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Algeria Politics & Security

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- > After several weeks of anticipation, Algeria has finally cut diplomatic relations with Morocco because of what Foreign Minister **Ramtane Lamamra** described as a proliferation of 'hostile acts' by Rabat.
- > He announced the decision on 24 August but, as we argue in this issue, the decision was not taken 'reluctantly' and nor was it 'inevitable' as Lamamra claimed. On the contrary, there is evidence to suggest that the decision had been taken purposefully and with considerable planning over several months.
- > This conspiracy, which we explore in some depth, involved: fabricating a false alliance between the Mouvement pour l'autodétermination de la Kabylie (MAK) and Rachad, which had been promoted by Morocco; designating the MAK and Rachad as terrorist organisations; then indicting them, with the support of Morocco, for both the forest fires in Kabylia and the mob-murder of **Djemal Bensmail**.
- > Morocco' alliance with Israel and its use of Israel's Pegasus spyware against Algeria were two real issues which added to Algiers' anger.
- > There is also evidence that Algeria's intelligence chiefs briefed their Western allies over several months about their impending plans to cut ties with Morocco.
- > State agents may have been involved, as many people in Kabylia believe, in starting at least some of the forest fires which officially killed 90-100 despite detailed evidence from the local authorities putting the death toll at 192 as of 30 August.
- > So far, the regime has put forward no evidence for any of its claims. None of the 22-23 alleged arsonists that were reportedly caught on the first day of the fires has yet been brought to court. It has not produced the text messages between the MAK, Rachad and Morocco, that it claims to possess, nor any of the other unspecified material evidence that has supposedly been found.
- > As anticipated, Algeria is closing the Gazoduc Maghreb Europe (GME) pipeline which carries gas to Spain and Portugal via Morocco. We explain that the economic and financial damage that the regime claims this will cause Morocco is greatly exaggerated.
- > There are unverified reports that around 20 directors of Sonatrach's foreign subsidiary companies have been dismissed. No reasons have been provided but speculation is that it may have something to do with their earning of, or access to, foreign currencies.

» Politics

Algeria cuts diplomatic relations with Morocco

Last week in **Algeria Politics & Security - 23.08.21** we said that Algeria would probably sever diplomatic relations with neighbouring Morocco and that it could also cancel the contract to export gas to Spain through the Gazoduc Maghreb Europe (GME) pipeline via Morocco. This week, it has done both in what may yet turn out to be the most serious break in bilateral relations since 1976 when they were not restored until 1988.

In this issue we analyse: what has led to this break in relations and how serious it might be; its linkage to the Kabylia forest fires; Algeria's spread of false information over both Morocco and the fires; along with subsequent developments in Kabylia.

A long history of bad relations

As anticipated Foreign Minister Ramtane Lamamra announced the severing of diplomatic relations with Morocco on 24 August following several weeks of tension. However, as we explain below, the break was made neither reluctantly nor inevitably but was in fact premeditated.

The heavily censored local Algerian media said that the decision, which was taken

reluctantly, was inevitable in the face of the proliferation of 'hostile acts' by Morocco. The last break in bilateral relations in 1976, was initiated by Rabat following Algiers' support for the Polisario Front.

Morocco had certainly been pushing its luck

Morocco had certainly been pushing its luck by behaving increasingly belligerently towards Algeria. It was also trying to punch far above its weight since former US President **Donald Trump's** 11 December 2020 announcement that the US would recognise Moroccan sovereignty over the disputed Western Sahara, in return for Rabat resuming diplomatic relations with Israel.

Morocco read too much into Trump's statement. As the experienced Ramtane Lamamra said, it can be 'substantially considered as a non-event', if only because it does not prevent the US from remaining committed to the UN process over the settlement of the Sahrawi question. It is unsurprising that Morocco was eager to take Trump's words at face value. As one commentator remarked: Morocco let itself be trapped by the illusion of false protection, or knowingly indulged in a game of liar poker that ended badly.

As Lamamra spelled out in his 24 August press conference, however, 'Morocco has never ceased to carry out hostile, unfriendly and malicious actions against our country since the independence of Algeria.' He cited the Sand War, which Morocco initiated in 1963 in an attempt to seize part of Algerian territory that had once fallen under the influence of the Moroccan Sultanate and left 850 dead on the Algerian side. Rabat unilaterally broke off diplomatic relations in 1976 with Algiers after its support for the self-determination of the Saharawi people. Lamamra claimed that Morocco had accused Algeria of being behind a terrorist attack so the latter had closed the border which remains shut today. As Lamamra knows full well, however, the 1994 terrorist attack on Marrakesh's Atlas-Asni Hotel was conducted by Algeria's Département du Renseignement et de la Sécurité (DRS) intelligence services. He also raised the incident of the Algerian flag being torn down at its Casablanca consulate on Algeria's Independence Day on 1 November 2013, while an angry mob demonstrated outside.

Then came the three serious acts of the past few weeks:

- the Moroccan Ambassador to the UN's outspoken support for 'the self-determination of the valiant Kabyle people' on 14 July;

- the world press's subsequent unveiling of Morocco's involvement in the Pegasus spyware operation which mainly targeted Algeria; and
- the Moroccan and Israeli foreign ministers launching thinly veiled threats from Rabat against Algeria on 14 August which criticised, among other things, its 'rapprochement with Iran.'

These three incidents certainly justified Algerian anger. However, since shortly after the start of the Kabylia forest fires on 9 August, it was becoming clearer by the day that Algiers was concocting a false narrative over the fires to try and incriminate Rabat in a heinous crime.

How Algeria plotted to incriminate Morocco in the Kabylia fires

Algeria's false narrative was given the official seal of approval by the Haut Conseil de Sécurité (HCS) meeting on 18 August (**Algeria Politics & Security - 24.08.21**). The HCS officially indicted the Rachad movement and the Mouvement pour l'autodétermination de la Kabylie (MAK) of the murder of Djamel Bensmail at Larbaâ Nath Irathen and the criminal outbreak of several fires in Kabylia (**Algeria Politics & Security - 17.08.21**). We will explain the falsity of this narrative later on but initially concentrate on the Moroccan dimen-

sion of the plot. Algiers used Morocco's 14 July statement of support for 'the self-determination of the valiant Kabyle people' as proof that Rabat was supporting the largely irrelevant MAK which has marginal domestic significance. It became the unsuspecting target of false allegations by the DRS in its early attempts to postpone the 12 June legislative elections and which the regime then found more useful to designate as a terrorist organisation (**Algeria Politics & Security - 24.08.21**).

The perverse logic is that if Morocco was supporting the MAK, for which there is no proof, and if the MAK can be proved to have started the fires in Kabylia, which has not yet been done, then Morocco can therefore be indicted as responsible for the forest fires. Using the same logic, if the regime can indict the MAK for the murder of Djemal Bensmail, then Morocco can also be incriminated in the crime.

Why Morocco rejects Algeria's reasons for severing ties

Ramtane Lamamra severed ties with Morocco because of its 'hostile acts' towards Algeria. Rabat cannot deny some of its recent provocative actions but the latest accusations against Morocco — namely its involvement in the murder of Djemal Bensmail and causing the Kabylia fires — are trumped up absurdities.

Its Ministry of Foreign Affairs said that the Kingdom rejected what it called an 'unjustified decision' and that the pretext for which is 'fallacious and absurd.' Rabat may be guilty of hostile acts but saying that it was involved in the Kabylia fires is ridiculous.

Perhaps more significant is the Morocco's statement that it would remain a credible and loyal partner to the Algerian people. This emphasised the fact that the ongoing enmity between the two countries is between the two regimes and not their respective peoples.

Why Israel and Morocco are accusing Algeria over Iran

On 12 August, during a visit to Morocco, the Israeli Foreign Minister, **Yair Lapid**, made serious accusations and threats against Algeria. He told the press that Israel and Morocco were 'concerned about the role played by Algeria in the region, its rapprochement with Iran and the campaign it is waging against the admission of Israel as an observer member of the African Union.'

Lapid is correct in that many countries have been concerned for some time about Algeria's role in the region and especially the Sahel. As for his claim about the AU, Algeria has good reason to oppose Israel's observer status because it is a new ally of

Morocco which has long tried to weaken Algiers standing in the AU.

On 26 August, an Israeli Foreign Ministry spokesman returned to the charge, and accused Algeria of becoming 'since the beginning of the Arab Spring, a passage for terrorist movements instigated by Iran.'

Algiers has long historical friendship ties with Tehran

As far as we are aware, there is no strong evidence to support this claim. Algiers has long historical friendship ties with Tehran which go back to: their key roles in the Non-Aligned Movement in the 1960s and 1970s; and Algeria's key role in brokering the deal between Tehran and Washington that achieved the release of some 53 US hostages after President **Jimmy Carter's** ill-fated attempt to rescue them in 1980.

Algeria continues to maintain good political relations with Iran but, as Lamamra stressed, their economic relations are modest because of sanctions. Beyond their historic friendship, Israel has no strong reason to designate Algeria as an enemy in the same way that Iran is. By seeking to involve Algeria in such an axis, Morocco and Israel

are trying to demonise and isolate it which is a dangerous and mendacious strategy that could soon backfire on them.

Morocco closes its embassy in Algiers

The severing of bilateral relations was officially consummated on 27 August when Morocco closed its embassy in Algiers but, we understand that its consulates in Algiers, Oran and Sidi Bel Abbes will remain open. This suggests that this current breakdown in relations has been partly contrived by the Algerian regime for domestic purposes, and will certainly not be as lasting as the 1976 severance.

As we explained last week, the real reason for Algeria's severance of ties is so that the regime can tell Algerians that the country is under attack from terrorists — the MAK and Rachad — as well as both Morocco and Israel (**Algeria Politics & Security - 24.08.21**).

Algeria cuts gas supplies to Morocco

On 27 August, three days after cutting relations and as expected, Algeria announced that it would not renew its gas supply agreement with Morocco through the Gazoduc Maghreb Europe (GME) pipeline which expires in October (**Algeria Politics & Security - 24.08.21**).

Unsurprisingly, the media covered this news very differently but both treated the subject with a lot of disinformation. The Algerian national press, along with many commentators, insist that the regime took this decision to punish Rabat for its many hostile and malicious actions and that the closure of the GME pipeline will deprive it of much-needed natural gas and foreign currency.

This view is grossly exaggerated. The GME has a maximum export capacity of 13.5 BCM and Morocco receives 7% of the total volumes transported to Spain and Portugal, or an average of 700-900 million cubic metres. This currently accounts for 65%-70% of Morocco's total natural gas imports of 1.3 BCM so the reduction in supply would appear to

be very damaging. However, natural gas currently only accounts for around 5% of Morocco's electricity production — although this will increase as domestic gas projects come on stream — unlike Algeria where 99% of electricity is produced with natural gas. Morocco's power is produced using: oil (60%), coal (25%), renewable energy (10%) and natural gas (5%). Algerian gas therefore directly contributes to the production of 3.3% of its neighbour's power.

The budgetary impact of the GME closure may also not be as great as implied in the Algerian media. Transport tariffs vary depending on the volumes and wholesale price of gas transported. For instance, Morocco received €42 million in Q1 of 2019

which was 9.5% below the same period in 2018. According to the latest available data Morocco received €140 million in tariff fees in 2018 compared to €95 million in 2017. While such figures are not insignificant, they only represent a very small fraction of Morocco's budget. It can therefore be seen that the impact of the GME closure on Morocco will be far less than the exaggerated reporting by the Algeria media.

Rabat will have to find alternative domestic and/or international supplies to increase gas' share of its energy matrix from 5% to 13.5% by 2030 as it gradually replaces coal with gas. It is planning LNG imports with several plans being studied including one announced in 2020 by the UK-listed Preda-

tor Oil & Gas to build and operate a floating LNG import terminal. If these plans fail to materialise Morocco could find itself paying dearly for the GME pipeline closure but 2030 is still nine years away and few believe that the current Algerian regime will be around for that long.

In a meeting with the Spanish ambassador on the eve of the GME announcement, Energy Minister **Mohamed Arkab** confirmed Algeria's commitment to instead use the direct Medgaz pipeline to fulfil its current gas supply contracts. However, even though it plans to increase Medgaz' capacity, questions must remain as to whether Algeria can meet its assurances.

Regime uses the Kabylia forest fires to incriminate its enemies

The tragic consequences of the Kabylia forest fires, including the murder of Djemal Bensmail, will be with us for a long time. That is because the Algerian regime is also using them to construct a ludicrous conspiracy theory which it expects the world to believe. It is becoming increasingly complicated but, in summary, the regime's story is as follows:

- The Kabylia forest fires, which started on 9 August, were caused by arsonists

Key Risks	Comment
The Presidency	With no further news this week on the Presidency, we reiterate our previous comments that President Abdelmajid Tebboune is becoming increasingly petty, small-minded and vengeful. He is preoccupying himself with trying to silence his domestic and overseas opponents while simultaneously losing even further grasp of Algeria's desperate economic and financial situation.
Security threats	The regime is trying to make Algerians believe that the country is under attack from a combination of terrorists (MAK and Rachad), Morocco, Israel and perhaps a few other straw men. This is completely false but could have dangerous consequences.
Economic crisis	The regime has not only lost whatever grasp that it may have had on the economy, but it is trying to mask the severity of the economic and financial situation facing the country.
Oil and gas sector	The termination of the GME contract may not cause Morocco such economic and financial difficulties as the Algerian regime has been telling its domestic audience. As we suggested last week, it may become a matter of the regime having cut off its nose to spite its face.

rather than climate change. According to Prime Minister **Aïmen Benabderrahmane**, 22-23 arsonists were almost immediately caught on 9 August and allegedly taken into detention.

- The regime immediately claimed that 'enemies of the state' — notably the MAK and Rachad, with Morocco soon being thrown in for good measure — were behind the fires, and the heinous murder of Djemal Bensmail on 11 August. It took the court's alleged investigators barely ten days 'prove' this. On 18 May both the MAK and Rachad had been falsely designated as terrorist organisations.
- On 26 August, **Sid Ahmed Merad** — the State's Prosecutor at the Court of Algiers — publicly announced that international arrest warrants were being issued against Bensmail's murderers. Top of the list was the MAK's founder and chairman, **Ferhat Mehenni**. Merad claimed that 29 individuals were currently on the run and that he hoped that the countries where some were located would extradite them as soon as possible.
- Morocco's alleged support for these two terrorist organisations — and therefore its responsibility for the

fires and Djemal Bensmail's murder — were the final argument for cutting ties with Morocco.

The reality of the fires and the murder are rather different:

- The authorities have been trying to obfuscate the fires' large death toll which is an embarrassing proof of Algeria's lack of preparedness and lack of concern for the safety of its citizens. The official death toll was the in the order of 90-100 but on 30 August local journalists, working hand in hand with local authorities, put the real number at 192.
- No evidence has yet been produced to support the prime minister's claim that 22-23 arsonists have been detained. Hirak demonstrators have previously been presented in court almost immediately and always within 24 hours. It is now 22 days since the arsonists were allegedly arrested but no-one has yet been identified or presented in court.
- As we have repeatedly explained over recent months, neither the MAK nor Rachad are terrorist organisations.
- The prosecutor Ahmed Merad said technical evidence and exhibits had been collected by the police investigators but

none has been revealed because the court's instructions are 'secret.'

Similarly, apart from Ferhat Mehenni, none of the other 28 names who are the subject of arrest warrants have been named and nor have the countries in which they are allegedly located been named. Merad claims that investigation has discovered the serious involvement of foreign nationals in Djemal Bensmail's murder. He claim that there SMS messages between the assassins and unnamed foreign nationals.

This proves the lie behind the regime's conspiracy theory

This proves the lie behind the regime's conspiracy theory. The murder took place very quickly, perhaps only an hour between the time that Direction générale de la sûreté nationale's (DGSN) Renseignements Généraux (RG) department put out the word that Djemal was a suspected arsonist and his lynching by the mob (**Algeria Politics & Security - 17.08.21**). The event was not premediated or planned. The hanging was the result of the monstrously foolish actions of the RG who, we should add, have been completely exonerated by the prosecution as 'victims' of the situation. It is absurd to suppose that

the alleged foreigners — whether they be Ferhat Mehenni in Paris, Rachad's **Mohamed Larbi Zitout** in London, or Moroccan state agents in Rabat — could have any prior warning of the killing or been in contact with the mob by text messaging (especially given Algeria's appalling internet coverage). The fact that the prosecutor has not yet been able to produce any such SMS messages speaks for itself.

There is also a growing belief amongst Kabylia residents that, although some of the fires were probably caused naturally, arson was definitely involved as evidenced by the location of the start of some and the suspected use of accelerators. However these arsonists, as in the case of the Khenchela fires a month earlier, were state agents.

Was the regime behind the forest fires?

There is strong suspicion by many of the local people that state agents started some of the fires but so far there is no hard evidence to support this belief.

However, there is very worrying evidence that Algeria's security chiefs were in regular contact with their Western counterparts for several months prior to the 24 August break with Morocco, preparing them for such an eventuality. This information has been made available by repu-

table intelligence services who claim that Algeria was either foreseeing the events that led to the break-up or that it was itself planning such a break.

This begs the question of whether Morocco's behaviour was sufficient to justify a complete break in diplomatic relations. It appears, however, that Algeria was planning such an eventuality prior to 14 July. Our intelligence sources say that their Algerian counterparts were encouraging the MAK and Rachad to form an alliance but we know from our own contacts with them that such an assertion is false: Rachad has no time or interest at all in the MAK.

While this is not proof that state agents were behind the Kabylia fires, it does lend support to those in the region who believe that the regime was involved. It also supports our view that the regime, confronted with its greatest domestic opposition since the 1990s, may have been concocting the false MAK-Rachad alliance conspiracy — possibly also the Kabylia fires, Morocco's alleged involvement, and Bensmail's unexpected murder as the cherry on the top — to try and win political support by convincing Algerians that they are under attack from alleged terrorists, as well as both Morocco and Israel. The Western allies — the US, UK and France — have said little or nothing on

the matter which is probably because they have been preoccupied with events in Afghanistan. It may also be because they were briefed in advance, were expecting it, and are broadly sympathetic to the problems facing the Algerian regime.

»» Other political news

Call for COVID-19 investigation

The Syndicat national des praticiens de santé publique's (SNPSP) president, **Lyes Merabet**, has asked the health authorities to launch an investigation into what he considers to be the excess mortality of Algerian health sector workers from COVID-19.

More private TV stations closed

In its determination to prevent all news and messaging except that from the regime, the government has shut down two more private TV channels. El Djazairia One has been closed permanently and with immediate effect while Bilad TV has had its licence revoked for a week. Less than ten channels are now authorised to operate within the country.

Tebboune reshuffles walis and sets a date for local elections

President **Abdelmadjid Tebboune** carried out a change of walis on 25 August with 13 new ones being appointed. They are: **Kamel Eddine Kerbouche** (Béjaïa), **Mohamed Saïd Benkamou** (Béchar), **Djillali Doumi** (Tizi-Ouzou), **Amar Ali Bensaâd** (Djelfa), **Abdelaziz Djouadi** (Saïda), **Houria Medahi** (Skikda), **Labiba Ouinaz** (Guelma), **Messaoud Djari** (Constantine), **Saïd Sayoud** (Oran), **Farid Mohamedi** (El Bayadh), **Ahmed Mabed** (Tipaza), **Derradji Bouziane** (Naâma), **Fayçal Amrouche** (In Guezzam).

Tebboune also announced the date for the next local municipal and wilaya elections which will be held on Saturday 27 November 2021.

Algeria last to stop selling leaded petrol

Algeria — which cares little for the environment, climate change, or the health of its population — has finally stopped selling leaded petrol and was the last country in the world to do so. The UN reported on 30 August that no country now uses leaded petrol for cars and lorries.

Most high-income countries had banned the fuel by the 1980s but it was only in July

that Algeria's supplies finally ran out. North Korea, Myanmar and Afghanistan stopped selling it in 2016, leaving only a handful of countries, including Iraq, Yemen and Algeria, still providing the toxic fuel in the latter half of the last decade.

»» Economy

Around 20 directors of Sonatrach's foreign subsidiaries are sacked

We are hearing more troubling news about Sonatrach, which — as has become characteristic of CEO **Toufik Hakkar's** stewardship of the corporation — has not been reported in either the national media or in a company press release.

The unverified information is that Sonatrach's general management has just replaced around 20 directors of its foreign subsidiaries. They were recalled to Algeria and notified that their jobs were terminated as from 31 August. However, it seems that this decision was made very suddenly, because their replacements have not yet been appointed and Hakkar appears to have made no transitional arrangements. Things are very confused and the chaotic situation is affecting almost all the directors and senior managers of these interna-

tional subsidiaries. The impression is being given that Hakkar was forced by higher authorities to take this urgent measure without any regard to the consequences.

Sonatrach owns the holding Sonatrach International Holding Corporation (SIHC), which

has a portfolio of 34 overseas subsidiaries and holdings including the 100% owned Sonatrach Petroleum Corporation (SPC) which, in turn, owns half a dozen others.

We do not yet know the reason for this sudden and extraordinary measure. How-

ever, because most of these companies generate considerable amounts of foreign exchange, we suspect that it has something to do with Algeria's dwindling supplies of foreign currency.

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>>> Menas Associates

Algeria Politics & Security is published weekly

Sold by subscription only

Produced by Menas Associates staff

Managing Director: Charles Gurdon

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