POLICY BRIEFING

Algeria’s underused potential in security cooperation in the Sahel region

Abstract

Algeria is a regional power in both economic, political and military terms. Up to now, relations between the EU and Algeria have been mainly based on economic considerations. The crisis in Mali, the Franco-African military intervention (AFISMA) and the terrorist attacks at the gas facility in Amenas in eastern Algeria have opened a new window of opportunity for reinforced cooperation in the field of security between Algeria and the EU in order to combat common threats. Given its strong military power and political stature in the region, Algeria has the potential to develop into an important ally of the EU in the Sahel region. The probable transfer of presidential powers in Algeria will offer a chance for Algeria to reshape its policy in the region, as an assertive and constructive regional power not only in the Maghreb but also in West Africa.
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1. Introduction

As the biggest economic and military power in the region, as well as the most highly trained in counter-terrorism activities, Algeria can play a leading role in managing the aftermath of the Mali conflict.

Now that the first phase of the military intervention in Mali is drawing to a close, it is necessary to assess the future challenges that may emerge in the region. The successful donor conference at the end of January, which pledged USD 455 million to start the deployment of the African-led International Support Mission to Mali (AFISMA); the meetings of the Support and Follow-up Group to Mali; the international conference of high-level support and Mali’s development — co-chaired by the European Union and France, held in Brussels on 15 May 2013 — in which EUR 3.23 billion were pledged in development cooperation¹; and the approval by the Security Council of the 12 600 strong United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) in April are all clear signs that the international community remains firmly committed to provide a response to the conflict in Mali. However, this is not a reason to stop paying attention either to the need to work towards a political settlement in Mali — notably by supporting the organisation of free and fair presidential elections, scheduled for the 28 of July 2013 — or to explore important factors such as the importance for the Malian conflict of the different regional actors.

A first reference since the start of the crisis has been the Economic Community of West African States (ECOWAS), which has played an important political role as well as contributed the bulk of AFISMA troops. Also very important has been the role of Chad, which sent 2 000 soldiers to Mali where they engaged, suffering numerous casualties, in the important military campaign that secured the Adrar des Ifoghas mountains in the north-eastern part of the country. In April Chad announced the withdrawal of its troops as the first phase of military operations had come to an end, but it is likely that Chadian troops will be part of the MINUSMA mission to be deployed from July.

Another important question – and the focus of this briefing – is the role which the important regional player Algeria can play in bringing stability to the Sahel region.

Despite international efforts to engage the country more closely in a regional solution, its role is still unclear.

The EU should take into account the strategic importance of the country in the Maghreb, bearing in mind that its ties with the EU are not fully developed.

A number of factors, ranging from the size of Algeria’s economy to its military and counter-terrorism capabilities, its experience of Islamic terrorist violence and its historical links to northern Mali, make this county an inescapable reference for the region. The tragic events at the In Amenas gas facility, in which over 70 people – including 37 foreign hostages – were killed when the Algerian army ended the occupation of the plant, are also a clear sign of the deep links connecting the conflict in Mali with its northern neighbour.

Despite these connections, in the earlier stages of the conflict in Mali Algeria adopted a sceptical stance towards the international (and especially French) involvement. Only recently has this become a more accommodating – while still not supportive – position. Despite a growing number of diplomatic gestures, such as David Cameron’s visit to the country on 30 January 2013, it is still unclear whether this collaboration will be achieved or if it will be successful in tackling the threats in the

Source: United Nations with additions by the Policy Department
The EU should read this as a sign not only of the ambivalent role played by Algeria in the region, but also of the fact that, despite that country’s strategic role in the Sahel, there is room for improvement in the relations between Algeria and the European Union.

2. **Algeria: a regional power**

With a GDP of USD 215 billion and foreign reserves estimated at USD 186 billion, Algeria is the largest economy in the region. The healthy state of the economy is due to the country’s status as the leading oil and gas producer in North Africa, and has allowed Bouteflika’s regime to remain stable despite instability in neighbouring Mali, Libya and Tunisia over the past two years. The economy remains highly dependent on hydrocarbons, which represent 98% of total exports and roughly 60% of the government’s revenues. This wealth has allowed Algeria to invest in its security sector – it has the largest military budget in Africa –, and the Algerian government aims to improve its equipment and develop strong capabilities in the field of counter-terrorism. The Algerian Department of Intelligence and Security² is regarded by some as one of the ‘most effective intelligence service when it comes to fighting al-Qaeda in the Sahel’³. Although some also point at the unorthodox methods used by the DRS in counter-terrorism activities, including the infiltration of terrorist groups⁴, Algeria’s deliberately uncompromising counter-terrorism policy derives from the country’s experience of internal armed conflict during the 1990s. The civil war between the Algerian military regime and armed Islamist groups is estimated to have cost 200 000 lives, and it shaped the North African state’s approach to fighting terrorist groups. This experience has made Algeria a key ally in the fight against terrorism in the Sahel for the US and many EU countries, such as France, since the early 2000s. Examples of counter-terrorism collaboration include the 2002 Pan Sahel Initiative – which became the Trans-Saharan Counterterrorism Partnership in 2005 –, currently coordinated by the US military Africa Command (AFRICOM) based in Stuttgart.

Algeria has also been part of important regional initiatives aimed at fighting terrorism. Among these is the decision taken in April 2010 by the four countries most directly affected by al-Qaeda in the Islamic Maghreb (AQIM) – Algeria, Mali, Mauritania and Niger – to create the Joint Operational General Staff Committee (CEMOC⁵), based in Tamanrasset in

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² Département du renseignement et de la sécurité (DRS).
³ Quote of John R. Schindler, former officer in the National Security Agency, in A. Boukhrs “The Paranoid Neighbour: Algeria and the Conflict in Mali”.
⁴ [http://www.brookings.edu/research/opinions/2013/02/03-algeria-riedel?rssid=sub+saharan+africa](http://www.brookings.edu/research/opinions/2013/02/03-algeria-riedel?rssid=sub+saharan+africa)
⁵ Comité d’État-major Opérationnel Conjoint.
South Algeria, 400 km from Algeria’s southern border, with the purpose of ensuring better cooperation among these countries in the fight against terrorism, kidnappings and trafficking, and the conduct of joint operations in each of the participating states. In September 2011 an international conference on the fight against terrorism in the Sahel was hosted by Algeria, with the aim of further strengthening cooperation among the participating countries.

2.1. **Comparison of military forces in the region**

<table>
<thead>
<tr>
<th>Country</th>
<th>Algeria</th>
<th>Morocco</th>
<th>Tunisia</th>
<th>Libya*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defence Expenditure 2000-2011 aggregates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in million EUR</td>
<td>36281</td>
<td>21463</td>
<td>4399</td>
<td>4714</td>
</tr>
<tr>
<td>% of regional total</td>
<td>54</td>
<td>32</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>change 2000-2011, average per year</td>
<td>27</td>
<td>22</td>
<td>12</td>
<td>3</td>
</tr>
</tbody>
</table>

| | three year averages 2000-2002 | | | |
| | in million EUR | 2079 | 1407 | 326 | 343 |
| | % of GDP | 3.6 | 3.3 | 1.7 | 2.7 |
| | % of regional total | 50 | 34 | 8 | 8 |

| | three year averages 2003-2005 | | | |
| | in million EUR | 2357 | 1687 | 354 | 596 |
| | % of GDP | 3 | 4 | 2 | 2 |
| | % of regional total | 47 | 34 | 7 | 12 |

| | three year averages 2006-2008 | | | |
| | in million EUR | 3060 | 1833 | 378 | 632 |
| | % of GDP | 3 | 3 | 1 | 1 |
| | % of regional total | 52 | 31 | 6 | 11 |

| | three year averages 2009-2011 | | | |
| | in million EUR | 4598 | 2227 | 407 | |
| | % of GDP | 4 | 3 | 1 | |
| | % of regional total | 64 | 31 | 6 | |

* - Libya: Data 2009-2011 unavailable.

Algeria has the highest defence budget in North Africa, with a total of EUR 6.41 billion in 2011, representing approx. 3.1 % of Gross National Income (GNI). In the past decade Algeria’s military spending has increased
substantially; it has tripled in absolute terms since 2000\textsuperscript{6}.

The Algerian armed forces (Armée nationale populaire, ANP) consist of 130 000 soldiers. Branches are: Army: 110 000 (conscript-based); Navy: 6 000; Air Force: 14 000; a reserve force of 150 000. To these are added 187 200 paramilitary – the Gendarmerie under the control of the Ministry of Defence: 20 000; Directorate of National Security forces: 16 000; the President’s Republican Guard: 1 200; Legitimate Defence Groups: 150 000, consisting of self-defence militia and communal guards\textsuperscript{7}.

Table 2


<table>
<thead>
<tr>
<th>Country</th>
<th>Algeria</th>
<th>Morocco</th>
<th>Tunisia</th>
<th>Libya</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic Data</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population in million</td>
<td>35</td>
<td>32</td>
<td>10.6</td>
<td>6.6</td>
</tr>
<tr>
<td>GDP in EUR per capita</td>
<td>4 115</td>
<td>2 354</td>
<td>3 330</td>
<td>8 126</td>
</tr>
<tr>
<td>Defence budget in million EUR</td>
<td>6 440</td>
<td>2 500</td>
<td>1 900</td>
<td></td>
</tr>
<tr>
<td><strong>Personnel</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Army</td>
<td>110 000</td>
<td>175 000</td>
<td>27 000</td>
<td>50 000</td>
</tr>
<tr>
<td>Air Force &amp; Air Defence</td>
<td>14 000</td>
<td>13 000</td>
<td>4 000</td>
<td>22 000</td>
</tr>
<tr>
<td>Navy</td>
<td>6 000</td>
<td>7 800</td>
<td>4 800</td>
<td>8 000</td>
</tr>
<tr>
<td>Conscripts</td>
<td>75 000</td>
<td>100 000</td>
<td>22 000</td>
<td>25 000</td>
</tr>
<tr>
<td>Reserve</td>
<td>150 000</td>
<td>150 000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Paramilitary</td>
<td>187 200</td>
<td>50 000</td>
<td>12 000</td>
<td>55 000</td>
</tr>
<tr>
<td><strong>Army Equipment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tanks</td>
<td>1 214</td>
<td>880</td>
<td>192</td>
<td>2 025</td>
</tr>
<tr>
<td>Armoured vehicles</td>
<td>1 796</td>
<td>921</td>
<td>268</td>
<td>1 970</td>
</tr>
<tr>
<td>Artillery Pieces</td>
<td>1 019</td>
<td>2 141</td>
<td>276</td>
<td>2 421</td>
</tr>
<tr>
<td><strong>Naval Equipment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Major surface ships</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Submarines</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Coastal warfare vessels</td>
<td>24</td>
<td>49</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Amphibious forces</td>
<td>3</td>
<td>6</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Air Force Equipment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combat aircraft</td>
<td>131</td>
<td>55</td>
<td>15</td>
<td>446</td>
</tr>
<tr>
<td>Transport aircraft</td>
<td>59</td>
<td>51</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Combat helicopters</td>
<td>33</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Multirole / transport helicopters</td>
<td>88</td>
<td>19</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Transport helicopters</td>
<td>40</td>
<td>70</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Other Information</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Force projection capable</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Partner in NATO's Mediterranean Dialogue</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

\textsuperscript{6} SIPRI Military Expenditure Database (http://milexdata.sipri.org/)

\textsuperscript{7} Chapter Seven: Middle East and North Africa, The Military Balance, 112:1, 303-360.
2.2. **Assessment of Algerian military capacity**

The Algerian armed forces are fairly well equipped compared with the country’s Maghreb neighbours, and especially with the ECOWAS countries whose military forces are involved in Mali.

The main suppliers of weapon systems are Russia and China. However, since a few years ago Algeria has been diversifying its armaments strategies by purchasing Western equipment and establishing industrial partnerships to develop the Algerian armaments industry. Current programmes comprise the purchase of T90 main battle tanks, SU-30 ground attack fighters and YAK-130 trainer aircraft, and S-300 and PANTSIR-S1 air and missile defence systems, all from Russia, a large amphibious warfare platform (with helicopters) and frigates from Italy, as well as corvettes, a whole plant to manufacture infantry fighting vehicles, and electronic equipment and officer training from Germany.

Algeria is spending a lot of resources on modernising its military capacity, but the investments have yet to be translated into operational capabilities.

The major part of Algeria’s armed forces is directed towards the country’s western border with Morocco and Western Sahara. No symmetric warfare operations have been conducted since the Sand War with Morocco in 1963, with the exception of some air-to-air engagements against the Israeli Defence Forces (IDF) during the Yom Kippur War in 1973. Since then, Algeria has not deployed significant numbers of troops in operations abroad. The ANP have some experience in internal counter-insurgency and anti-terror operations, and the branches of the ANP have initial experience in joint operations. ANP staff officers and Special Forces have received bilateral training from Belgium, France, the UK and the US. The Army’s rapid-reaction force is division-sized, but the rapid-deployment means for this force cannot cope with its size.

Algeria has the largest armed forces in North Africa and has the highest defence expenditure of the four countries, but the recent modernisation and transformation programmes have yet to be translated into operational capabilities. The emphasis on procuring heavy, sophisticated equipment is oriented towards conventional warfare – that is to say, against Algeria’s long-term rival Morocco – and should ensure a leading regional role. It could also help Algeria to play a stronger – albeit limited – international role. However, as the country has no own experience of operations abroad, these would only be possible with strategic partners and in multilateral cooperation. At present, as recently demonstrated in the In Amenas hostage crisis, counter-insurgency and anti-terrorism capabilities remain crucial to the Algerian Armed Forces.

The army is an important political actor in Algeria and, whilst its security

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8 Ibid.
9 [http://countrystudies.us/algeria/157.htm](http://countrystudies.us/algeria/157.htm)
operations at the In Amenas gas field have been heavily criticised abroad, domestically they have been seen as a success, and the incident has boosted the army’s reputation and may strengthen the military’s position vis-à-vis other government institutions.

3. Transnational threats in the Sahel region

3.1. Divergent perceptions among neighbours

Despite the existence of formal cooperation frameworks such as the CEMOC, effective collaboration in the Sahel has been hampered by political and strategic divergences. Each country has tended to promote its own national interest, and also to interpret situations differently in the light of its own concerns. Algeria-Mali cooperation was most recently hampered by Algerian perceptions that the Amadou Toumani Touré (ATT) regime allowed AQIM and other criminal and terrorist networks to operate from its territory, with some officials even complicit in certain operations. Algeria is in turn criticised for its ambivalent position in the region, for making insufficient efforts to monitor and control the activities of armed groups in the Sahel, and for unwillingness to share information regarding the actors involved in Mali. Some analysts have also argued that Algeria was largely untouched by AQIM activities and that the country uses the pretext of AQIM to strengthen its regional prestige in the fight against terrorism. Some also see here a hidden strategy to defend Algeria’s position as an essential player in North Mali. Algeria has been involved in the area since the 1970s when, after the first revolt, a large number of Malian intellectuals escaped to Algeria, and it maintained this position in the 1990s, when Algeria mediated in the peace agreements between the Tuareg and the Malian state. A central actor in these revolts was Iyyad Ag Gali, the current leader of Ansar al-Din. Indeed, Algeria, together with Burkina Faso, played an important part in the efforts that brought Ag Ghali to the negotiating table in late 2012. The collapse of these negotiations in early January 2013 may have been what pushed Ag Ghali to put his weight behind the offensive by the AQIM and the Movement for Oneness and Jihad in West Africa (MOJWA) against the towns of Sevaré and Diabaly in Central Mali that precipitated events and led to the French intervention.

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http://carnegieendowment.org/2012/10/22/paranoid-neighbor-algeria-and-conflict-in-mali/e4kt


14 Mouvement pour le Tawhid et du Jihad en Afrique de l’Ouest (MUJAO).
3.2. Sahel: a web of transit routes

The ambiguity of some of Algeria’s positions may in fact be related to the specific nature of the transnational threats present in the Sahel region, which needs to be taken into account when offering policy prescriptions. Whilst the latest military intervention has been built on the premise of fighting terrorism, some experts point out the need to take adequate account of the criminal component of many of the threats present in the region. In fact, the most important threat – which also accounts for the quick collapse of the Malian state in 2012 – is constituted by the various transnational networks established in the Sahel, which have benefited from the weakness of state authority whilst at the same time further eroding it. The situation in Mali worsened from the mid-2000s, after the Tuareg rebellion ended with the signing of a peace agreement (Algiers Accords), brokered thanks to Algerian mediation and accepted by nearly all the Tuareg movements. The settlement provided for a new phase and strategy in Bamako’s military control of the north – this time through the creation of, and support for, loyal militias that would undertake the task of controlling the territory. This low-cost approach to security in the north by the Touré government was clearly ill-suited to dealing with the growing challenges faced by the region and contributed to a further erosion of the state authorities as criminal and political elements combined in a quest for control of the territory.15

Building on centuries-old trans-Saharan trading routes, the Sahel is home to multiple networks involved in very different activities, but in many of which Algeria occupies a central position. These range from ordinary, entirely legal businessmen, to smugglers of cigarettes and subsidised goods (food and petrol) from Libya and Algeria and to Mali and Niger, to people engaged in more serious illicit activities such as the transport of migrants from sub-Saharan Africa to North Africa and Europe 16.

Increasingly, the region is also a major route for drug traffickers. Two main drug trafficking routes co-exist in the Sahel. The first is the transit of cocaine from South America en route to Europe, which transits through West Africa and the Sahel; the other is the route for trafficking of Moroccan cannabis to Libya and then on either to Europe via the Balkans, or further east to the Arabian Peninsula. Algeria’s role in these activities in unclear, but certainly important. The closed border between Morocco and Algeria means that cannabis transits part of the Sahel (Mauritania and Mali) en route to Libya. This drug-trafficking route also allegedly depends on the involvement of some Algerian army officers, and Sahrawi refugees close to the Polisario – the major refugee camp of Tindouf is situated on Algerian soil – are known to be involved in trafficking cannabis, cigarettes and even

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As a result of conflicts in Libya and Mali, the transit of arms through the region has increased dramatically.

These criminal activities are complemented by the transit of arms – exacerbated in times of armed conflict such as that surrounding the fall of the Qadhafi regime and the current situation in Mali – and also by the kidnapping of Western citizens, and their liberation in exchange for lucrative ransoms. The payment of these ransoms – estimated at between USD 40 million and 65 million since 2008\(^\text{17}\) – is one of the main reasons behind the growth and strengthening of terrorist groups such as AQIM and MOJWA, and is one of the main sources of concern for Algeria – and Mauritania – and of disagreement with the government of Mali, which has been viewed as facilitating these and even as being complicit in the refusal to pay ransoms in hostage situations. A clear example of the overlap between criminal and ideological elements is Mokhtar Belmokhtar, the former AQIM leader. He was responsible for the attack on the In Amenas gas facility and is also known as ‘Mr Marlboro’ because of his extensive control of the cigarette-smuggling routes in the area. The specific nature of this transnational challenge needs to be properly understood, and the interplay between the political and money-making elements of these terrorist networks taken into account when providing policy responses to the challenge.

The map shows the operational zone of Al Qaeda in the Maghreb (AQIM) (spread over Algeria, Niger, Mali, Mauritania, Chad, Libya and Nigeria) and the location of the most important oil and gas fields and uranium mines.

\(^{17}\) Ibid.
4. **Algeria’s shifted position on Mali: a starting point for future security cooperation?**

In the face of the worsening situation in Mali and the run-up to a military intervention, there was a widening of the rift between the Algerian position on the one hand and that of its southern neighbours and Western countries on the other. In parallel, it also became evident that Algeria needed to given a central role in resolving the conflict, as the largest military power in the region and an actor enjoying major political influence. Before the intervention, Algeria insisted on the need to exhaust all options for political dialogue and rejected outright an external – especially Western- or French-led – military intervention. Despite this position, which placed Algeria outside the broad international consensus, the country has taken steps to strengthen its role in security and peacekeeping in the region. The growing risk of turmoil moved Algeria first to close its border with Mali and subsequently to reinforce the troops present along its southern borders and to increase the number of checkpoints protecting its borders.18 In terms of the threats that the crisis in Mali represent for Algeria, another important concern is the question of

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Despite its initial reluctance to become involved in the conflict, the attacks on In Amenas prompted Algeria to open its air space to France.

Refugees. The humanitarian situation is a serious challenge. More than 350,000 people have fled their homes in Mali since fighting erupted in the north in January 2012 between a Tuareg rebel movement and Malian government forces. Tens of thousands of them have found refuge in neighbouring Algeria, Burkina Faso, Mauritania and Niger. Some have also fled to Guinea and Togo. Some 200,000 have sought shelter within Mali. Owing to the long borders that Algeria shares with Mali, there is strong evidence to suggest that the country is likely to be a principal destination if the situation in Mali worsens again.

Algeria has an important role to play in the Sahel, and this became clearer as the possibility of military intervention became a reality. In January 2013, following the launch of the French operation Serval, Algeria declared that it would cooperate by allowing French fighters to use its air-space and by strengthening border controls. By accepting the French intervention and cooperating with France, Algeria recognised the threats posed by the radical Islamist militant groups south of its border, as demonstrated by the attack at the In Amenas gas facility. While the causes of the attack remain contested, some analysts interpret it as a reprisal against Algeria due to its support of France. Others regard the attack as an attempt to internationalise the conflict and incite Algeria to intervene directly in the conflict in Mali.

In any event, the crisis in Mali, the French military intervention and the attacks at In Amenas have, rather paradoxically, opened a new window of opportunity for reinforced security cooperation between Algeria and Western countries to combat common threats. Given its hegemonic position in the region, international pressures on Algeria to get involved in the management of the conflict are high, and the outcome could be beneficial to both sides.

France is without doubt the country most interested in having Algeria as its military and political ally. Paris has always made clear its interest in playing an active role in both the Arab world and West Africa, and, given the size of the Algerian economy and its energy resources, reconciliation with that country is also of strategic importance. Since his election, François Hollande – who travelled to Algeria in December – has made a number of statements aiming to improve relations between the two countries. Probably the most significant gesture aimed at gaining Algerians’ sympathy was the recognition of the French violence against Algerians during the war of independence. Algeria, for its part, has also softened its initial position towards France. Although the opening of its air-space to French fighters was the clearest sign, Algeria had already been moving closer to France since the start of Francois Hollande’s presidency.

France and the US regard Algeria as the central element in meeting the transnational challenges in the region.

19 Open Democracy - “Algeria/Mali: another front in the global war of terror” http://www.opendemocracy.net/hamza-hamouchene/algeria-mali-another-front-in-%E2%80%9Cglobal-war-on-terror%E2%80%9D?destination=node%2F70577
The mutual interest in cooperation appears to stem, therefore, both from Paris’s need to gain the support of the most important regional power in North Africa and the Sahel, and from the Algerian desire to secure France’s support for the imminent transfer of power to a successor for President Bouteflika. 

Cooperation between the Algerian and US militaries continues to grow, and the United States has a keen interest in a stronger role for Algeria in security in the region. Exchanges between the two sides are frequent, Algeria has hosted visits by senior US military officials and Algerian military personnel have trained with the US military. In October 2012 the US Secretary of State Hillary Clinton met President Bouteflika to discuss the deteriorating situation in Mali, and to establish cooperation on pushing the Islamist militia out of northern Mali – a clear recognition of the role of Algeria as a ‘central part of the solution’. A solution that would mean stability for Mali and preventing terrorist disruption of oil and gas production in the region. Given the long borders that Algeria shares with Mali, the operations of radical Islamist groups in the area could have a negative impact on production and foreign investment. The threat of kidnapping is a major deterrent that could discourage Western multinationals from sending their workers to the oil fields.

Similar concerns also influence the position of the United Kingdom. After the In Amenas attack, in which British hostages were killed, the UK expressed its concern about the risks in the region and the need to cooperate with Algeria in order to address the terrorist threat. Prime Minister David Cameron, who has also recently travelled to Algeria, argued that the country was facing a terrorist threat which required a global response, and that it would take years to address. Cooperation is therefore likely to go beyond military intervention, and to include intelligence and broader international collaboration as well.

All of these responses signal the international recognition that Algeria is a central actor in the emerging scenario in the Sahel, which begs the question why the EU as a whole has not invested in a more comprehensive partnership with the country. Some argue that the EU has tried to engage in a more serious relationship, but that this has been dominated by the role of France as the main point of contact between the EU and Algeria. Others take the view that there have been shortcomings

20 Pierre Cherruau, Slate Afrique.
22 http://www.bbc.co.uk/news/uk-21107320 Algeria: European Foreign Policy matters for the UK
http://ecfr.eu/blog/entry/algeria_lays_bare_the_importance_of_european_foreign_policy_to_the_uk
in the EU approach, which has faced major difficulties and delays in developing bilateral relations and in implementing the EU Strategy in the Sahel.

5. EU-Algerian relations: room for wider perspectives

Algeria is a major energy provider for the EU. Algeria’s reliability as a supplier is based on its stability.

EU relations with Algeria are defined by the European Neighbourhood Policy (ENP) and the Association Agreement.

Cooperation is currently driven mainly by economic considerations rather than wider strategic ones.

Algeria is also a strategic partner for Europe by virtue of its resources, notably oil and gas. 38% of Algerian oil production is destined for the European market. But the major energy interdependence relates to gas. Algeria is the third-largest source of gas imports to the EU, accounting for 10% of total consumption. Given these energy links, many Member States have developed strong bilateral relations with Algeria — most notably France, Italy, Spain and Portugal, which are the countries most dependent on its energy resources. Bilateral linkages are therefore hugely important in relations between the EU and Algeria. Italy has recently made moves to develop a second gas pipeline between the two countries. Algeria is also a major customer for training and defence equipment. A contract of over EUR 400 million was signed in 2012 with the German company ThyssenKrupp for the provision of two naval frigates. Algeria’s reliability as a supplier of energy to Europe is based upon its stability.

EU-Algeria relations have improved considerably since 2007 and are mainly defined by the European Neighbourhood Policy (ENP). In the framework of the ENP, Algeria, on the one hand, and the European Community and its Member States, on the other, signed an Association Agreement (AA) in 2005. The policy is implemented through financial support for reform through the European Neighbourhood and Partnership Instrument (ENPI), specified in an Action Plan and an Indicative National Programme (2011-2013). Priority actions cover economic development, commerce, resources and the fight against terrorism. Up to now, these programmes have focused mainly on economic growth, employment and sustainable development, and the potential for cooperation in the field of security has not been fully exploited. In addition, Algeria is both a source and a transit country for migrants headed to Europe, and its cooperation is vital to the EU. Violent upheaval in Algeria would result in a loss of the government’s capacity to help manage migration.

EU Member States’ interests in, and bilateral links with, Algeria are a sign that it is an important partner, but they also, to a certain extent, hamper the development of a common position. They have meant that Algeria has

24 Denison Susi, op. cit.
25 Hakim Darbouche and Susi Dennison promote the notion of ‘differentiated partnership’ with Algeria in their 2011 paper (A ‘reset’ with Algeria: the Russia to the EU’s south) available at http://www.ecfr.eu/page/-/ECFR46_ALGERIA_BRIEF_AW.pdf
largely been able to gather enough support from the Member States’ capitals without turning to the EU. In times of both stability and turmoil, the EU has been unable to accompany Algeria’s chequered process of political reform and help dissipate the stultifying perceptual hangovers from the colonial period, which have tended to pervade attitudes on both sides of the Mediterranean. Furthermore, Algeria has consistently made too timid an effort to avail itself of the institutional and market opportunities offered by the EU and solidly anchor its stalling economic diversification programme to European policies.\(^{28}\) The Union for the Mediterranean has not impressed Algerians either, as it scores poorly on the strategic features they have been looking for since the ENP. This lukewarm and politically prudent relationship may be changing, however, in light of the geopolitical transformations in the region.

Recently Algeria has moved closer to Europe, and there have been some positive developments. As indicated in the Country Strategy Paper 2007-2013 and the Action Plan 2011-2013, the EU will provide financial cooperation support of EUR 172 million to accompany the Algerian government in developing and implementing its reform policies, with the difference that, unlike other North African countries such as Morocco and Tunisia, Algeria does not really need European aid. The EU is also developing further projects in the field of climate change and environment.

Algeria argues that attracting international – particularly European – companies to the country is an essential part of creating a more vibrant private sector, diversifying the Algerian economy and guaranteeing economic sustainability for the future. So Algeria has for a long time been keen on the role the EU could play in fostering external investment in Algeria.\(^{29}\)

In 2011 the focus in EU-Algerian relations was on civil society organisations. In 2012, Algeria agreed for the first time to the EU’s sending an election observation mission to its parliamentary elections. The EU could usefully focus on the strengthening of parliament and the judiciary, which are at the heart of Algeria’s democratic deficit.

Algeria was also something of a blind-spot in the EU’s response to the regional challenges in the Sahel. In September 2011 the EU launched its Strategy for Security and Development in the Sahel. This is a comprehensive approach designed to cope with the crisis in the region, including the threat of al-Qaeda-affiliated groups. As such, one of the main

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\(^{29}\) Foreign direct investment became the exclusive competence of the EU under the Lisbon Treaty (Article 207 TFEU).
pillars of the Strategy is to improve security and development in the Sahel, as this ‘has an obvious and direct impact on protecting European citizens and interests and on the EU internal security situation’\(^{30}\). The Strategy, which took a long time to develop, is currently being implemented in three countries: Mali, Mauritania and Niger\(^{31}\).

The Strategy failed, however, to recognise Algeria as a central player in the dynamics of the Sahel and to integrate it adequately in the regional response. This could also be considered a consequence of Algeria’s own decision to alienate external actors from the political dialogue in the Sahel in order to consolidate its position and create its own hegemonic space. Be that as it may, such a large and influential country as Algeria is not only an essential technical and economic partner, but must also be an active player in the strategic debates if the EU wishes to promote effective cooperation in the region.

This has become more pressing as the EU involvement in the region has increased with the deployment of the EU Training Mission in Mali and the financial support for the African-led mission in Mali (AFISMA).

It is essential that the EU develop a more effective and comprehensive approach by involving Algeria in providing a regional response to the conflict in the Sahel, and by engaging with it on the complexity of the challenges by developing a common policy that defends EU interests as a whole and not just those of specific Member States.

\(^{30}\) [http://ecfr.eu/content/entry/commentary_war_in_the_sahel_a_european_cause](http://ecfr.eu/content/entry/commentary_war_in_the_sahel_a_european_cause)