



GLEWS Country Brief

The People's Democratic Republic of Algeria

Reference Date: 03-October-2023

FOOD SECURITY SNAPSHOT

- **Below-average cereal harvest gathered in 2023 as result of repeated drought**
- **Cereal import requirements forecast to increase slightly in 2023/24 marketing year**
- **Price inflation lingers at high levels, constraining purchasing power**

Below-average cereal harvest gathered in 2023

Planting of the 2024 winter grains will start in October. The bulk is usually planted in November after seasonal rains sufficiently replenish soil moisture.

Harvesting of the 2023 winter grains was completed in mid-August with late maturing crops in the highlands. Being largely rainfed, cereal yields are highly variable depending on rainfall amounts and distribution.

At the onset of the season in November and December 2022, rainfall amounts and distribution were generally adequate to facilitate planting operations. However, for the rest of the season, rainfall was erratic and insufficient in inland areas, constraining crop development. Above-average temperatures in March and April 2023 sped up crop maturing. Cropping areas along the coast in the north and northeast were less affected by dry weather conditions, preventing larger declines in national cereal production.

At the national level, wheat production is estimated at a below-average level of 2.5 million tonnes, about 17 percent below the previous year's wheat output. Total cereal production in 2023 is estimated at 3.6 million tonnes, about 12 percent below the previous year's already weather-stricken harvest and over 20 percent below the five-year average. Overall, the country experienced a third consecutive drought season during the 2022/23 crop year, although the extent of the drought-induced losses was not as dramatic as in the 2020/21 crop year, when only about 2.7 million tonnes of total cereals were collected.

Procurement prices for 2023 cereal grains remained the same as in 2022, when the government decided to increase them in response to high international prices and with the aim to increase the level of local purchases. Compared to 2021, the procurement price of durum wheat increased from DZD 45 000 to DZD 60 000/tonne (equivalent to USD 423 at the official exchange rate of DZD 142/USD 1, unchanged since 2022),

Algeria

Crop Calendar

(*major foodcrop)



Algeria

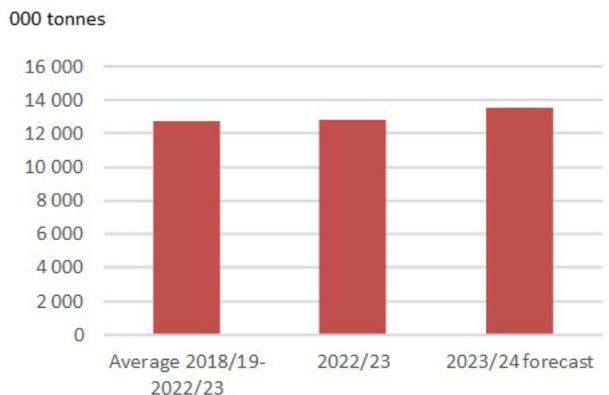
Cereal Production

	2018-2022 average	2022	2023 forecast	change 2023/2022
	000 tonnes			percent
Wheat	3 216	3 000	2 500	-16.7
Barley	1 275	1 000	1 000	0.0
Oats	82	81	76	-6.2
Others	8	5	7	40.0
Total	4 581	4 086	3 583	-12.3

Note: Percentage change calculated from unrounded data.

Algeria

Cereals Imports



Notes: Includes rice in milled terms. Split years refer to individual crop marketing years (for rice, calendar year of second year shown).

soft (common) wheat from DZD 35 000 to DZD 50 000/tonne (USD 352) and barley from DZD 25 000 to DSD 34 000/tonne (USD 240).

Cereal imports in 2023/24 forecast to slightly increase

Even in years with ample domestic production, the country relies heavily on imports of cereal grains, with soft (common, milling) wheat being the most prominent. In the last five years, the country's wheat import requirements were on average about 7.6 million tonnes per year, mostly common wheat that represents about 70 percent of domestic utilization.

Following the decrease in domestic production in 2023, wheat import requirements for the 2023/24 marketing year (July/June) are forecast at 9 million tonnes, about 8 percent above the imports of the previous marketing year and 17 percent above the five-year average. In addition, about 4 million tonnes of maize and slightly less than 1 million tonnes of barley, to be used as feed, are expected to be imported.

In the past, the country imported wheat mostly from France, Canada, Germany, the United States of America, Spain and Mexico. In the 2022/23 marketing year (July/June), wheat imports from the Russian Federation increased four times compared to the 2021/22 marketing year, exceeding over 2 million tonnes due to advantageous pricing compared to other origins.

Inflation lingers at high levels

The country's economy is highly dependent on petroleum and natural gas for export revenues. Although economic growth has moderated, reflecting slightly lower global oil prices compared to 2022, the economy is still expected to grow by 2.8 percent year-on-year in 2023, down from 3.1 percent in 2022. Despite the increased interest in the country as a supplier of natural gas, high unemployment levels prevail, creating social tensions.

Both general and food price inflation have been staying at historically high levels since late 2021. In July 2023 (latest data available), the annual rate of the general price inflation was recorded at 9.4 percent, with a slight decline from the 11 percent reached in mid-2022, the highest level since 2012. In the same month, food prices increased by 13.2 percent year-on-year, down from the peak of 17 percent in mid-2022. Part of the current inflation is attributed to high international commodity prices as well as to concerns about fiscal deficits and balance of payments issues.

Efforts to streamline subsidies on gas for domestic use, electricity, heat and cooking, introduced in 2021, have been put on hold amidst high inflation levels.

Disclaimer: The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of FAO concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

This brief was prepared using the following data/tools:

FAO/GIEWS Country Cereal Balance Sheet (CCBS)

<https://www.fao.org/giews/data-tools/en/>

FAO/GIEWS Food Price Monitoring and Analysis (FPMA) Tool

<https://fpma.fao.org/>

FAO/GIEWS Earth Observation for Crop Monitoring

<https://www.fao.org/giews/earthobservation/>

Integrated Food Security Phase Classification (IPC) <https://www.ipcinfo.org/>