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## TRADE AND INVESTMENT



# ***Canadian Trade and Investment Activity: Canada–Algeria***

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***Canadian Trade and Investment Activity:  
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The Library of Parliament ***Trade and Investment*** series provides information on Canada's trade and investment relationship with selected countries. Particular attention is paid to bilateral merchandise trade, trade in services, and foreign investment. These publications are prepared by the Parliamentary Information and Research Service, which carries out research for and provides information and analysis to parliamentarians and Senate and House of Commons committees and parliamentary associations.

## Merchandise Trade

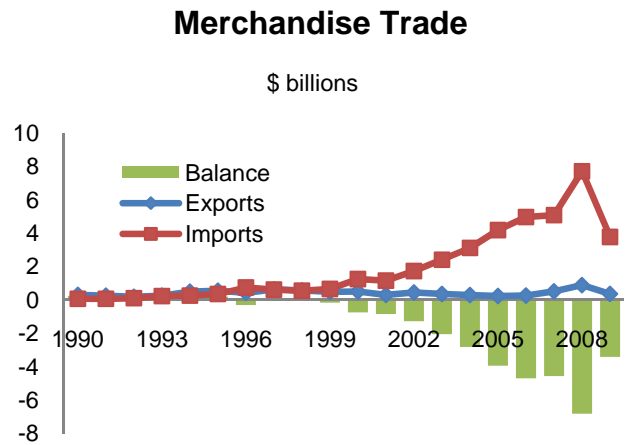
Almost exclusively on the strength of crude oil imports, Algeria is Canada's largest trading partner in Africa and is among Canada's largest sources of imports in the world. In 2009, Canada's bilateral merchandise trade with Algeria totalled \$4.1 billion, consisting of \$352 million in Canadian exports to, and \$3.8 billion in imports from, Algeria.

Algeria was Canada's largest source of imports in Africa in 2009 and the 10<sup>th</sup>-largest source of imports worldwide. However, Algeria is not a major destination for Canadian exports. It was Canada's 45<sup>th</sup>-largest export destination in 2009 and the third-largest export destination in Africa, behind South Africa and Morocco.

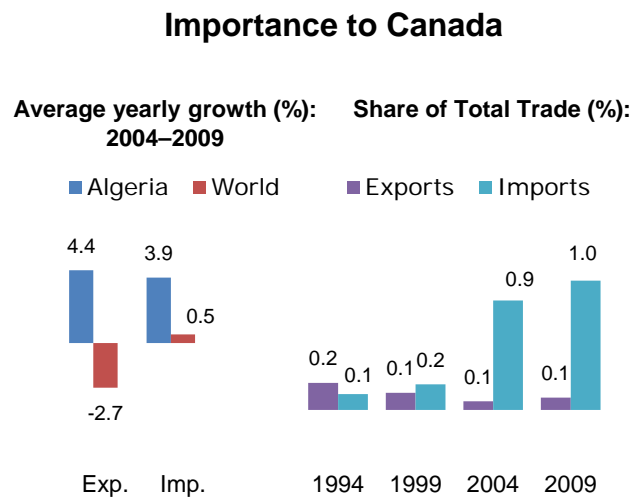
Notwithstanding the effect of the global financial and economic crisis, which contributed to a considerable drop in Canada-Algeria trade in 2009, commercial ties between the two countries have been growing in recent years. Since 2004, both exports to, and imports from, Algeria have grown at considerably faster rates than Canada's exports and imports worldwide.

Saskatchewan and Alberta were Canada's largest exporting provinces to Algeria in 2009, together accounting for 73% of total Canadian exports to that country that year. Even so, exports from those two provinces were relatively modest, at \$170 million and \$87 million respectively.

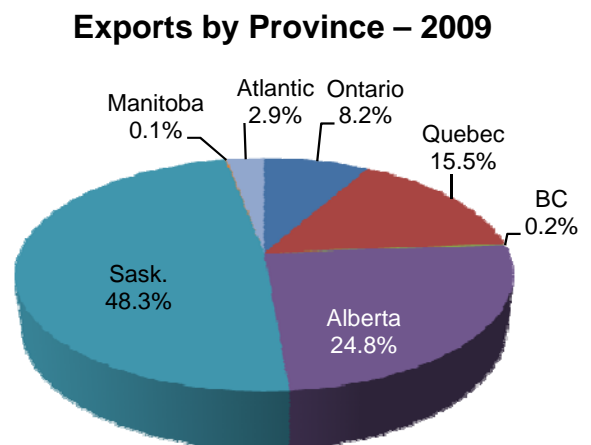
## Figure 1



## Figure 2



## Figure 3



All figures were prepared by the author using annual data from Statistics Canada. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

## Products

Canadian exports to Algeria are comprised largely of resource-based goods, which accounted for two-thirds of all exports in 2009. Durum wheat was Canada's single largest export product in 2009, with total exports of \$142 million. This total was down considerably from 2008, however, when durum wheat exports were \$580 million. Other major exports to Algeria in 2009 included lentils, newsprint and air ventilation equipment.

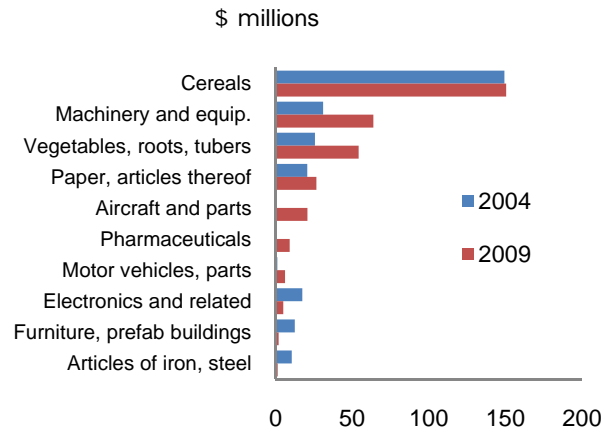
Although resource-based goods comprise the majority of exports to Algeria, an increasing share of exports are in manufactured goods. Led by growth in machinery and equipment exports, manufactured goods accounted for 33% of exports to Algeria in 2009, up from 25% five years earlier.

Canadian imports from Algeria are comprised almost entirely of crude oil shipments. Crude oil accounted for 99.9% of the \$3.8 billion in total imports from Algeria in 2009. In addition to crude oil, Canada imports small quantities of dates, wines and mineral waters from Algeria.

Canada holds a small positive trade balance in most product categories with Algeria, with the notable exception of metals, minerals and energy.

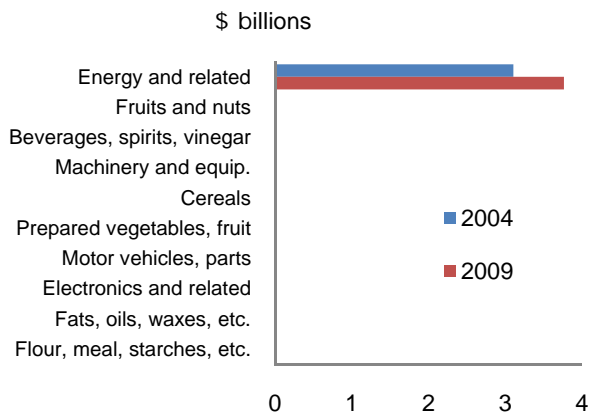
## Figure 4

**Major Export Products**



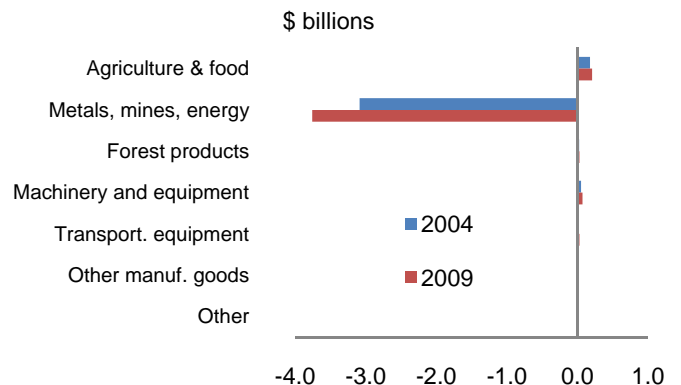
## Figure 5

**Major Import Products**



## Figure 6

**Balance by Category**



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## Services and Investment

Data are not available on Canada's direct services trade relationship with Algeria. Data are obtainable, however, on Canada's aggregate services trade with the Maghreb countries of North Africa, of which Algeria is a member, along with Morocco, Tunisia, Libya, Mauritania and the Western Sahara region.

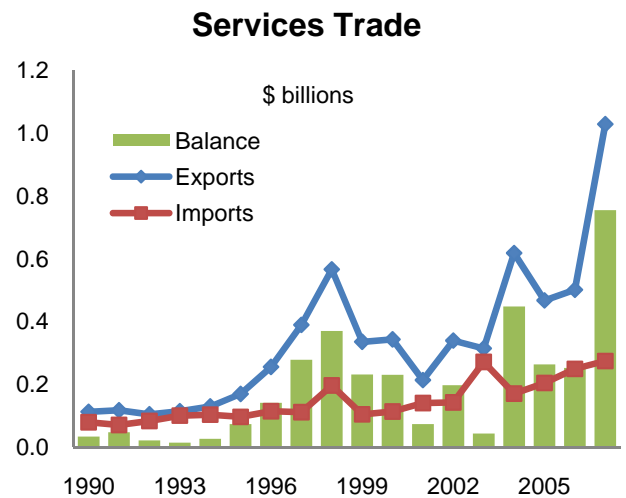
In 2007, the most recent year for which data are available, Canadian services exports to the Maghreb countries totalled \$1.0 billion, while services imports were \$274 million.

Canada's services exports to the Maghreb region doubled in 2007 compared to the previous year. However, no information is available about the reason behind the increase; travel services exports increased only modestly in 2007 and data are not available on the value of Canadian exports of transportation services or commercial services in that year.

Data on Canada's investment relationship with Algeria are limited. Statistics are suppressed in some years because there are too few investors, meaning that publishing data could violate business confidentiality. In 2007, the most recent year for which data are published, the total stock of Canadian direct investment in Algeria was \$190 million.

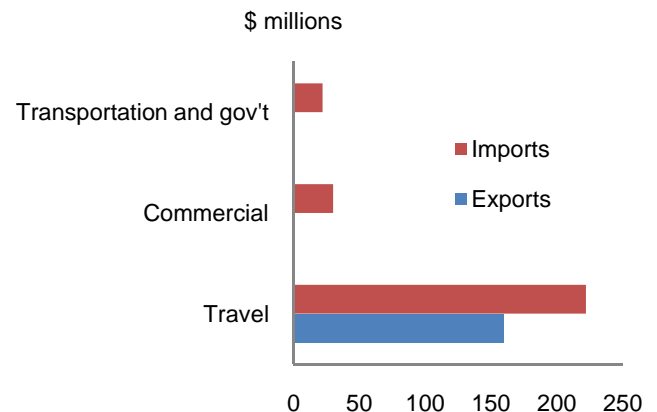
Data are not available on Algerian foreign direct investment in Canada.

### Figure 7



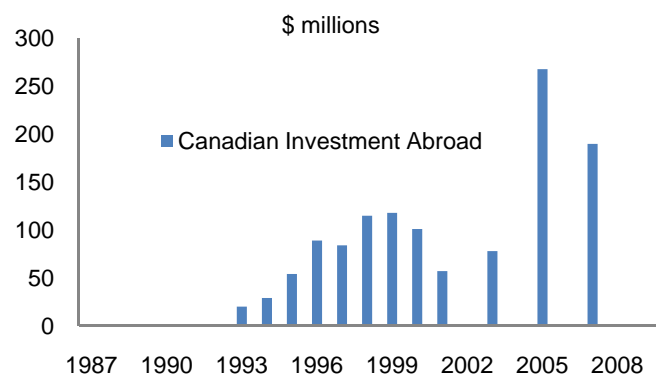
### Figure 8

#### Services Trade by Type – 2007



### Figure 9

#### Foreign Direct Investment



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