerian Army, including its Chief of Staff and the Secretary General of the Ministry of Defense, have made official visits in the United States. In May 2005, both countries conducted their first formal Joint Military Dialogue in Washington; the second military dialogue took place in Algiers in November 2006, and a third occurred in October 2008 in Washington DC. Algeria has hosted US Navy and Coast Guard visits and took part with the United States in NATO joint naval exercises. Additionally, Algeria has been a key participant in the Trans-Sahara Counter-Terrorism Partnership (TSCTP), which involves other countries of the region as well.

While the Algerian-American relationship is characterized by an intensification of bilateral cooperation and by close collaboration on regional and international issues of
mutual interest, ties between both countries are also defined by the significance and level of their cooperation in the economic area as well. Algeria is the largest trading partner of the United States in North Africa and ranks second in the Africa/Arab world region. In 2007, US direct investments amounted to $5.5 billion, mostly in the hydrocarbon sector. US exports to Algeria totaled $2.18 billion in 2008 and placed the United States in 4th place among Algeria’s suppliers. On the other hand, Algerian exports to the United States reached a record level of $18.64 billion in 2008, as compared to $3.3 billion in 2002, making the US the largest client of Algeria in the world. In April 2006, then-President George W. Bush designated Algeria a beneficiary country for duty-free treatment under the Generalized System of Preferences (GSP). The number of US corporations already active or exploring business ventures in Algeria has increased significantly over the past few years, reflecting growing US confidence in the Algerian market and institutions. Today, American companies are active in the areas of banking and finance, services, pharmaceuticals, medical facilities, telecommunications, aviation, seawater desalination, energy production, and information technology. Furthermore, an increasing number of US corporations from all sectors have been taking part in the annual Algiers International Trade Fair.

Third-largest producer of oil in Africa and holding the 8th largest reserves of natural gas in the world, Algeria is the second recipient after Saudi Arabia of US investments made in the hydrocarbon sector in the Arab world. With supplies of petroleum products currently covering 5% of the US market needs and with plans to increase that share to 20% by the year 2015, Algeria is an important and reliable supplier of oil and liquefied natural gas to the United States and, in that capacity, plays an increasingly significant role in ensuring the security of America’s energy supply.

In July 2001, Algeria and the United States signed a Trade and Investment Framework Agreement (TIFA), which established common principles on which the economic relationship is founded and forms a platform for negotiating other bilateral agreements. Within the framework of the US-North African Economic Partnership (USNAEP), the United States provided about $1 million in technical assistance in 2003. This program supported and encouraged Algeria’s economic reform program and included support for World Trade Organization accession negotiations, debt management, and improving the investment climate. In 2003, USNAEP programs were rolled into the Middle East Partnership Initiative (MEPI) activities, which provide funding for different programs in Algeria involving journalists, business people, legislators, Internet regulators, and nongovernmental organizations. Algerian-American cooperation in the educational field has also increased, with the implementation of several joint programs. For instance, both countries have developed a fellowship exchange program to assist the Algerian Ministry of Education in developing English as Second Language (ESL) courses at a language training center in Algiers. Additionally, Algeria and the United States have developed an exchange program involving Algerian high school students.

The increasing level of cooperation and exchanges between Algeria and the United States of America has generated a number of bilateral agreements in numerous areas, including the Agreement on Science and Technology Cooperation, signed in January 2006. Experts from both countries are also currently engaged in negotiations and expect to reach bilateral agreements that would strengthen cooperation between Algeria and the United States in a number of areas. The agreements being discussed include a Mutual Legal Assistance Treaty, a Customs Cooperation Agreement, an Open Skies Treaty, an agreement on Visa Reciprocity Schedule, and an Agreement on Avoidance of Dual Taxation.

The Algerian-American relation holds tremendous potential and the promise for a larger and greatly consolidated relationship. The Governments of both countries are fully committed to taking their bilateral relations to a higher level and to give them the special character and quality that they deserve for the benefit of the Algerian and the American peoples.
Ninety-seventh Congress
in the
U.S. House of Representatives
January 28, 1981.

Whereas the 52 Americans who were held as captives of the Iranian Government for 444 days were set free on January 20, 1981; and

Whereas during the period of the hostages' captivity the American people kept the plight of the hostages foremost among their concerns; and

Whereas our Nation will always remember the supreme sacrifice made by the eight American servicemen who were killed in the April 1980 effort to rescue the American hostages; and

Whereas the persistent efforts of former President Jimmy Carter throughout the duration of the crisis resulted in all 52 Americans being released alive; and

Whereas the diligence and leadership exhibited by former President Carter, former Secretary of State Edmund Muskie, and former Deputy Secretary of State Warren Christopher were instrumental in securing the release of the hostages; and

Whereas the Algerian negotiators played a pivotal intermediary role in the final stages of the negotiations which led to the release of our citizens; and

Whereas President Reagan reflected the unity of the American people when he requested former President Carter to officially greet the hostages after their safe arrival in Wiesbaden, Federal Republic of Germany: Now, therefore, be it

Resolved, That the House of Representatives commends former President Jimmy Carter, former Secretary of State Edmund Muskie, and former Deputy Secretary of State Warren Christopher for their success in securing the release of the American hostages from captivity in Iran, for the diligence and leadership they exhibited in their efforts during the hostage crisis, and for their persistence in these efforts. The House further conveys its deep appreciation to the Algerian negotiators for the role which they played in resolving the crisis.

SEC. 2. The House of Representatives pays special tribute to the eight Americans who lost their lives during the heroic effort to rescue the American hostages.

SEC. 3. The House of Representatives commends President Reagan for his warm gesture in recognition of former President Carter's significant contribution to the successful resolution of the hostage crisis.

SEC. 4. The House of Representatives welcomes the 52 Americans back to freedom and wishes them peace and happiness in the days ahead.

Attest:

[Signature]

Clerk.
Veterans of Foreign Wars
of the
United States

Gold Medal of Merit
and this citation awarded to

ALGERIA

In sincere appreciation and grateful recognition of the cool, effective, humane and determined negotiations which led to the release of the 52 Americans held hostage by the Iranian Government. This citation and medal is presented to the Government of Algeria with the deep approval and enduring admiration of the Veterans of Foreign Wars of the United States for her courageous perseverance in America’s behalf. When the chips were down, Algeria stood tall. The world is a better place because of her efforts.

In Witness Whereof we have hereunto set our hands and the official seal of the Veterans of Foreign Wars of the United States, this 3rd day of March, 1979.

[Signature]
Adjutant General
Sister-city Elkader, Iowa

Elkader's First 100 Years

Elkader's first permanent residents arrived in 1836 when Elisha Boardman and Horace Bronson settled on the banks of the Turkey River in Pony Hollow. Boardman established the first farm and together with other early settlers built the first schoolhouse. Timothy Davis, John Thompson and Chester Sage laid out a plan for their community which was officially platted on June 22, 1846. They named the new village Elkader after Emir Abdelkader, a young Algerian hero who led his people in a resistance to French colonialism between 1830 and 1847.

The first retail store, sawmill and gristmill were in operation by 1847, a blacksmith had arrived and Elkader was the hub of local activity. Between 1849 and 1880 Elkader was in competition with Garnavillo and Guttenberg for the prized title of county seat in Clayton County. Elkader made its first unsuccessful bid to become county seat in 1849, losing to Garnavillo. In 1856, with a population of 500, a foundry, a wagon and carriage shop, a plow shop and other new businesses, Elkader made another bid for the county seat and won. The following year Guttenberg regained the title and held it until 1880. During that time the present courthouse building (minus the clock tower) had been constructed in Elkader. The county offices moved their operations to the new Elkader courthouse. Elkader has been the official county seat since 1880.

Although the population grew slowly during the 1860's, 70's and 80's there were many important developments in the community. A newspaper began publishing. The gristmill burned to the ground in 1860. It was rebuilt and enjoyed strong sales and even shipped flour to Europe. On September 15, 1886 a train from the Milwaukee Line steamed into town for the first time and in 1888 construction on our beautiful keystone bridge had begun. Turner Hall, Elkader's first entertainment and meeting hall was built on the site where the Elkader Opera House now stands.

Growth had increased again and by 1900 Elkader recorded over 1300 inhabitants. Four weekly newspapers including one German language paper were being printed, waterworks were installed in 1896 and the completion of the cofferdam above the bridge in 1915 brought improved electrical service to Elkader's residents. Around the turn of the 20th century Elkader reached its peak population of over 2000. The building of the new courthouse and the repair of the cofferdam had been major projects in the town's development.
the century when fires destroyed the old Scott House hotel, Turner Hall and the Elkader gristmill, each was rebuilt.

115 young men from the Elkader and the surrounding Boardman Township served in World War I. As the result of a false armistice rumour and anxiety for peace, residents celebrated the end of the war prematurely with a parade and huge bonfire. Three days later on November 11, 1918, Armistice Day was officially celebrated. Bells rang all day and citizens gathered in Elkader for a feast of roast ox, an open-air band concert and a dance in the Opera House.

The end of the war stimulated another period of growth. The 1920’s brought the addition of a movie theatre, a public library, and improvements to an already well-respected school system. A gymnasium was added to the existing school structure and the Elkader Junior College opened its doors in 1929.

During World War II many of our young men and women entered the military while at home citizens joined in the war effort by buying war bonds and participating in USO and Red Cross drives. After many long years of war, Elkader was finally able to celebrate victory in the fall of 1945. News came of Japan’s surrender during the county fair in Elkader.

This article is based on information compiled by Ed Olson.

In memoriam
Edward William Olsen
November 24, 1933 – August 15, 2009
Former Mayor of Elkader, IA, Ed Olson, a great friend of Algeria, admirer of Emir Abdelkader, and initiator of the Sister-City Program connecting Elkader to the Algerian city of Mascara. He will be greatly missed.
Elkader mayor helps welcome new Algerian Ambassador

Algerian-American Relations

Article published by the Register
December 17, 2008


The event honored the new ambassador to the United States as a result of the visit to Elkader on October 24, 2008 by members of the US-Algerian Business Council. On Monday Mayor Garms and his wife Hila had a private meeting with Ambassador Baali at the Algerian Embassy in Washington D.C. That evening the Mayor and his wife plus Kathy and Keith Garms and Frederique Boudounani attended a reception and dinner at the Willard Hotel to honor the new Ambassador. During the evening mention was made of the relationship between Elkader and the country of Algeria especially referencing the $150,000 sent by the Algerian government to help the residents of Elkader recover from the flood of 2008.

People attending from the United States government included representatives from the Department of Commerce, The Department of Energy, The Department of State, The Department of Treasury, and the former US Ambassador to Algeria. Representatives of organizations included the Export-Import Bank of the United States, Executive Director of the World Bank, International Affairs Director of BP, the President and CEO of the National US-Arab Chamber of Commerce, and representatives of Anadarko petroleum, HESS, ExxonMobil, Northrop Grumman, and Raytheon.

During the evening many people were eager to meet the Mayor of Elkader, which is named after the Algerian hero Abd El-Kader. The US-Algerian Business Council also presented the Mayor with a plaque to the City of Elkader that reads: "In appreciation for your support of the 2008 USABC Agribusiness Study Tour and for your friendship with the people of Algeria."

Those who attended enjoyed the opportunity to enhance the relationships between Elkader, the United States, and Algeria.