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THE MAIN PRINCIPLES OF PETROLEUM POLICY IN ALGERIA

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ABSTRACT

Petroleum policies are implemented through the development of the legal and legislative frameworks governing the sector. Algeria seeks to preserve its position in the global oil market, which has led it to adopt several reforms intended to keep pace with domestic and international developments and address crises affecting the national economy. Algeria aims to consolidate its position in the petroleum market and strengthen its standing in the natural gas market, which has become one of the most important instruments of national economic security from a geopolitical perspective.

KEYWORDS

Hydrocarbons Law, Partnership Contracts, Principles of Petroleum Policy

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Introduction

The hydrocarbons industry is a strategic sector and a backbone of the Algerian economy. The petroleum industry is among the activities that contribute significantly to economic development worldwide. Oil is important because it is a major commodity in international trade and a principal source of revenue for many states. The sector relies heavily on foreign investment because it requires advanced technology and modern equipment. Despite its substantial revenues, however, it periodically experiences price fluctuations caused by global economic crises. Among the crises that had a particularly strong impact on Algeria was the global crisis referred to in the source as occurring in 1989, during the economic turmoil of the mid-1980s. Algeria faced an economic crisis with severe political and social consequences, the effects of which took approximately fifteen years to address, particularly in the context of the Black Decade and the threat of terrorism. To confront the crisis, the Algerian state introduced several economic reforms, including major reforms in the hydrocarbons sector. This paper therefore addresses the following question: What are the main principles underpinning petroleum policy in Algeria, with particular attention to the reforms that the sector has undergone?

Beyond the legal and economic dimensions of petroleum policy, broader governance conditions can also shape public institutions and policy outcomes. Research on North African societies has examined the relationship between identity alienation and corruption, highlighting the importance of considering wider social and ethical challenges when discussing public affairs (Hafid, Bouroubi, & Khammar, 2025).

Institutional modernization is another relevant dimension of public-sector reform. In the Algerian context, research on a public institution has explored how digitization relates to administrative creativity, including efficiency, cooperation, and adaptation (Khammar, Kouachi, Boumedjane, Amejouj, & Mabrouki, 2025). Although these studies do not focus specifically on the hydrocarbons sector, they provide a broader governance context for examining institutional reform in Algeria.

To answer this question, the paper follows the outline below:

- I. Foundations of reforms in the hydrocarbons sector
- I.1. Development of hydrocarbons legislation in Algeria since independence
- I.2. Main stages in the development of hydrocarbons laws
- I.2.1. Hydrocarbons Law No. 86-14
- I.2.2. Hydrocarbons Law No. 91-21, amending and supplementing Law No. 86-14
- I.2.3. Hydrocarbons Law No. 05-07
- I.2.4. Law No. 06-10 amending and supplementing the Hydrocarbons Law
- I.3. The dynamics of Sonatrach's control over the oil sector
- II. Principles of petroleum policy in Algeria
- II.1. The principle of preserving national sovereignty
- II.2. Partnership as a relationship based on cooperation
- III. Partnership contracts in the hydrocarbons sector
- III.1. Conditions for concluding a partnership contract
- III.2. Organization of partnership contracts
- III.3. Subject matter of the partnership contract

I. Foundations of Reforms in the Hydrocarbons Sector

The foundations of the reforms introduced in the hydrocarbons sector can be traced through a number of laws, the most important of which are discussed below.

I.1. Development of Hydrocarbons Legislation in Algeria Since Independence

On 5 July 1962, following independence, Algeria became the principal owner of the country's hydrocarbon resources. France nevertheless retained effective control over the management of this wealth through the French Petroleum Research and Exploitation Company in Algeria (SN REPAL). French legislation, particularly the 1958 Saharan Petroleum Law, therefore remained in force under the Evian Accords.

On 31 December 1963, the National Company for Research, Production, Transportation, Processing and Marketing of Hydrocarbons—Sonatrach—was established. It later became an instrument of national policy in the hydrocarbons sector. Initially, Sonatrach was responsible for transporting and marketing hydrocarbons, before gradually expanding into other petroleum activities.

On 29 July 1965, the Algiers Agreement was signed. It maintained the concession system but required the French companies Total and Elf to pay part of their profits to the Algerian state.

On 24 August 1967, Algeria decided to nationalize the refining and distribution activities of the American companies Mobil and Esso.

On 19 October 1968, Sonatrach signed an agreement with the American Getty Oil group, under which the national company recovered a 51% interest in its operations in Algeria. This strengthened Algeria's position in relation to the French side.

On 24 February 1971, Algeria nationalized the hydrocarbons sector and thereby recovered full sovereignty over its hydrocarbon resources. Foreign companies wishing to invest in exploration and production were consequently required to partner with Sonatrach and establish a company registered under Algerian law.

On 12 April 1971, Ordinance No. 71-22 was issued to define the framework within which foreign companies could conduct activities related to the exploration for and exploitation of liquid fuels in Algeria.

On 27 February 1975, Ordinance No. 75-13 was issued. The source describes it as increasing royalties and taxes to 20% for liquid hydrocarbons and 5% for gaseous hydrocarbons, and setting the direct petroleum tax on Sonatrach's profits at 85%.

On 19 August 1986, Law No. 86-14 was adopted following the oil crisis, which had caused a serious financial crisis in Algeria. The law, described in the source as liberalizing, primarily sought to encourage investment and introduced a new contractual model: the production-sharing contract. Under this law, exploration, prospecting, exploitation of hydrocarbon fields, pipeline transportation, natural-gas liquefaction (NG), and the processing and separation of liquefied petroleum gas (LPG) were subject to royalty and income taxation.

On 4 December 1991, Law No. 86-14 was amended to extend its scope to the exploration for and discovery of natural gas. The amendment also provided a mechanism for settling disputes between foreign

investors and Sonatrach under partnership contracts. These changes revived exploration activities and contributed to important discoveries.

On 28 April 2005, Law No. 05-07 on hydrocarbons was adopted to modernize the tax system and attract foreign investors. The changes formed part of broader economic reforms aimed at opening activities to competition and supporting Algeria's ambition to join the World Trade Organization. Certain powers previously exercised by the national company were assigned to two newly established agencies: the National Agency for the Valorization of Hydrocarbon Resources (ALNAFT) and the Hydrocarbons Regulatory Authority (ARH).

On 29 July 2006, Ordinance No. 06-10 required Sonatrach to hold a minimum 51% participation, particularly in partnership contracts, and introduced a tax on exceptional profits.

On 20 February 2013, Law No. 13-01 amended and supplemented Law No. 05-07 by introducing new incentives intended to make the national hydrocarbons sector more attractive, including frontier areas and geologically complex fields. The measures were designed to intensify exploration and identify new unconventional hydrocarbon resources. The law also introduced a system for screening excess profits applicable to beneficiaries of a reduced rate of additional income tax (ICR).

On 11 December 2019, Law No. 19-13 governing hydrocarbons activities was adopted. It aimed to develop the institutional framework and introduce a simpler, more competitive tax system to encourage foreign partners to participate. This flexibility was intended to enable the foreign partner and the national company to achieve acceptable economic results while ensuring tangible returns for the state. The law also promotes economic and social development through provisions prioritizing goods and services produced in Algeria. Among its stated aims are the safe, sustainable and optimal development of hydrocarbon resources, meeting domestic energy needs, and strengthening environmental protection.

I.2. Main Stages in the Development of Hydrocarbons Laws

I.2.1. Hydrocarbons Law No. 86-14

Law No. 86-14 of 19 August 1986, concerning exploration, prospecting, exploitation and pipeline transportation of hydrocarbons, was one of the principal laws reforming Algeria's hydrocarbons sector. It contained provisions opening the sector to foreign direct investment and established a general framework for partnerships between Sonatrach and foreign petroleum companies.

This period was characterized by the conclusion of production-sharing contracts. Beginning in 1986, Algeria launched its first major reform of the hydrocarbons sector by introducing partnerships with foreign companies into the legislative framework. It thereby moved away from the previous monopoly position and opened exploration and production activities more widely to foreign companies. The law established rules governing these activities, defined the forms of partnership, and specified the rights and obligations of the partners.

The law granted certain rights and benefits to the holder of a mining title issued by the Minister of Energy. The national company was entitled to conduct exploration, prospecting, exploitation and pipeline transportation. The principal rights and arrangements applicable to foreign companies included the following:

- Foreign participation could take either of two forms: participation through a legal entity, or the establishment of a joint-stock commercial company governed by Algerian law and headquartered in Algeria.
- The foreign partner's share of production from a discovered field could not exceed 49%.
- The foreign partner could receive a share of production from the discovered field as compensation for its costs and remuneration, as specified in the participation contract.
- The foreign partner could receive payment in cash or in kind when a field was discovered and entered commercial production.
- Article 63 allowed the foreign partner to resort to international arbitration in the event of a dispute.

The law also provided exceptions to the partnership framework:

- Article 23 excluded the gas sector from the partnership regime. Where gas was discovered instead of oil, the foreign partner was to be reimbursed for the expenses incurred in making the discovery.
- Article 65 provided that the law applied only to new discoveries; fields discovered before its enactment were excluded from partnerships.
- Article 17 kept hydrocarbon pipeline transportation outside the partnership framework and preserved Sonatrach's monopoly in this activity.

I.2.2. Hydrocarbons Law No. 91-21, Amending and Supplementing Law No. 86-14

Only a few years after the earlier law entered into force, the Algerian authorities concluded that it contained shortcomings and had not fully achieved its intended objectives. Amendments were therefore introduced in 1991 through Law No. 91-21, issued on 14 December 1991. The new law removed or revised certain provisions and introduced substantive changes, including:

- Amending Article 65 of Law No. 86-14 to extend partnership arrangements to petroleum fields discovered before 1986.
- Broadening the scope of hydrocarbon exploitation by replacing the expression “liquid hydrocarbons” with “hydrocarbons,” a broader term encompassing crude oil and natural-gas liquids and, as described in the source, gaseous and solid forms.
- Allowing pipeline transportation activities to be undertaken for a national entity.
- Permitting a foreign partner to finance, construct and operate pipelines and facilities related to hydrocarbon transportation on behalf of the national entity.
- Requiring the participation contract to specify financing and operating conditions and how investments in pipelines and related facilities would be constructed and managed.
- Providing that a foreign legal entity could conduct pipeline activities only in partnership with the national entity.

I.2.3. Hydrocarbons Law No. 05-07

Law No. 05-07 of 28 April 2005 is one of Algeria’s principal legal instruments for regulating petroleum activities. It defines the legal framework for the sector and the rights and obligations of those operating within it. According to the former Minister of Energy, Chakib Khelil, its main objectives included:

- Defining the legal regime for hydrocarbon exploration, exploitation and pipeline transportation.
- Establishing free competition in hydrocarbon refining and processing, and in the storage and distribution of petroleum products, together with the facilities and infrastructure required for these activities.
- Defining the rights and obligations of natural and legal persons engaged in these activities.

The law granted operators engaged in hydrocarbon exploration and exploitation a range of rights, including rights to land and associated property, easements under the provisions of Mining Law No. 01-10 of 3 July 2001, and rights to use maritime areas under Ordinance No. 76-80 of 23 October 1976, which established the Maritime Code as subsequently amended. It also addressed expropriation under Law No. 91-21 of 27 April 1991, which sets out the rules for expropriation in the public interest.

I.2.4. Law No. 06-10 Amending and Supplementing Law No. 05-07

The principal amendments introduced by Ordinance No. 06-10 included setting Sonatrach’s participation in partnership contracts at a minimum of 51% and applying a non-deductible tax on profits when the average oil price exceeded USD 30 per barrel. According to the source, for contracts concluded between Sonatrach and foreign companies under Law No. 86-14, this tax ranged from a minimum of 5% to a maximum of 50%, as specified in Article 12. The two agencies established under Law No. 05-07 were retained, while the advisory council attached to the regulatory authority was replaced by a monitoring council tasked with following the agency’s performance in implementing national hydrocarbons policy, under Article 45.

Before the nationalization decisions of 24 February 1971, Algeria had already pursued a gradual policy of regaining control over hydrocarbons, beginning with transportation and later extending to exploration and production. After Sonatrach was established, it began operating an oil pipeline in 1966, acquired British Petroleum (BP) interests in January 1967, and nationalized all distribution companies in August 1967. Sonatrach also entered into an early 51/49 partnership with the American company Getty. By the end of 1967, Algeria reportedly controlled approximately 75% of transportation, 65% of exploration and refining, and all distribution.

I.3. The Dynamics of Sonatrach's Control over the Oil Sector

The development of Sonatrach's control over the petroleum sector can be observed in Table 1.

Table 1. Dynamics of Sonatrach's Control over the Petroleum Sector (1966–1972)

Type of control	1966	1967	1968	1969	1970	1971	1972
Investment areas operated by Sonatrach	12	21	51	65	92	100	100
Oil production	11.5	11.8	13.7	17.75	35	56	77
Natural-gas reserves under Sonatrach control	18	19.5	19.5	19.5	23.5	29	100
Pipeline transportation	38	38	39	40	50	98	100
Oil refining	20.4	44	66	66	90	100	100
Distribution in Algeria	0	48.6	100	100	100	100	100

Source: Sonatrach bulletin (1972), in Belkacem Madi, Petroleum Revenues: Problems and Prospects, doctoral dissertation, University of Annaba, 2007, p. 16.

For Algeria, 24 February 1971 marked the nationalization of hydrocarbons, when concessions granted to foreign companies were cancelled and their rights transferred to the national company, Sonatrach. The decisions announced by the late President Houari Boumediene during the Labour Day celebrations on 24 February 1971 included the following:

- Acquiring a 51% share in French companies operating in Algeria, thereby establishing effective control over hydrocarbons and enabling Algeria to control 56% of total oil production.
- Complete nationalization of natural-gas fields, bringing all gas reserves under state control.
- Nationalization of land-based oil and gas transportation, including all pipelines located on Algerian territory. Legislative Decree No. 71-22, issued on 12 April 1971, followed these decisions and ended what were described as acquired rights and the concession principle for foreign companies that had regarded themselves as the sole owners of petroleum resources.

The nationalization of French companies inevitably provoked a reaction. Algeria stated that it would continue supplying the French market with oil at prevailing market prices. France claimed not to challenge Algeria's right to nationalize its resources, but considered the decision unlawful because it had been taken unilaterally and allegedly conflicted with the Franco-Algerian agreement. The amount of compensation had not been agreed in advance, and France accused Algeria of imposing an oil embargo. The source argues, however, that French companies in practice initiated a form of embargo against Algeria, which was implementing its first four-year development plan (1970–1973) and urgently needed financing.

French companies used several forms of pressure, including refusing to load Algerian oil; claiming that Algerian petroleum could not find a market outside France and obstructing access to European markets, since the main transportation route passed through France; pressuring international industrial and financial organizations that might establish economic relations with Algeria and urging them to boycott Algerian oil; and cancelling the work contracts of approximately 10,000 Algerian workers authorized to work in France.

Algeria initially faced difficulties entering international markets because other countries hesitated to conclude contracts, partly in response to French threats to undermine agreements with Algeria. The country also lacked sufficient qualified national personnel to manage the petroleum sector after foreign companies withdrew. Once Algeria demonstrated its determination to defend its interests, several countries began doing business with it. One example cited is the agreement between Sonatrach and the American company El Paso,

which was regarded as a gain for Algeria and confirmation that it had prevailed in its struggle to end the dominance of colonial-era companies.

The broader consequences of nationalization movements, including those undertaken later by other oil-exporting states, were substantial. Industrialized oil-consuming countries came to perceive their supply security as threatened because oil was no longer controlled by the major companies, particularly American firms that had previously controlled an estimated 70–80% of the petroleum industry outside the United States. The upper segments of the industry increasingly came under producer-state control, while many downstream activities—transportation, storage, refining and distribution—remained under the control of international companies. Within a few years, the vertically integrated market dominated by multinational corporations had evolved into a two-centred or "bicephalous" market. Nationalization also changed the objectives of producer states: unlike foreign companies primarily seeking to maximize financial profit, governments pursued economic, social, political and military benefits. It strengthened exporting states' international position and their confidence in their ability to challenge powerful oil monopolies. Although the rise in oil prices following the first oil shock is often considered a major turning point, the source argues that nationalization, which occurred at approximately the same time, was the decisive transformation because transferring ownership of oil fields and shares in international companies to host states fundamentally changed the legal, economic and organizational rules of the petroleum industry.

II. Principles of Petroleum Policy in Algeria

II.1. The Principle of Preserving National Sovereignty

Across its different historical stages, Algerian petroleum policy has affirmed the principle of preserving national sovereignty. Petroleum-related issues have therefore had a political character because hydrocarbons constitute one of the country's most strategic sectors. Full sovereignty over national wealth and its reassessment were enshrined as constitutional principles in Algeria's constitutions: Article 25 of the 1976 Constitution recognized the state's sovereignty over its national territory, airspace and maritime territory, including natural resources beneath the ground. This principle was reiterated in the National Charter, the 1989 Constitution, Article 17 of the 1996 Constitution, and Article 20 of the 2020 Constitution.

These provisions support two main conclusions. First, full sovereignty over the hydrocarbons sector belongs to the state, directly or through Sonatrach, the national company authorized to obtain mining or petroleum titles. Foreign natural or legal persons may conduct activities only in partnership with Sonatrach, with a minimum 51% Sonatrach share in the oil sector. The source states that this enabled Algeria to control 56% of total oil production, while gas remained wholly state-owned under the nationalization decisions. Investment by domestic or foreign private entities was permitted on the condition that the state, through its national company, retained a majority interest in petroleum activities. This issue became a central point of contention in debates over new hydrocarbons laws intended to open the sector to foreign companies.

Second, pricing was considered a matter for the national authorities rather than petroleum companies. The state adopted legislative rules, including Decree No. 71-22 of 12 April 1971, to regulate hydrocarbons activities at every stage, end the notion of acquired rights, abolish the concession principle for foreign companies, and regulate taxation. These rules included setting minimum posted prices for Algerian oil and affirming Algeria's right to determine the prices of its petroleum products unilaterally. They also amended the pricing rules contained in concession agreements associated with the 1958 Saharan Petroleum Law and established the final values used to calculate applicable taxes and assess taxes owed by foreign companies. The prices could be revised if international petroleum economic conditions changed substantially, reflecting the principle of changed circumstances.

As a member of both OPEC and the Organization of Arab Petroleum Exporting Countries (OAPEC), Algeria's posted oil prices also became subject to coordinated decisions among member governments, particularly within OPEC. The organization provided a degree of protection for member states and helped safeguard their interests against exploitation by international companies. Given its petroleum resources, Algeria sought to establish itself as an influential oil-producing state within OPEC and the global market. A state's role and influence, however, depend on the resources and distinctive advantages it possesses, the confidence these inspire among commercial partners, and the extent to which its resources can influence the international oil market. It is therefore useful to consider the development of Algeria's proven oil reserves.

Table 2. Development of Algeria's Proven Oil Reserves, 1986–2008

Unit: billion barrels

1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
8.8	8.6	9.2	9.2	9.2	9.2	9.2	9.2	10.0	10.0
1996	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	
10.8	11.2	11.3	11.3	11.3	11.2	11.2	11.3	11.8	
2005		**2006**		**2007**			**2008**		
11.8		12.3		12.3			12.3		

Source: BP. Statistical Review of World Energy, June 2010.

Analysis and Interpretation of the Indicators

Algeria attaches considerable importance to public policymaking in the hydrocarbons sector, one of the country's most important economic sectors. The source states that hydrocarbons account for 70% of state budget revenues, contribute 35% of gross domestic product, and generate approximately 98% of Algeria's external revenues. It also describes Algeria as the world's twelfth-largest oil producer, producing 1.2 million barrels per day, and as the fifth-largest gas exporter, with exports of 60 billion cubic metres. In 2022, Sonatrach, in cooperation with Italy's Eni, reportedly identified reserves of up to 140 million barrels in the Zemlet El Arbi area of the Berkine Basin. In 2023, the country recorded around 15 oil and gas discoveries, most made by Sonatrach. These discoveries formed part of a major company programme targeting USD 40 billion in investment by 2027, including USD 30 billion for oil and gas exploration. The source further reports that in 2025 Sonatrach made eight oil and gas discoveries in Béchar, south of In Salah, north of Djanet, south of Illizi and north of Ouargla. These figures are reproduced as reported in the source and have not been independently verified.

These indicators demonstrate the importance of hydrocarbons in Algeria and explain why successive governments have made the sector a priority. Their efforts to develop and regulate the sector, and to make it a driver of national development, have directly affected the legal and institutional framework, generating changes and transformations that have prompted—and continue to prompt—considerable debate.

II.2. Partnership as a Relationship Based on Cooperation

Partnership is fundamentally based on cooperation between the shared and reciprocal interests of petroleum-producing states and states that possess the relevant technology. Algeria adopted partnership contracts as a new contractual model in the petroleum sector. Article 5 of Law No. 05-07 defines partnership contracts as contracts for the exploration and/or exploitation of hydrocarbons concluded between Sonatrach, a joint-stock company, and one or more foreign partners, under the provisions of Law No. 86-14 of 19 August 1986, as amended and supplemented. Law No. 86-14 also defines a partnership as a contract between the national company and one or more foreign legal persons that establishes the rules governing their participation, particularly their contributions to costs, risks and results, as well as the manner in which the foreign partner benefits.

III. Partnership Contracts in the Hydrocarbons Sector

III.1. Conditions for Concluding a Partnership Contract

Executive Decree No. 87-158, concerning the identification and monitoring of foreign companies applying to participate in the exploration for, prospecting of and exploitation of liquid hydrocarbons, specifies the conditions and procedures for concluding partnership contracts. The requirements relating to the national entity, particularly Sonatrach, include possession of a valid mining title.

Articles 2 and following set out requirements applicable to foreign companies, including:

- Prior and subsequent oversight by the Algerian state: the Minister of Energy and Mines must be informed of the mechanisms used to monitor the foreign company, both before and after the contract is approved.
- Central monitoring of such contracts: the Minister of Energy must be informed of contracts concluded by foreign companies with Algerian companies, especially subcontracting and subcontracts.
- Organization of the legal rules governing companies, investment and foreign partnerships in a manner consistent with developments in international agreements.
- Identification of parties eligible to conclude such contracts, including natural and legal persons holding more than 40% of the foreign company's capital.
- Identification of individual partners who hold 10% of the foreign company's capital and have authority within its board of directors, including partners with majority voting rights.
- Specification of the conditions for obtaining a partnership authorization, which vary according to the circumstances: applications for a mining title for prospecting, exploration or exploitation; partnerships without separate legal personality under Article 3 of Executive Decree No. 96-118; and partnerships intended to establish a joint-stock company. In the latter case, the national entity holds the mining title, which must remain valid, and the granting of mining titles is subject to Law No. 01-10.

III.2. Organization of Partnership Contracts in the Hydrocarbons Sector

The law did not prescribe a single procedure for concluding partnership contracts. Instead, the Algerian legislature left Sonatrach and its foreign partner free to choose the method of contracting in accordance with customary commercial practice in the hydrocarbons industry. Sonatrach often concluded partnership contracts through public tendering following national and international calls for bids. It also entered into contracts directly with specialized partners whose expertise matched the subject matter of the proposed partnership. In the context of commercial exchanges between oil-exporting countries, the Minister of Energy and Mines could also conclude protocols with foreign partners.

III.3. Subject Matter of the Partnership Contract

Article 1 of Hydrocarbons Law No. 05-07 identifies the activities in which partnerships may be established. Foreign companies may partner in hydrocarbon prospecting, exploration and exploitation. Executive Decree No. 87-158 further describes the framework and content of partnership contracts, which specify the rights and obligations of the Algerian and foreign partners, their respective investment contributions, their sharing of risks and results, the preparation of work programmes, and arrangements for management and administration. Contracts may also specify the foreign partner's share of new discoveries and provide for distinct exploration or prospecting phases and the duration of each phase. They may provide for renewal. The parties may structure their participation within the limits of Algerian law and the validity period of mining titles, and may include an arbitration clause to settle disputes outside the jurisdiction of Algerian courts.

III.4. Approval of the Partnership Contract

Approval of partnership contracts is addressed in Article 5 of Executive Decree No. 87-158, which originally provided that contracts and protocols were to be approved by decree. Article 8 of Executive Decree No. 96-118 amended this provision by deleting the word "protocols." Approval is required under the applicable legislation and is given following the signing of exploration and/or exploitation contracts and their appendices by the National Agency for the Valorization of Hydrocarbon Resources (ALNAFT) and the contracting party.

Mining titles for hydrocarbon exploration and/or exploitation are issued only to ALNAFT, the National Agency for the Valorization of Hydrocarbon Resources. The source also refers to Executive Decree No. 07-187 on the issuance of mining titles and to Article 23 of the 2005 Hydrocarbons Law. The original document's discussion of this provision ends mid-sentence; no missing wording has been supplied.

Conclusions

Algeria attaches great importance to the hydrocarbons sector, as reflected in the central role assigned to petroleum policy in the formulation of national public policy. This policy is based on respect for national sovereignty and on partnership grounded in cooperation to attract investment into the hydrocarbons sector. The sector is particularly sensitive because of its close connection to economic security, which underpins the other national sectors. Algeria seeks to develop it by increasing reserves and production through exploration, as well as by expanding investment and partnership.

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