



COUNTRY:	ALGERIA
CAPITAL:	ALGER (ALGIERS)
LANGUAGE:	ARABIC, FRENCH
LAND AREA:	2.381.740 KM ²
POPULATION:	37,8 MILLION (PROJECTION 2050: 50 MILLION)
FORM OF STATE:	REPUBLIC
CURRENCY:	ALGERIAN DINAR
GDP:	US\$ 206.5 BILLION (2012); US\$ 210.5 BILLION (2013)
GDP PER CAPITA:	US\$ 5.659 (2012); US\$ 5.684 (2013)
REAL GDP GROWTH:	2.5% (2012); 3.3% (2013)
ORIGIN OF GDP:	1 - HYDROCARBONS 2 - SERVICES 3 - CONSTRUCTION 4 - AGRICULTURE 5 - INDUSTRY
FOREIGN RESERVES:	US\$ 193 BILLION (2012); US\$ 208 BILLION (2013)
INFLATION:	8.9% (2012); 5% (2013)
UNEMPLOYMENT RATE:	9,7%
ACTIVE POPULATION:	10.6 MILLION

POLITICAL & ECONOMIC OUTLOOK

The political situation in Algeria has remained the same during the past years and the country was not affected by the events occurred in the other arab countries.

The public security has considerably improved in the big cities were, nowadays, it is perfectly controlled.

Following the amendment of the constitution, the president Mr. Bouteflika was re-elected for a third mandate of five years in 2009.

This third mandate will end next year and presidential elections are planned for the month of April 2014.

The Algerian economy enjoys favourable conditions with high prices of hydrocarbons thus assuring a good financial health with exceeding foreign accounts and well balanced public accounts.

The exchange reserves amount to USD 200 bn. and cover four years of imports. Furthermore the foreign debt of the country was reimbursed through advances and all imports are paid on cash basis.

The growth rate of the economy is 3.4% but it is mainly dragged by public investments, particularly infrastructures.

Inflation, that reached 8% in 2012, seems to be slowing down and a percentage of 5% is forecasted for the end of the current year.

The main elements of the Algerian economy are sometimes weak due to the dependence of the country from hydrocarbons.

This activity sector only contributes for 70% of the state balance also because of the fiscal regulations on oil and it represents approximately 89% of income from exports. Therefore, the main term risk for the Algerian economy is represented by a lasting drop of oil prices.

OPPORTUNITIES FOR ITALIAN COMPANIES

A development plan for an amount of USD 286 bn. Covering the period 2010/2014 is currently in progress. This plan is essentially grounded on investments in basic infrastructures and the construction of 2,000,000 of apartments.

The foreign companies are highly attracted for the construction of highways, railways, subways, tramways, airports, dams and houses.

A programme for re-launching the national industry has been started, it is aimed at upgrading the existing industry and at encouraging new investments as an alternative to imports. All these new investments regard all business activities and the partnership with foreign companies is strongly encouraged.

Investments are ruled by the “code of investments” and enjoy many tax benefits. However, the foreign participation is limited to 49% of the value of each project.

MAIN CORRESPONDENT BANKS FOR UBAE

PUBLIC BANKS

- 1 - BANQUE EXTERIEURE D'ALGERIE
- 2 - BANQUE NATIONALE D'ALGERIE
- 3 - CREDIT POPULAIRE D'ALGERIE
- 4 - BANQUE DE DEVELOPPEMENT LOCALE

PRIVATE BANKS

- 1 - ALGERIA GULF BANK
- 2 - TRUST BANK
- 3 - HOUSING BANK
- 4 - EL SALAM BANK

PUBLIC HOLIDAYS (2014)

1TH January, 2014	New Year
24TH January, 2014	Mawled Nabawi (the prophet's birth)
1TH May, 2014	Labour Day
5TH July, 2014	Independence Day
9TH August, 2014	Eid al-Fitr
16TH October, 2014	Eid al-Adha
1TH November, 2014	Revolution Day
5TH November, 2014	Moharam
13TH November, 2014	Achoura

USEFUL CONTACTS IN THE COUNTRY

UBAE BUSINESS CONSULTANT

Mr. Mustapha Attoui
8, Rue Franklin Roosevelt
16500 - Alger
Tel (213) 21 74 37 18
Mobile (213) 560 300 303
E-mail mustapha.attoui@mail.ubae.it

AMBASSADE D'ITALIE

18, Rue Ouidir Amellal, El Biar,
16030 - Alger
Tel (213) 21 92 25 50