

Algerian Economy Challenges in Accessing Global Value Chain (Theoretical and Empirical Analysis)

تحديات الاقتصاد الجزائري في الولوج الى سلسلة القيم العالمية (تحليل نظري وتجريبي)

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Abstract:

This study aims to identify the main factors influencing the Algerian economic and export diversification for an access to Global Value Chain (GVC), using the Herfindahl-Hirschman Index (HHI) to measure export diversification determinants during the period 2000-2022.

Algerian companies Access to GVC faces numerous challenges, considering the economic and export diversification strategies effectiveness, which are affected by national economic variables (Inflation, Factor of production productivity...) and even international ones related to current global economic trends characterized by slowing global economic growth, protectionist policies between developed countries (trade war), additionally to security and political conflicts rising in various countries around the world.

Keywords: Global Value Chain, Economic Diversification, Export Diversification, protectionist policies

الملخص:

تهدف هذه الدراسة إلى تحديد العوامل الرئيسية المؤثرة على تنوع الاقتصاد الجزائري وصادراته من اجل ولوج سلسلة القيمة العالمية، وذلك باستخدام مؤشر هيرفيندال-هيرشمان لقياس محددات تنوع الصادرات خلال الفترة 2000-2022.

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يواجه ولوج المؤسسات الجزائرية إلى سلاسل القيمة العالمية تحديات عديدة ترتبط بمقدار فعالية استراتيجيات التنوع الاقتصادي والصادرات، التي تتأثر بعدة متغيرات اقتصادية وطنية (التضخم، انتاجية عوامل الانتاج...) وحتى الدولية المتعلقة بالاتجاهات الاقتصادية العالمية الحالية التي تتميز بتباطؤ النمو الاقتصادي العالمي، السياسات الحمائية بين العديد من البلدان المتقدمة (الحرب التجارية)، بالإضافة إلى الصراعات الأمنية والسياسية المتصاعدة في مناطق مختلفة حول العالم.

الكلمات المفتاحية: سلسلة القيم العالمية، التنوع الاقتصادي، تنوع الصادرات، سياسات الحماية.

1. Introduction

The Sahel region is not merely a neighboring geographical space for Algeria; it constitutes an integral component of its national security paradigm and a critical testing ground for its regional ambitions. This vast area, characterized by state fragility, transnational insurgencies, and escalating great power competition, represents the most pressing external challenge to Algerian stability in the post-Arab Spring era.

In the context of globalization, integration into Global Value Chains (GVCs) has become a critical determinant of economic development, productivity growth, and competitiveness. GVCs allow countries to specialize in specific stages of production, access larger markets, and benefit from technology and knowledge transfers. For emerging economies, participation in GVCs represents an opportunity to diversify exports, reduce vulnerability to commodity shocks, and accelerate industrialization.

However, implementing an economic diversification policy within an export diversification strategy faces numerous challenges, especially considering current national and global economic trends, with a decline in capital flows, particularly foreign direct investment, protectionist policies adopted in many developed countries, and complexity of global supply chains conditions.

Algeria with a strategic location, large and varied size of natural resources, has also faced numerous external shocks, primarily due to exports concentration on a limited range of products; that make it vulnerable to an economic and social conditions improving when oil prices rose and deteriorating when prices fall, despite efforts made by

successive governments to diversify Algerian exports through economic and financial reforms.

This study focuses on identifying national and international factors that makes difficult for decision-makers a company's performance raising for accessing international markets, regarding a diverse set of resources, political stability, and strong diplomatic relationship with many Arab, African and Asian countries, supported by several economic cooperation agreements.

Based on this context, the central research question is:

What are the key challenges facing Algeria's export diversification strategies in achieving greater integration into Global Value Chains (GVCs) under its broader economic diversification policy?

To address this issue, the following hypothesis is proposed:

Algeria's economy has experienced a high degree of export concentration, primarily in raw materials such as oil and gas, generated significant financial revenues, reinforcing exports concentration, given several internal challenges related to patterns management of public administrations and institutions, economic agent's behaviors and interrelationships, and the structure of economic markets. While the external challenges are related to global diplomatic and security instability as well as the strength of international regional alliances.

In response, our study employs a methodology using economic measurement tools to identify the variables affecting the degree of export concentration, by using an Autoregressive Distributed Lag (ARDL) model, where the Herfindahl-Hirschman Index (HHI) serves as the dependent variable representing the concentration of Algerian exports, while the other independent variables identifying from previous studies, are used to explain export diversification or concentration.

2. Literature reviews:

The question of export diversification and integration into Global Value Chains (GVCs) has been widely discussed in economic development literature, particularly in relation to resource-dependent economies. Theoretical frameworks provide insights into how countries

can shift from primary commodity exports toward more complex, value-added goods and services. where empirical studies highlight several recurring barriers to export diversification despite policy efforts, progress in export diversification and GVC integration.

2.1. Global value Chain

In recent years, the structure of global economy has been increasingly influenced by global value chains (GVCs) due to their increasing impact on international trade, global GDP, and employment.

Therefore, the GVC works to connect all institutions, workers and consumers around the world, which is often a stepping-stone for institutions and workers in developing countries to participate in the global economy, especially for the low-income countries.

2.1.1. Theoretical analysis of Global Value Chains

The term GVC has appeared with many concepts such as:¹ Production in several stages, the international segmentation, global production sharing, the vertical specialization and the task exchange .

2.1.2. From micro-value chain concept to GVC

A value chain represents a set of an organization's activities that start from the process of designing products until their final use. It combines many activities such as preparation, production, sale, distribution, and assistance to the end consumer.²

However, these activities can be combined in one company, and it can be also divided between several institutions (suppliers). Under production fragmentation and its geographic spreading, businesses have divided their production systems into many stages and across several countries, through a network of independent suppliers affiliated with their own institutions; so, production, trade, and investment form an important part of GVC. ^{3/4}

Else, the global value chains are characterized by heterogeneity due to differences in sectors, institutions, products and services. Some value chains follow the traditional structure chain scheme, i.e. the product/service follows sequential processing (a snake-shaped value chain), and there are also value chain activities that involve the structure

of many intermediate goods in the form of a single product/service (final structure), which is the case for the spider-shaped value chain.⁵

2.1.3. The global value chains importance

The access to GVC Give business the ability to transcend several problems, especially those related to strategic management, rather than lack of control over their production systems, which requires the innovation of a far-sighted approach for each of public authorities and private sector's contribution to counting the potential benefits of the national economy's resources, to build an advanced industry that achieves diversification in the national economy, and an improvement in trade balance situation, when economies have an appropriate logistical structure that enable businesses to manage and organize products, information (with a good information network) and resources, in order to ensure needs and desires of customers and reach the optimal limit of costs and deadlines.

2.1.4. The global value chains access conditions

Since the 1990s, globalization has undergone a profound transformation with the rise of GVCs. These refer to the process where the different stages of goods or services production are distributed among several countries, according to their comparative advantages⁶.

▪ *Essential economic and infrastructural conditions*

For a country that wants to integrate effectively into GVCs, it must first have macroeconomic stability⁷ and infrastructure quality: roads, ports, airports, digital and electrical networks. These infrastructures allow for the rapid and reliable circulation of intermediate goods, often produced in one country and assembled in another.⁸

▪ *The role of human capital and technology*

GVCs require a workforce adapted to the different levels of production: technical skills, vocational training, engineering, etc... Countries that succeed in integration are those that invest in research and innovation. Automation, digitalization of supply chains and artificial intelligence are creating new challenges for developing countries that need to modernize their productive apparatus.⁹

- ***An attractive regulatory and institutional framework***

Multinationals, which often manage GVCs, choose countries where the business environment is favorable: political stability, legal protection of investments, fight against corruption. These institutional factors are decisive in gaining investor confidence.¹⁰

- ***Commercial and geopolitical integration***

Access to markets is conditioned by trade openness: free trade agreements (EU, NAFTA or ASEAN), reduction of tariff barriers, harmonization of standards, which facilitated integration into regional GVCs¹¹. Geopolitics conflicts (trade tensions, sanctions, or even security risks) can hinder integration into certain chains.

2.2. Economic Diversification

Theoretical studies on economic diversification and concentration have been linked to the following theoretical frameworks:

2.2.1. Markowitz's Theory

This theory suggests that an economy with activities spread across multiple sectors will be less vulnerable to internal and external fluctuations, provided a weak relationship between these sectors.¹²

2.2.2. Linder's Analysis

Linder discussed the scenario in which countries with similar levels of development exchange similar products. This cross-trade is supported by internal demand, boosts domestic production, through the "learning by doing" effect in the context of economies of scale.¹³

2.2.3. Romer's Growth Theory

Romer's suggests that investment in knowledge has a natural externality, where the creation of new knowledge by one firm is assumed to have a positive external effect on the production possibilities of other firms, because knowledge cannot be perfectly patented or kept secret.¹⁴

2.3. Export Diversification

Many recent studies on export diversification focus on the relationship between diversification and economic growth, while the Key explanatory variables include:

2.3.1. Impact of Individual Income:

The export concentration becomes significant when income levels reach(U-shape); so low-income levels in African countries keep them in the early stages of export diversification.¹⁵

2.3.2. Impact of Investment

Private Investment serves as a critical driver of export diversification, especially when linked to innovation and economic activity in under-exploited sectors.¹⁶

2.3.3. Foreign Direct Investment (FDI)

FDI from multinational corporations brings capital, job creation, and technological advancements, contributing to export diversification. They play a vital role in accelerating domestic firms' productivity.¹⁷

2.3.4. Human Capital

Highly skilled workers are essential for producing high-quality knowledge-based goods, which drive export diversification.¹⁸

2.3.5. Trade Terms

Favorable trade terms can increase export concentration, limiting investment and growth in other sectors.¹⁹

2.3.6. Exchange Rate Policy

Overvaluation of exchange rates can limit exports by reducing competitiveness, especially for technology-intensive sectors.²⁰

2.3.7. Geographic Location

Geographical proximity explains the dramatic differences in industrialization levels across the world.²¹

2.3.8. Governance and Institutional Regulation

Effective governance and strong institutions are prerequisites for export diversification, as they ensure property rights, facilitate transactions, and promote competition.²²

3. Research Methodology

This study will estimate the Autoregressive Distributed Lag (ARDL) model, as proposed by Shin (1995) and Pesaran et al. (1996), to examine the determinants of export diversification in Algeria, then conclude the national challenges facing Algerian companies in accessing

global markets and then the GVC. The ARDL model will determine the cointegration rank regardless of whether the time series are stationary at level I(0), in first differences I(1), or a combination of both. This model allows for the separation of short-term and long-term effects.

3.1. Definition of the Model

The ARDL model is a single dynamic equation model with a similar structure to the Error Correction Model (ECM). It involves including unrestricted lags of the explanatory variables. When there are multiple cointegration relationships, the ARDL approach to cointegration cannot be applied, and instead the Johansen-Juselius (1990) methodology becomes an alternative.

3.1.1. Study Period

The study covers the period from 2000 to 2022. Eight variables were used, as detailed in (Table 1). we focus on variables emphasized in most previous studies, while also incorporating the specific characteristics of Algerian economy.

3.1.2. Herfindahl-Hirschman Export Concentration Index

This index measures the extent of export diversification (the inverse of export concentration). The Herfindahl-Hirschman Index (HHI) for export concentration has been used in several studies as a measure, such as in Marouane Alaya (2012) in a sample of Middle Eastern and North African countries, Elhiraika & Mbate (2014), and the study of Lukau Matezo Espoir (2020). The (HHI) for a country is calculated using the following formula (DIOP, 2019):

$$H = \frac{\sum_{i=1}^n \sqrt{\left(\frac{x_i}{X}\right)^2} - \frac{1}{\sqrt{n}}}{1 - \frac{1}{\sqrt{n}}}$$

H : Commodity concentration index of the country.

x_i : The export value of product number i .

X : Total export value; $X = \sum_{i=1}^n x_i$ / n : Product number.

The estimated model represents the determinants of export diversification as follows:

$$HHI=f(GDPC, IND, AGV, FDI, EXCH, INF, HDI)$$

Table 1: Definition of Variables and Data Sources

<i>Variable</i>	<i>Definition</i>	<i>Expected Sign</i>	<i>Source</i>
HHI	Export concentration index measured by the Herfindahl-Hirschman Index (HHI), ranging from 0 to 1. A value closer to 1 indicates higher concentration and thus less diversification, while a value closer to 0 indicates lower concentration and thus more diversification.	Dependent variable	Calculated by the researchers based on Bank of Algeria reports
GDPC	GDP per capita (in constant 2000 US dollars)	Negative	World Development Indicators, 2024
IND	Value added of the industrial sector as a percentage of GDP (%)	Negative	//
AGV	Value added of the agricultural sector as a percentage of GDP (%)	Negative	//
FDI	Net inflows of foreign direct investment as a percentage of GDP (%)	Negative	//
EXCH	Exchange rate, expressed as the real effective exchange rate	Positive	//
INF	Inflation rate measured by the Consumer Price Index	Positive	//
HDI	Human capital measured by the Human Development Index (HDI)	Negative	//

Source: Prepared by the researchers based on previous studies

3.2. Results and Recommendations

3.2.1. Time Series Stationarity Test

The Phillips-Perron test probability was higher than the 5% significance level in most models for the various stationarity tests, except for per capita GDP series, which was stationary at the level. However, when conducting the unit root test at the first differences, the

corresponding probability was lower than the 5% (or 1%) significance level, leading to the rejection of null hypothesis (presence of a unit root), indicating that the time series were stationary at the first differences. The stationarity of some variables at the level and others at the first differences suggests the possibility of a cointegration relationship between these time series, allowing the estimation of ARDL model.

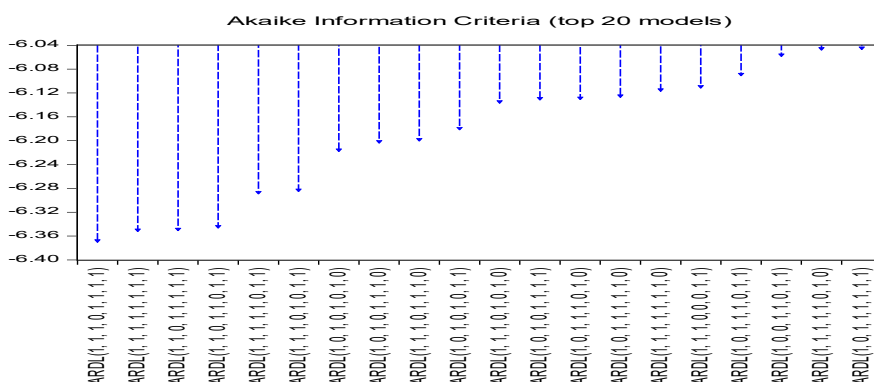
3.2.2. Cointegration Test (Bounds Test)

The results of the Bounds Test for cointegration indicate that the calculated F-statistic (F-stat = 4.6547) is greater than the upper bound at the 5% and 10% significance levels. Therefore, we reject the null hypothesis and accept the alternative hypothesis, which suggests that there is a cointegration relationship between the dependent variable, the HHI index, and the other explanatory variables included in the model.

3.2.3. Optimal Selection of the Distributed Lag Autoregressive Model

Based on the Akaike Information Criterion (AIC), the optimal ARDL model in terms of lags number for the variables included is (1, 1, 1, 0, 1, 1, 1, 1).

FIG.1. Optimal ARDL Model Selection



Source: Prepared by the researchers using *EVIIEWS 10*

3.3. Estimation Results

3.3.1. Long-term Estimation Results

The results of estimating long-term coefficients within the ARDL framework indicate that the p-values corresponding to Student's t-statistics for most coefficients are not significantly different to zero.

They exceed the 5% and 10% significance levels, except for the per capita GDP and human capital coefficients. The per capita GDP variable has a positive but very weak effect (1% increase in per capita GDP leads to a 0.0145% increase in the export concentration variable (HHI)).

**Table 2: Long-term Coefficient Estimation Results
(Cointegration Relationship)**

<i>Variable</i>	<i>Coefficient</i>	<i>Student's t-Statistic</i>	<i>p-Value of t-Statistic</i>
GDPC	0.000145	2.660636	0.0324
AGR	-0.012891	-1.341918	0.2215
IND	-0.001043	-0.370793	0.7218
FDI	0.015442	1.103896	0.3061
EXCH	0.000766	0.573116	0.5845
INF	0.005087	1.342062	0.2215
HDI	-2.170643	-2.635407	0.0336
C	1.903628	3.757184	0.0071

Source: Prepared by the researchers using EVIEWS 10

▪ **Effect of Per Capita GDP**

The positive effect of Algeria's average per capita GDP on the export concentration index can be explained from several perspectives.

Firstly, a significant portion of GDP comes from the hydrocarbons and extractive industries, despite some being converted into semi-finished products, reflecting a weak degree of economic diversification.

Secondly, it can be explained by the structural imbalances and disruptions related to national production system inflexibility across various sectors (investments uncertainties). This has supported commercial activity as an economic sector generating income and profits, making imports a major component of aggregate supply, which covers a significant portion of aggregate demand for goods and services (imported). This led to a depletion of important foreign currency reserves during the period (2004-2015), instead of adopting an economic

diversification strategy aligned with the national economy's comparative advantage.

Additionally, administrative and financial corruption disrupted many investment projects across various sectors, but that did not remain the case due to increased political awareness of governance standards in public institutions and administrations. This includes assigning local development responsibilities to the governor's authority, lifting the freeze on many investment projects²³, and encouraging new entrepreneurial ventures creating wealth in several sectors, reflecting an improvement in the export concentration index values during the period 2020-2022 (0.90 to 0.86), despite the coinciding COVID-19 health crisis.

▪ ***Effect of the Agricultural and Industrial Sectors***

The agriculture and industrial added values as a percentage of GDP are not significant at either 1% or 5% level. This indicates that there is no effect on export diversification in the long run, which may explain the failure of economic diversification strategies intended by many economic development programs. Most local and foreign investments have concentrated on extractive industries and hydrocarbons, despite recent investments in household appliances industries and food industries addressed to national market needs, with only a small portion directed at exports.

▪ ***Inflation, Exchange Rate, and FDI Effects***

This study found no statistically significant effect of inflation, exchange rate or FDI in the long term, contrary to many studies.

▪ ***Human Capital Effect***

The current study indicates a negative effect of human capital on the HHI export concentration, meaning a positive impact on export diversification. This suggests that the qualifications of Algeria's human resources, both in terms of quantity and quality, play a role in raising productivity and quality of national products, especially after restricting imports and implementing expenditure rationalization policies following the drop in oil prices after 2015. This prompted capital owners to enter various business fields due to the widening supply gap (import restrictions) and rising prices, which increased investment yields.

However, these investments mainly cover national market needs and still do so today, due to significant investment opportunities and increasing demands for previously imported goods and services, particularly given the rapid changes in Algerian consumer behavior. This situation will help investors, and the Algerian workforce gain experience and establish their presence, leading to economies of scale (lower production factor costs as a comparative advantage) and seeking nearby regional foreign markets to enhance economic diversification and export diversification. This will activate the key role of human capital in research, development, and entrepreneurship.

This is evident from the various measures taken by the President, aimed at strengthening international regional relations and international trade, such as with neighboring countries (Tunisia, Mauritania...), African countries in general, and some European countries (Italy and Russia, etc.), as well as Canada. This will allow Algerian products in sectors outside hydrocarbons to penetrate international value chains and expand their regional and international market presence.

▪ ***Constant Term Effect***

The constant variable showed a significant effect at the 1% level with a very large coefficient, highlighting the importance of other factors that may be qualitative:

The governance of public institutions, which are crucial for sectors creating value outside the hydrocarbons sector. These issues caused market structure imbalances, increased speculation and monopolies, disrupted many investments across sectors, and led to the failure of numerous entrepreneurial projects.

The quality decline of many infrastructure projects and their periodic renovation, among other forms of administrative and financial corruption, had a profound impact, consequently on economic sectors' production, which reinforces export concentration.

3.3.2. Short-term Estimation Results

The short-term estimation results are illustrated in the table below.

Table 3: Short-term Relationship Estimation Results According to the ARDL Methodology

<i>Variable</i>	<i>Coefficient Value</i>	<i>Student's t-Statistic</i>	<i>p-Value of t-Statistic</i>
D(GDPC)	0.000187	7.526055	0.0001
D(AGR)	0.002097	1.251045	0.2511
D(FDI)	-0.001899	-0.694905	0.5095
D(EXCH)	0.001793	5.087025	0.0014
D(INF)	-0.000201	-0.365339	0.7256
D(HDI)	-2.930054	-6.474082	0.0003
(1-) CointEq	-0.661878	-9.474686	0.0000
R-squared	0.917928		
Adjusted R-squared	0.885100		

Source: Prepared by the researchers using EVIEWS 10

▪ *Per Capita GDP and Human Capital Effect*

There is a positive but very weak and nearly negligible effect of per capita GDP on the HHI, and a negative effect of human capital (D(HDI)), represented by the Human Development Index (HDI), as found in the long-term relationship estimation. This maintains the previous interpretation, highlighting the importance of human capital as a key factor in economic diversification and export diversification.

▪ *Exchange Rate Effect*

In contrast to the long term, a positive effect of the exchange rate on the export concentration index was found in the short term. This is due to several factors related to the Algerian exchange rate system, which is almost fixed except during occasional devaluations by monetary authorities due to the large volume of imports.

3.4. Model Validity Test

The validity of the estimated model is tested through several checks:

3.4.1. Statistical Tests

▪ *Jarque-Bera Normality Test*

The p-value (0.1223) is greater than the 5% significance level, so we accept the null hypothesis of normally distributed errors and reject the alternative hypothesis.

▪ *Breusch-Godfrey Serial Correlation LM Test*

The p-value (0.2644) is greater than the 5% significance level, so we accept the null hypothesis that serial correlation between errors is not different from zero and reject the alternative hypothesis.

▪ *Breusch-Pagan-Godfrey Heteroscedasticity Test*

The p-value (0.8869) is greater than the 5% significance level, indicating acceptance of the null hypothesis of homoscedasticity and rejection of the alternative hypothesis.

Table 3: Tests for Normal Distribution, Serial Correlation, and Heteroscedasticity in the Estimated Model

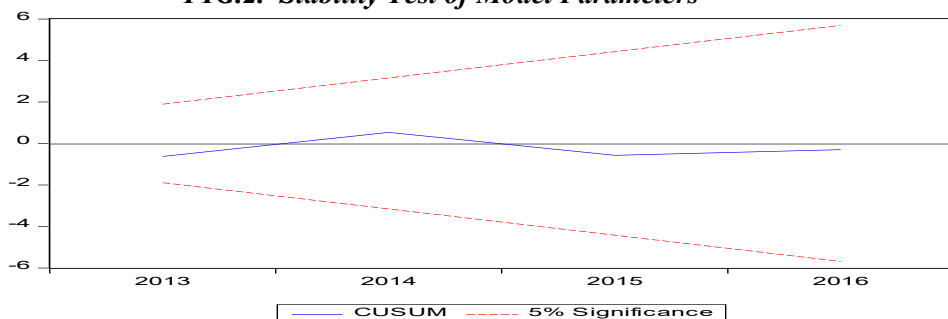
<i>Tests</i>	<i>Statistic Test</i>	<i>p-Value</i>
Jarque-Bera Normality Test	4.2018	0.1223
Breusch-Godfrey Serial Correlation LM Test	1.8892	0.2644
Breusch-Pagan-Godfrey Heteroscedasticity Test	0.4772	0.8869

Source: Prepared by the researchers using EVIEWS 10

3.4.2. Structural Stability Test

This is done using the Cumulative Sum of Recursive Residuals (CUSUM) test. The results showed that the model is stable throughout all study periods, as the CUSUM statistics remained within the critical bounds at the 5% significance level. Therefore, it can be concluded that the model parameters are stable and there is no structural change.

FIG.2. Stability Test of Model Parameters



Source: Prepared by the researchers using EVIEWS 10

Based on the results of the previous tests, we conclude that the estimated model is statistically valid and robust.

4. Conclusion

After reviewing most theoretical studies related to the GVC and export diversification determinants in developing economies, particularly those exporting raw materials, and identifying the main conditions for accessing GVC and determinants of economic and export diversification, we have used the Autoregressive Distributed Lag (ARDL) model with the Herfindahl-Hirschman Index (HHI) measuring export concentration as a dependent variable to test the type, nature, and strength of its relationship with a set of independent variables, including per capita GDP, value added by the agriculture and industry sectors as a percentage of GDP, exchange rate, inflation rate, and Human Development Index (HDI).

Based on the empirical results which confirm our precedent hypothesis, and considering the characteristics of the national economy used in interpreting these results, we propose the following recommendations:

- **State Investment in Infrastructure**

The state should focus on implementing infrastructure projects and equipping facilities with modern tools to utilize idle economic resources and enhance their operational efficiency. This should be done in a manner that ensures transparent information flow and facilitates

investment decision-making, thus improving the performance of economic institutions by increasing the flexibility and productivity of production factors.

- ***Support for Wealth-Creating Enterprises***

The state should support wealth-creating enterprises across various sectors by applying the principle of learning by doing and learning for export. This could involve a temporary protective trade policy to assist small and medium enterprises and active companies in the IT sector to achieve economies of scale.

Subsequently, national markets should open to foreign products to create competition, helping national firms to enter international value chains and expand their product space.

- ***International Cooperation***

The state should leverage and activate all forms of regional and international cooperation, particularly within the Arab and African contexts. Economic diplomacy should be employed to open markets and free trade areas, increasing international trade volumes and providing national economic institutions with experience to penetrate global markets, while considering consumer preferences and product quality in each country. This is what was accomplished recently in the recent forum organized by the Ministry of Commerce through the Intra-African. Trade Forum (04-10 September 2025 Gateway To New Opportunities)

- ***Financial and Logistical Support Programs***

Develop and implement a program containing a range of financial and logistical services to support target firms in exporting their products according to a clear strategy. This includes facilitating their entry into international markets and marketing them domestically, considering the size of the firm.

- ***Enhancement of Sectoral Efforts***

Value and support the efforts of sectoral institutions, such as bureaus and associations, aimed at improving the quality and image of national products for export.

- ***Establishment of Support Offices***

Create support offices for businesses of all sizes, with a focus on sector-specific and market-specific expertise. These offices should assist in strategic decision-making and project implementation in foreign markets, especially for innovative and exportable products.

- ***Strengthening Business Intelligence***

Enhance business intelligence by establishing opportunity analysis committees within ministries, managed by experts who capture strategic information (market, product, client) to understand business opportunities and international trade challenges. Information and strategic ideas should be shared through electronic platforms accessible to all investors in the sector, supporting their defense strategies.

- ***Digitization***

Implement digitization across all sectors to monitor and support the performance of businesses and markets, especially given the rapid growth of e-commerce.

- ***Ongoing Strategic Monitoring***

The Algerian policymakers should develop and implement a renewed strategic monitoring plan for key sensitive sectors where the national economy has a comparative advantage and resources that qualify for export and contribute to sustainable development.

- ***Analysis of Diversification Strategies***

Analyze economic diversification, export diversification, and economic take-off strategies practiced in other countries to determine possible intervention methods or adjustments that align with the Algerian specific characteristics, while not neglecting the improvement and activation of systems for sharing strategic international information.

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