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## **Algeria**

### **Grain and Feed**

#### **Annual**

#### **2003**

Approved by:

**Merritt Chesley**

**U.S. Embassy, Rabat, Morocco**

Prepared by:

Nabila Hales

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#### **Report Highlights:**

**Following severe droughts in the past 10 years, the fall rains were plentiful. This bodes well for a good 2003 grain crop. Twenty new mills started operations in 2002 demanding more raw materials, helping to lead to an increase imports in 2002. With the assistance of USDA's GSM-102 program imports from the U.S. increased in MY 2002 despite high prices.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Rabat [MO1], AG

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## Executive Summary

### Production

For the 2003 crop, the fall rains were plentiful and in good time for planting. According to the meteorological services, during September to mid-January, Algeria has already had about half of the rainfall it normally receives during the whole year. Crops throughout the country have been able to make a good start. However, rain will be needed again in the spring to ensure good yields. Assuming continued adequate rainfall in the spring, the harvest could be very good. Because of drought, the 2002 Algerian grains (wheat and barley) crop decreased about 30% compared to 2001 production. This was due to a rainy fall in all regions, and dry and very sunny winter term followed by some rain in March and early April, but too late for the crop. Some regions in the Eastern part of Algeria were declared a disaster areas (70-100%). The positive effect on production of the new agricultural development program (PNDA) avoided the worst by encouraging farmers to plant grains in those regions where rainfall is 18-31 inches. This fact helped to maintain an acceptable level (some yields reached 4.6 MT per hectare in the regions with good rainfall).

**Table 1- Grain Acreage and Production:**

		<b>Crop Year 1999</b>	<b>Crop Year 2000</b>	<b>Crop Year 2001</b>	<b>Crop Year 2002</b>
<b>Planted Areas (Hectares)</b>					
Durum Wheat		1,487,960	1,485,830	1,419,000	1,350,740
Bread Wheat		791,140	860,170	835,000	813,770
Barley		964,700	1,067,610	872,000	894,900
Oats		85,510	69,770	59,000	71,400
<b>Total Area</b>		<b>3,329,310</b>	<b>3,483,380</b>	<b>3,185,000</b>	<b>3,130,810</b>
<b>Harvested Areas (Hectares)</b>					
Durum Wheat		889,090	544,470	1,112,000	813,890
Bread Wheat		483,310	282,100	724,000	584,570
Barley		468,960	215,630	515,000	401,400
Oats		46,990	14,660	50,000	44,600
<b>Total Area</b>		<b>1,888,350</b>	<b>1,056,860</b>	<b>2,401,000</b>	<b>1,844,460</b>
<b>Production (Metric Tons)</b>					
Durum Wheat		900,000	486,334	1,222,300	950,967
Bread Wheat		570,000	274,027	788,200	550,836
Barley		510,000	163,287	573,800	416,112

Oats		400,000	8,170	43,700	33,495
<b>Total Production</b>		<b>2,380,000</b>	<b>931,818</b>	<b>2,628,000</b>	<b>1,951,410</b>

## Consumption

The domestic need for cereals is still around 6 million MT, but demand may increase in the future with the new mills that started and will start later. Algeria still import grain to meet that need since only 30 percent is produced locally.

## Trade

The private sector is growing, both for importing and for milling; there are now about 80 private millers operating throughout the country, about 20 new mills started operation in 2002. This generated an increase in demand and thus imports in 2002.

With the assistance of USDA's GSM-102 program, in 2002, all through the private sector, U.S. exports increased despite facing stiff competition with Canadian, Russian, French, Germany and Mexico wheat prices.

Barley imports, which are exclusively imported from Europe and Eastern Europe because of the proximity and low freight costs, increased in MY 2002 because of lower local production as well as good prices in the first six months of MY Jul-Jun 2002.

**Table 2- Algerian Wheat Imports for First Half of Marketing Year (1000 MT):**

	<b>July 2001 - June 2002</b>	<b>July 2002 - June 2003</b>
<b>U.S.</b>	<b>73</b>	<b>190</b>
<b>Germany</b>	<b>560</b>	<b>265</b>
<b>Canada</b>	<b>294</b>	<b>652</b>
<b>France</b>	<b>252</b>	<b>545</b>
<b>Mexico</b>	<b>211</b>	<b>206</b>
<b>Russia</b>	<b>127</b>	<b>549</b>
<b>Turkey</b>	<b>52</b>	<b>16</b>
<b>Ukraine</b>	<b>49</b>	<b>108</b>
<b>Greece</b>	<b>58</b>	<b>68</b>
<b>Syria</b>	<b>40</b>	<b>179</b>

<b>Bulgaria</b>	<b>0</b>	<b>68</b>
<b>Spain</b>	<b>13</b>	<b>172</b>
<b>Italy</b>	<b>18</b>	<b>71</b>
<b>Romania</b>	<b>13</b>	<b>-</b>
<b>Others</b>	<b>160</b>	<b>501</b>
<b>6 MONTHS TOTAL</b>	<b>1847</b>	<b>3153</b>

In the feed grains field, imports of corn are increasing since 1999 due to private sector growth, which is now 60 % of the market. New animal feed manufacturers appeared on the market with new silos capacities, which also helped encourage imports of corn, barley and soybean meal.

**Table 3- Marketing Year Oct- Sept Corn imports in 1000 MT:**

	<b>MY Oct-Sept 2000</b>	<b>MY Oct-Sept 2001</b>
Argentina	257	227
U.S.	1315	1385
Hungary	-	105
France	-	14
Roumania	-	14
<b>Others</b>	<b>3</b>	<b>14</b>
<b>TOTAL</b>	<b>1575</b>	<b>1759</b>

## Stocks

## Policy

## Marketing

With the assistance of USDA's GSM-102 program U.S. exports increased in 2002 despite high prices. The program has been expanded for FY 2003 (\$100 million), in response to market interest. Other traders are now expressing interest. Wheat still accounts for 60 percent of the GSM trade, followed by feed grains and

protein meals, but for FY 2002, one private trader also imported for the first time 28,000 MT of U.S. rice under GSM.

PSD Table						
Country	Algeria					
Commodity	Wheat				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	1836	1836	1400	1398	0	1300
Beginning Stocks	1571	1571	1781	1822	1281	1524
Production	2010	2010	1100	1502	0	2500
TOTAL Mkt. Yr. Imports	4500	4691	4800	4800	0	4600
Jul-Jun Imports	4500	4691	4800	4800	0	4600
Jul-Jun Import U.S.	214	170	0	190	0	150
TOTAL SUPPLY	8081	8272	7681	8124	1281	8624
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	50	50	50	50	0	50
TOTAL Dom. Consumption	6300	6450	6400	6600	0	6600
Ending Stocks	1781	1822	1281	1524	0	2024
TOTAL DISTRIBUTION	8081	8272	7681	8124	0	8624

Import Trade Matrix			
Country	Algeria		
Commodity	Wheat		
Time period	Jul-Jun	Units:	1000 MT
Imports for:	2001		2002
U.S.	170	U.S.	
Others		Others	
Germany	1238		
France	618		
Russia	391		
Canada	795		
Syria	377		
Ukraine	237		
Argentina	118		
Mexico	210		
Greece	88		
Spain	68		
Total for Others	4140		0
Others not Listed	381		
Grand Total	4691		0



PSD Table						
Country	Algeria					
Commodity	Barley				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	515	515	450	401	0	400
Beginning Stocks	43	30	347	330	557	500
Production	574	574	360	550	0	600
TOTAL Mkt. Yr. Imports	380	356	500	420	0	400
Oct-Sep Imports	500	457	400	400	0	400
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	997	960	1207	1300	557	1500
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	500	500	500	500	0	500
TOTAL Dom. Consumption	650	630	650	800	0	800
Ending Stocks	347	330	557	500	0	700
TOTAL DISTRIBUTION	997	960	1207	1300	0	1500

Import Trade Matrix			
Country	Algeria		
Commodity	Barley		
Time period	Jul-Jun	Units:	1000 MT
Imports for:	2001		2002
U.S.	0	U.S.	
Others		Others	
Russia	194		
France	55		
Ukraine	31		
Germany	31		
Bulgaria	22		
Romania	8		
Turkey	3		
Spain	2		
Liberia	5		
Total for Others	351		0
Others not Listed	5		
Grand Total	356		0