

AFRICA RISK CONSULTING

Algeria Monthly Briefing July 2021

Algeria Summary 20 July 2021

President Abdelmajid Tebboune (2019-present) appoints finance minister Ayman Benabderrahmane as Algeria's new prime minister following the resignation of Abdelaziz Djerad. The cabinet reshuffle sees former Supreme Court chief justice Abderrachid Tebbi replace Belkacem Zeghmami as justice minister while Ramtane Lamamra becomes the new foreign minister. Former water and resources ministers Hocine Necib and Arezki Berraki are arrested on charges of corruption. President Tebboune pardons more than 200 prisoners, including over 100 Hirak activists. Tebboune announces the border between Niger and Algeria will reopen to ease the flow of goods after Niger's President Mohamed Bazoum (2021-present) pays a visit to discuss collaboration between the two countries. Algeria acquires 1.6 million Covid-19 vaccines from China, aiming to vaccinate at least 60% of the population. Algeria sends 250,000 vaccine doses to neighbouring Tunisia to support its efforts to combat Covid-19. Longer curfew hours take effect in 24 provinces to help curb the spread of the coronavirus.

Second cabinet reshuffle in 2021...

President **Abdelmajid Tebboune** (2019-present) has appointed a new prime minister and named a new cabinet following the victory of the **Front de Libération Nationale (FLN)** in the 12 June legislative elections.¹ Tebboune appointed former finance minister **Ayman Benabderrahmane** as prime minister, replacing **Abdelaziz Djerad**, who resigned on 24 June along with the rest of his government. Benabderrahmane will continue to serve as finance minister in the new government.² **Mohamed Arkab** remains as energy minister, while former diplomat **Ramtane Lamamra** replaces **Sabri Boukadoum** as foreign minister.³ Former **Supreme Court** chief justice **Abderrachid Tebbi** replaces **Belkacem Zeghmami** as justice minister, with **Ammar Belhimer** staying on as communications minister, although he is no longer the government spokesman.⁴ **Samir Aggoune** becomes interim spokesperson of the presidency.⁵ The new government consists of 32 members, two fewer than the previous government.⁶

The **Conseil de la Nation**, upper house of Algeria's parliament, unanimously voted the list of names of the **Bureau du Council** (vice-presidents of the council) for 2021, during a plenary session devoted to the installation of its bodies and its internal structures, namely the vice-presidents and the bureaus of its nine standing committees.⁷ The vice-presidents include **El Hadj Abdelkader Guerinik** and **Fouad Sebbouta** (FLN parliamentary group), **Ahmed Bennai**, and **Leila Brahimi** (parliamentary group of the **Tiers Présidentiel** party), and **Mohamed Khelifa** (parliamentary group of the **Rassemblement National Démocratique (RND)** party).⁸

Former water resources minister **Hocine Necib** was placed under arrest for embezzlement following his arraignment before an investigating judge of the economic and financial penal pole of the court of

¹ Africa News, 24 Jun 2021

² Reuters, 7 Jul 2021

³ Reuters, 7 Jul 2021

⁴ TRT World, 7 Jul 2021

⁵ TRT World, 7 Jul 2021

⁶ APS, 7 Jul 2021

⁷ APS, 13 Jul 2021

⁸ APS, 13 Jul 2021

Sidi M'hamed.⁹ The judge also ordered the arrest of former prime minister **Abdelmalek Sellal**, who is serving several prison sentences on similar charges.¹⁰ Former water minister **Arezki Berraki** was prosecuted on 18 June for corruption during his term as director-general of the **Agence Nationale des Barrages et Transferts (ANBT)** (national agency of dams and water transfers).¹¹

Tebboune pardons Hirak activists ...

In a symbol of political appeasement, President Tebboune announced a pardon of over 200 prisoners on 14 July, including 101 detainees from the **Hirak** protest movement.¹² The measure of clemency marked the celebration of the 59th anniversary of independence and Youth Day on 5 July.¹³ The Hirak movement commenced in 2019 when mass protests broke out demanding reforms and the departure of the entire ruling elite, resulting in the resignation of former president **Abdelaziz Bouteflika** (1999-2019) and the detention of several senior officials over corruption charges.¹⁴ Tebboune's pardon benefitted 30 detainees sentenced definitively on charges of "*assembly and disturbing public order*" as well as 71 young detainees convicted of the same acts.¹⁵

Despite Tebboune's gesture of goodwill, the **Comité National pour la Libération des Détenus (CNLD)** (national committee for the liberation of detainees) noted that more than 300 people had been imprisoned for acts related to Hirak and individual freedoms.¹⁶ Tebboune had also ordered the release on 13 July of around 60 inmates, sentenced to prison terms for bacculaureate fraud. The measure coincided with the religious holiday of **Eid El Kebir**.¹⁷

... and strengthens bonds with Niger

In a further sign of appeasement, President Abdelmadjid Tebboune and **Niger's** head of state, **Mohamed Bazoum** (2021-present), concluded a two-day working and friendship visit in **Algiers** on 14 July.¹⁸ At the end of the visit, which aimed to foster links between the two countries, Tebboune announced that the land border between Algeria and Niger will be opened to ease the flow of goods between the two nations.¹⁹ Algeria closed all its land borders in 2021 in a bid to prevent the spread of the **coronavirus**, while Niger closed its border with **Mali** in 2013 due to political unrest in Mali.²⁰ The reopening of the border between Algeria and Niger demonstrates the commitment of both nations to foster trade and ensure safety and stability in the region.²¹

Algeria and Niger have a 50-year-old bilateral relationship of collaboration in trade, security, and education.²² President Bazoum stressed the importance of strengthening cooperation in all areas, particularly hydraulics, oil, and trade.²³ Bazoum highlighted current socio-economic issues, including the exploitation of oil with Algeria's national oil company **Sonatrach**, the **Nigeria-Niger-Algeria** gas pipeline project, as well as subjects relating in particular to cooperation in the field of vocational training.²⁴ Both countries have also been instrumental in past mediation of the security crisis in Mali.²⁵

⁹ TSA, 13 Jul 2021

¹⁰ TSA, 13 Jul 2021

¹¹ APS, 14 Jul 2021

¹² The National News, 2 Jul 2021

¹³ The National News, 2 Jul 2021

¹⁴ Reuters, 15 Jul 2021

¹⁵ The National News, 2 Jul 2021

¹⁶ RT France, 15 Jul 2021

¹⁷ RT France, 15 Jul 2021

¹⁸ APS, 14 Jul 2021

¹⁹ APS, 13 Jul 2021

²⁰ NewAfrican, 10 Mar 2017

²¹ APS, 13 Jul 2021

²² Embassy News, 27 Jul 2016

²³ APS, 13 Jul 2021

²⁴ APS, 13 Jul 2021

²⁵ Embassy News, 27 Jul 2016

OPEC agrees to increase daily production

OPEC+ nations agreed on 18 July to increase the daily production amount by 400,000 barrels per day.²⁶ Mines and energy minister **Mohamed Arkab** said the move will see Algeria's daily production quota increase by 14,000 barrels per day²⁷ and is likely to boost Algeria's oil-dependent economy.

Oil prices have risen above \$70 since May due to an increase in oil demand resulting from global easing in Covid-19-related restrictions in tandem with a rollout of vaccination against Covid-19. The monthly average price of Algerian crude rose from \$67.81 per barrel in May 2021 to \$72.31 per barrel in June, an increase of 6.6%.²⁸ The rise in **Sahara Blend** comes against a backdrop of general positive price trends on the world oil market in June. The average price of the OPEC basket rose \$4.98 (+7.4%) compared to May, to stand at \$71.89. This is the highest level since October 2018 for the OPEC basket.²⁹

The increase in production quotas and higher oil prices are a significant development for Algeria's oil-dependent economy. Oil contributes 20% to the country's GDP, with the current budget deficit estimated at more than 3,310 billion dinars (\$24.87 billion). However, in its **World Economic Outlook 2021** for June, the **World Bank** noted that the rise in oil prices has not been enough to improve prospects for all oil exporters, including Algeria, given the weakness of the private sector and lack of public investment.³⁰ Algeria is expected to post economic growth of 3.6% in 2021 and 2.3% in 2022.³¹

Algeria acquires 1.6 million vaccines from China

The Algerian government hopes that a large shipment of Covid-19 vaccines from **China** will be a further shot in the arm for Algeria's ailing economy, hard hit by the Covid-19 pandemic. A military transport plane landed on 11 July at **Boufarik** airbase (**Blida**) with 1.6 million doses of **Sinopharm** vaccine.³² China donated 200,00 doses of the Sinopharm vaccine to Algeria in February.³³ The recent acquisition of vaccine doses is in line with the government's aim to vaccinate at least 60% of the Algerian population by the end of 2021.

Algeria has donated 250,000 doses of Covid-19 vaccine to help Tunisia fight the pandemic. Covid-19 has resulted in a health crisis in neighbouring **Tunisia** where infections are rising at an increasing rate. Cases of the so-called "*delta variant*" have been registered, and the Tunisian government has sealed off some regions such as **Manouba**.³⁴ Tunisia has registered a total of 465,000 cases in its population of 12 million people, with 15,735 cases resulting in death. Tunisia registered 9,823 new cases and 134 deaths on 6 July, exerting further pressure on its fragile health care system.³⁵ Tunisia's presidency acknowledged Algeria's donation of vaccine as a "*noble initiative that reflects the strength of the bonds of brotherhood and the solid relations between Tunisia and Algeria*".³⁶

As of 17 July, Algeria had confirmed a total of 152,210 cases of Covid-19 in its population of roughly 44 million, with 3,922 Covid-19 related fatalities and 104,992 recoveries.³⁷ Newly appointed prime minister Ayman Benabderrahmane tested positive for Covid-19 on 10 July but continued performing his duties virtually while quarantining for seven days.³⁸

²⁶ APS, 18 Jul 2021

²⁷ APS, 15 Jul 2021

²⁸ APS, 15 Jul 2021

²⁹ APS, 15 Jul 2021

³⁰ El Watan, 9 Jun 2021

³¹ El Watan, 9 Jun 2021

³² APS, 12 Jul 2021

³³ Daily News, 25 Feb 2021

³⁴ All Africa, 13 Jul 2021, Aljazeera, 13 Jul 2021

³⁵ Aljazeera, 13 Jul 2021

³⁶ Xinhua, 13 Jul 2021

³⁷ APS, 12 Jul 2021

³⁸ Reuters, 10 Jul 2021

Algeria has opened its air borders to allow a limited number of flights to enter the country. Although the government has eased some domestic measures, including restrictions on most non-essential businesses, curfew hours have been extended in 24 provinces to help curb the spread of the virus. Curfew is in effect from 11:00 p.m. to 4:00 a.m. for 10 days from 19 July for Adrar, Laghouat, Oum El Bouaghi, Batna, Bejaia, Bechar, Blida, Bouira, Tebessa, Tizi-Ouzou, Algiers, Jijel, Setif, Sidi Bel Abbes, Constantine, Mostaganem, M'Sila, Ouargla, Oran, Boumerdes, Tindouf, Tissemsilt, Tipaza and Ain Temouchent.³⁹

Construction companies, real estate agencies, travel agencies, markets, bakeries, car rental companies, government institutions, restaurants, cafes, hotels, and mosques have reopened in most provinces.⁴⁰ Public transport is operating in all 58 of the nation's provinces. Taxis and app-based ride-sharing services are also working, albeit under capacity limitations. A ban on public and private vehicle traffic between provinces remains in place on weekends. Freight transport continues to run normally.⁴¹

Planner

Dec 2021 **Algiers (Algeria)** Algeria Oil & Gas Summit & Exhibition;
2021 (TBA) **Istanbul (Turkey)** Turkey-Africa Economic and Business Forum;

Chronology

19 Jul 2021 **Algiers (Algeria)** *APS*. Partial lockdown hours have increased to 11:00 pm to 4:00 am in 24 provinces for 10 days, including **Blida, Algiers, and Tindouf**;

18 Jul 2021 **Algiers (Algeria)** *World Oil*. **Organization of the Petroleum Exporting Countries (OPEC)** agrees to boost oil output by 400,000 barrels a day each month from August until all of its halted output has been revived;

15 Jul 2021 **Algiers (Algeria)** *RT FRANCE*. Government releases 101 detainees from the **Hirak** protest movement after President **Abdelmadjid Tebboune** announces a new pardon;

15 Jul 2021 **Algiers (Algeria)** *APS*. **Organization of Petroleum Exporting Countries (OPEC)** reports an increase in the price of **Sahara Blend**, Algerian benchmark crude, by \$4.5 per barrel in June thanks to increasing demand on international markets;

14 Jul 2021 **Algiers (Algeria)** *APS*. Cabinet director at **Tunisian** presidency **Nadia Akacha** expresses thanks on behalf of President **Kaïs Saïed** for Algeria's assistance in its response to **Covid-19**, describing it as "*a new milestone for forging fraternal relations and friendship*";

14 Jul 2021 **Algiers (Algeria)** *APS*. The investigating judge at the economic and financial penal pole at the court of **Sidi M'hamed** (Algiers) orders placement under a committal warrant of the former water resources minister **Hocine Necib** for involvement in corruption cases when he was responsible for the sector;

14 Jul 2021 **Algiers (Algeria)** *Alima News*. President **Abdelmadjid Tebboune** recommends measures of clemency in favour of approximately 60 inmates sentenced to prison terms for baccalaureate fraud;

13 Jul 2021 **Algiers (Algeria)** *APS*. President **Abdelmadjid Tebboune** announces the opening of the land border between Algeria and **Niger** to facilitate trade between the two countries;

13 Jul 2021 **Algiers (Algeria)** *LeSoir*. The **Conseil de la Nation** (upper house of parliament) unanimously adopts the list of names of the Bureau of the Council (vice-presidents of the council) for 2021;

³⁹ APS, 19 Jul 2021

⁴⁰ GARDAWORLD, 3 Jun 2021

⁴¹ GARDAWORLD, 3 Jun 2021

12 Jul 2021 **Algiers (Algeria)** *Daily Sabah*. Government extends **coronavirus**-induced lockdown for 21 days amid a hike in **Covid-19** cases;

12 Jul 2021 **Algiers (Algeria)** *APS*. Health ministry acquires 1,600,000 **Covid-19** vaccine doses from China to continue the vaccination rollout and attain the goal of vaccinating 60% of the population by the end of the year;

7 Jul 2021 **Algiers (Algeria)** *France24*. President **Abdelmadjid Tebboune** names new government, with the energy and finance ministers from the previous administration both keeping their jobs;

30 Jun 2021 **Algiers (Algeria)** *Daily Sabah*. The presidency names finance minister **Aimene Benabderrahmane** as prime minister, following legislative elections held on 12 June;

24 Jun 2021 **Algiers (Algeria)** *Aljazeera*. President **Abdelmadjid Tebboune** accepts prime minister **Abdelaziz Djerad**'s resignation and appoints him as caretaker prime minister following parliamentary election results;

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