

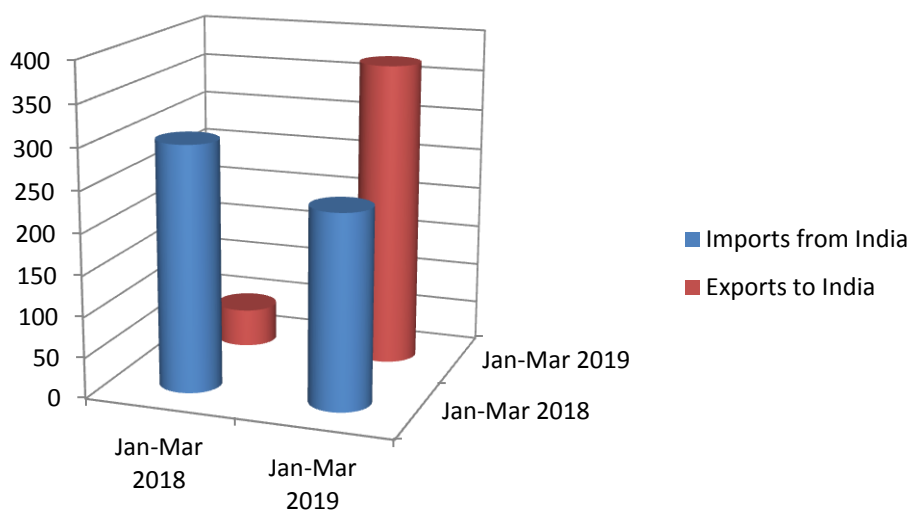
**EMBASSY OF INDIA
ALGIERS**

Economic and Commercial Report for the Month of April, 2019

1. Name of the Country: Algeria
2. Trade with India: Total trade between India and Algeria during the first trimester of 2019 is US\$ 608 million.

<i>Value in US\$ Million</i>			
Bilateral Trade Figures*	Jan-Mar 2018	Jan-Mar 2019	Growth %
Imports from India	300	237	-21
Exports to India	47	371	689.36
Total	347	608	75.21
Trade balance for India	253	134	

**Figures given by the National Center for Information and Statistics, CNIS*



3. Trade Promotional Activities organized in Algeria and activities planned in the next six months:

Trade promotional activities such as India tourism promotion, organization of B2B meetings, Seminars etc in collaboration with Export Promotion Councils of India, will be organized during the year.

- Preparation of Cds and DVSs on trade exhibitions in India

4. Trade and Commercial delegation from India to Algeria during the month of April: NIL

5. Important International Trade Fairs/Exhibitions in Algeria in 2019 :

Event	Period	Venue
52 nd Algiers International Trade Fair	18-23 June	SAFEX, Algiers
MAGHREB Health	25-27 September	SAFEX, Algiers
MAGHREB Lab	25-27 September	SAFEX, Algiers
Algiers Industries	7-10 October	SAFEX, Algiers
Era, International Environment, Renewable Energies Exhibition	21-23 October	Center of Conventions, Oran
SITP - 16 th International Public Works Exhibition	19-23 November	SAFEX, Algiers

Please visit the following website for more details on the above events:

http://www.safex.dz/index.php?option=com_k2&view=itemlist&layout=category&task=category&id=78&Itemid=789&lang=fr

6. Trade, economic and Investment activities in Algeria :

Bilateral: NIL

Other countries:

Italy:

The national oil company Sonatrach signed with the Italian energy group ENI a memorandum of understanding renewing the supply of Algerian gas, which will expire at the end of 2019.

7. Analysis of export performance of competing countries during January to March 2019:

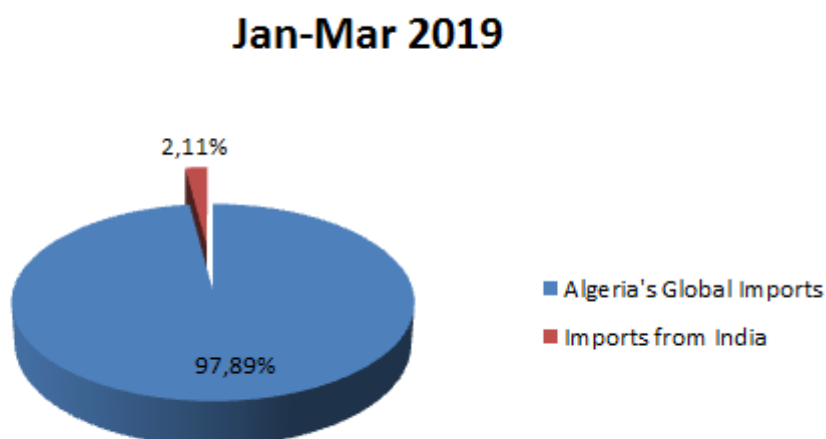
- Exports from India to Algeria decreased by 21% during the first trimester of 2019.
- India ranked at 10th position in terms of imports by Algeria during the first trimester 2019, as during the same period in 2018.

- The main exporters to Algeria are still China and EU countries as shown in the following table.

<i>Value in US\$ million</i>		
Country	Value	Growth %
China	2 257	29.09
France	1 056	-6.12
Germany	859	13.80
Italy	829	-12.35
Spain	794	-8.78
Turkey	626	14.14
Argentina	467	-25
Brazil	305	3.51
USA	274	-29.64
India	236	-21.39
South Korea	219	-34.71
Russia	204	-20.15
Romania	155	5
Ukraine	154	4.61
Poland	150	51.67
Other countries	2 567 75	
Total Imports (Jan-Mar 2019)	11 156	

8. Global Exports and Imports of Algeria and India's share during January to March 2019:

<i>Value in million US\$</i>						
Period	Algeria's Global Exports	Exports to India	%age of Exports	Algeria's Global Imports	Imports from India	%age of Imports
Jan-Mar 2019	9 781	391	3.99	11 156	236	2.11



Top 10 products which were exported from India to Algeria from January to March 2019:

VALUE IN US\$ MILLION	
COMMODITY	JAN-MAR 2019
Spare parts (ckd) meant for the assembly industries other than for passengers vehicles	21
Chickpeas	11
Frozen boneless bovine meat	7
Antibiotics	7
Pneumatics for tractors	6
Other frozen bovine meat	5
Semi whitened rice	5
Machineries parts	5
Granites (blocks)	4
Cotton yarn	3

9. Market prospects in respect of major items of Indian exports :

India's exports to Algeria reached the value of US\$ 237 million from January to March 2019. Algeria still imports big quantities of wheat, soybean, flour, edible oil, CKD/SKD parts, heavy machineries, textiles, pharmaceuticals, agricultural machineries and other engineering products. Most of items (except peanuts and packaging bags) are not going to be affected by additional taxes varying from 30 to 120 % imposed on 992 items imported by Algeria.

10. Trade enquiries from India and Algeria :

The Commercial Section replied to **44** enquiries **from India** and **4 from Algeria** during the month of **April** for various products: mainly engineering items, pharmaceuticals, medical equipment, handicrafts, food products, construction materials, IT equipment, and cars spare parts, etc. Algerian businessmen also visited the Embassy for various business and trade information.

11. Trade complaints received during the month of April: Following trade complaints from Indian companies were received, to which necessary action was taken.

M/s Eastman Cast and Forge Limited
M/s Paras White Gold Agro Industries

India's investments in Algeria: Vijai Electricals has invested in Algeria the amount of US\$ 56 million for the manufacture of power transformers up to 300 MVA, 400 Kv.

The Indian group Mahindra Mahindra Ltd has invested in Algeria to create a joint venture for the assembly of agricultural tractors. The Indian partner will hold a minority stake while LD Azouaou will retain a majority stake. The value of this investment is not known.

M/s SARL Sodivem and M/s Mahindra & Mahindra Ltd., a subsidiary of the Mahindra Group, have set up a joint venture for the assembly of Mahindra vehicles in Algeria, with a joint

investment of US\$ 40 million. The future plant will be installed in the town of Ksra El Boukhari in the province of Medea, where initially 4 variants of its Scorpio pickups and Mini-Truck with single cab, 2 wheel drive and 4 wheel drive, in diesel engine will be assembled.

12. Status of ongoing major investments by Indian PSUs/Pvt Sector in Algeria: There are no major investments by PSUs. However, the old investments made by the private companies continue.

13. Analysis of investment opportunities in Algeria :

Algeria offers opportunities for investment, as it is a lucrative market. Several sectors offer these opportunities with long term growth for foreign companies. The most important segments and targeted sectors are agriculture, tourism, information technologies and communication, industry, energy (fossil and renewable), construction and health.

Industrial activities such as the manufacture of vehicle components will be the next phase of the assembly industry in Algeria, which is being developed. The automotive sector is one of the sectors on which the policy of diversification of the national economy is focused on. The industry is expected to play an important role under this new economic vision which relies, inter alia, on foreign partnership subject to existing law of 49 % imposed in 2009.

14. Status of trade and investment related issues taken up by the mission with the Government of Algeria:

The mission sent reminders to the Algerian authorities regarding trade disputes.

The mission sent information regarding fairs, exhibitions, BSM to be held in India.

The mission sent requests for meetings with concerned departments/organisations, for Indian companies visiting Algeria.

15. Details and result of meetings and interactions of the Mission with Trade Industry and Economic Ministries/Department/Agencies in Algeria: NIL

16. Important policy changes by the Government of Algeria with respect to trade, investment, aid/credit facilities:

Importation: a hundred products excluded from provisional additional safeguard duty (DAPS):

The list of imported goods subject to the provisional additional safeguard duty (DAPS) was amended by ministerial decree published in the Official Gazette No. 26, excluding a hundred or so products, including bovine meat.

The ministerial order, dated April 8, 2019, aims to "modify the decree of January 26, 2019 establishing the list of goods subject to provisional additional protective duty and the corresponding rates", as stipulated by Article 1 of this decree.

The amended list includes 992 products subject to DAPS varying between 30% and 120%, while the previous list included 1095 products subject to DAPS ranging between 30% and 200% in the previous ministerial order.

The Ministry of Commerce announced on April 14 in a statement, provisions to strengthen the market supply during Ramadhan, including the relaxation of the import of food products such as meat.

In this context, it was decided to remove from the list of products subject to the provisional Additional Duty of Safeguard, fresh or chilled beef, dried fruit (peanuts, almonds ...), dried fruits (raisins, prunes ...) and dietetic foods for medical purposes and other products.

17.Position of Algeria on WTO related issues and issues with respect to other important multilateral fora:

Algeria is still negotiating for its accession to WTO.

18. Major international tenders issued: No major tender was sent during the month of April.

19. Aid/assistance received by Algeria from other countries/international agencies, funding organizations:NIL

20. Commercial and Economic report of Algeria: The reports are sent on regular basis.

21. Pending references from the Mission:

Pending enquiries from India during the month of April: 0

Pending enquiries from Algeria during the month of April: 0

22. Any other relevant inputs:

Algeria's foreign trade: deficit of US\$ 1.37 billion in the first trimester of 2019 :

According to the Algerian customs, Algeria's trade balance was marked by a deficit of US\$ 1.37 billion in the first trimester of 2019, compared to a deficit of nearly US\$ 1.23 billion for the same period in 2018.

Algerian exports reached US\$ 9.78 billion dollars during the first trimester of the current year, against US\$ 10.02 billion in the same period of 2018 (-2.38%).

Algerian imports decreased to US\$ 11.15 billion dollars in the first trimester 2019, against nearly US\$ 11.25 billion dollars (-0.83%).

Exports covered 88% of imports in the first trimester of 2019, compared to 89% in the same period of the previous year.

Algerian imports of food products :

Algeria's food imports decreased by more than 14% in the first trimester of 2019, compared to the same period in 2018.

Overall, the food import bill reached US \$ 1.92 billion in the first trimester of 2019, compared with US \$ 2.25 billion in the same period of 2018, a decrease of US \$ 33 million. (-14,56%).

This decline is mainly due to a decrease in imports of cereals, milk and milk products, sugars, soya cake and pulses. Representing 32% of the food import structure, cereals, semolina and flour reached US \$ 614.38 million, compared to US \$ 811.37 million in 2018, a decrease of 24.28%.

Imports of dairy products also fell to US \$ 338.40 million against US \$ 416.48 million, a decrease of 18.75%.

The import bill for sugar and sugar confectionery also fell to US\$ 167.98 million, against US\$ 218.95 million (-23.28%).

Same trend for residues and waste from the food industry including oilcakes and other solid residues that were imported for US\$ 167.98 million, against US\$ 208.32 million dollars, down 19.37%.

During the first three months of the current year, the decline also affected pulses which amounted to US\$ 96.72 million, against US\$ 106.69 million (-9.35%), and finally a decrease, but of minor importance, having affected coffee and tea (0.18%), totaling US\$ 86.99 million, against US\$ 87.15 million USD.

In addition, other groups of products in the import structure experienced increases during the first trimester of 2019 and compared to the same period last year, they include edible fruits, live animals and various food preparations.

Thus, imports of edible fruits (fresh or dried fruit) amounted to US\$ 56.63 million in the first trimester of 2019, against US\$ 35.13 million dollars in the same period last year, an increase of more than 61%.

Imports of live animals reached US\$ 59.09 million, against US\$ 48.92 million (+ 20.77%) during the same comparison period.

This upward trend also affected various food preparations, which rose from US \$ 67.75 million in the first quarter of 2018 to nearly US \$ 73 million in the same period of 2019 (+ 7.60%).

In addition to these main products, the remaining food goods were imported for US \$ 259 million, compared to US \$ 246.61 million (+ 5.03%).

Regarding soybean oil and its fractions, even refined (classified in the Group of goods intended for the operation of the production tool), their imports have decreased slightly to US\$ 156.87 million in the first trimester of 2019, against US\$ 157.41 million during the same period of 2018 (-0.34%).

For example, the food and beverage industry group's total bill was US\$ 2.08 billion, down from US\$ 2.40 billion, down \$ 32 million (-15%). 4%).

For drugs (classified in the non-food consumer goods group), their import bill decreased to US \$ 199.10 million in the first three months of 2019, compared to US \$ 297.25 million USD at the same period last year, a decrease of 33.02%.

The global import bill of food product's group and oils meant for the food industry reached the value of US\$ 2.08 million against US\$ 2.40 million, it decreased by 32 million dollars (-15.4%).

For drugs (classified in the non-food consumer goods group), their import bill decreased to US \$ 199.10 million in the first three months of 2019, compared to US \$ 297.25 million at the same period last year, a decrease of 33.02%.

Total imports of Algeria reached US\$ 11.155 billion, against US\$ 11.249 billion, down by 0.83%.

Commercial Section

E/I Algiers