

## ALGERIA: SOCIAL INDICATORS

	1994	1995	1996	1997	1998	1999
<b>Population</b>						
Resident population (in millions)	27.5	28.1	28.6	29.0	29.5	30.0
Population aged 0-14 (in millions)	10.9	11.0	11.1	11.1	11.2	11.3
Rural population (percent of total)	44.2	43.4	42.7	41.9	41.2	40.4
Birth rate (per thousand)	...	27.2	...	26.5	...	25.3
Death rate (per thousand)	6.6	6.4	6.0	6.1	...	5.6
Growth rate (in percent)	2.2	2.0	1.8	1.7	1.6	1.5
<b>Health</b>						
Infant mortality (per thousand live births)	...	38.3	37.0	35.3	...	34.0
Physicians (per thousand people)	...	...	...	...	...	0.8
<b>Education</b>						
Primary School enrollment (percent net) 1/	95.7	95.1	94.1	...	...	...
Secondary School enrollment (percent net) 1/	55.5	56.2	56.3	...	...	...
Illiteracy rate 2/	39.8	38.5	37.1	35.8	34.5	33.4
<b>Employment</b>						
Labor force (percent of total population)	24.6	26.9	27.3	27.8	28.2	28.6
Unemployment (percent of labor force)	24.4	28.1	28.0	28.0	28.0	29.2
<b>Income</b>						
GDP per capita in U.S. dollars 3/	1,524	1,468	1,642	1,649	1,606	1,589

Sources: Algerian authorities; and World Development Indicators (World Bank, 2001)

1/ Percentage of age group over same age group enrolled in education.

2/ In percent of population aged 15 and above.

3/ Converted at the official exchange rate.

**Statement by the IMF Staff Representative**  
**August 29, 2001**

Since EBS/01/130 was issued, the staff has received the following information which does not change the thrust of the staff appraisal:

- **On August 20, 2001, President Bouteflika signed three ordinances aimed at (a) further reforming the external tariff; (b) introducing a new investment code; and (c) reforming the legal framework governing the management and privatization of state-owned enterprises. The ordinance on tariff reform, whose provisions will be effective on January 1, 2002, reduces the number of non-zero tariff rates from 4 to 3; the new rates are: 5 percent, 15 percent, and 30 percent. However, the classification of goods according to the three new tariff rates has not yet been published. The new investment code grants equal treatment to public and private investment, and places domestic and foreign investors on the same footing. It also reduces tax exemptions available for most investments, although additional tax exemptions can still be granted in some special geographic zones as well as to investments deemed to be of a particular interest to the Algerian economy. The ordinance on the management and privatization of state-owned enterprises eliminates the five public holdings which were responsible for exercising vis-à-vis state-owned enterprises the ownership rights and responsibilities on behalf of the state, reduces the number of institutions dealing with privatization, gives considerable flexibility to the government regarding all procedural aspects of privatization, and eliminates restrictions on privatization which existed in some sectors.**
- *Algérie Télécom*, which will become the state-owned provider of telecommunication services in Algeria, was established as a stock company with the government as its single shareholder. These activities have so far not been separated from the post office services.
- **Effective September 1, 2001, Algeria's OPEC quota will be brought down to 741,000 barrels per day from 773,000 barrels per day (-4.1 percent).** According to staff estimates, this should lower exports by about US\$0.1 billion (0.5 percent) in 2001 and about US\$0.3 billion (1.5 percent) in 2002.
- Reflecting continued strong hydrocarbon revenues, **gross foreign exchange reserves further increased to US\$16.4 billion at end-July 2001**, against US\$11.9 billion at end-December 2000. Meanwhile, treasury deposits at the central bank increased by about DA 204 billion to reach DA 521 billion at end-July 2001 (about 12 percent of the projected 2001 GDP).
- **Owing mostly to falling fresh food prices, consumer prices decreased by 1.6 percent in July 2001. However, over the 12-month period ending in July 2001, the consumer price index increased by 6.3 percent.**