



# Investment climate in Algeria



# Content



1

**WHY ALGERIA...**

2

**INVESTMENT OPPORTUNITIES**

3

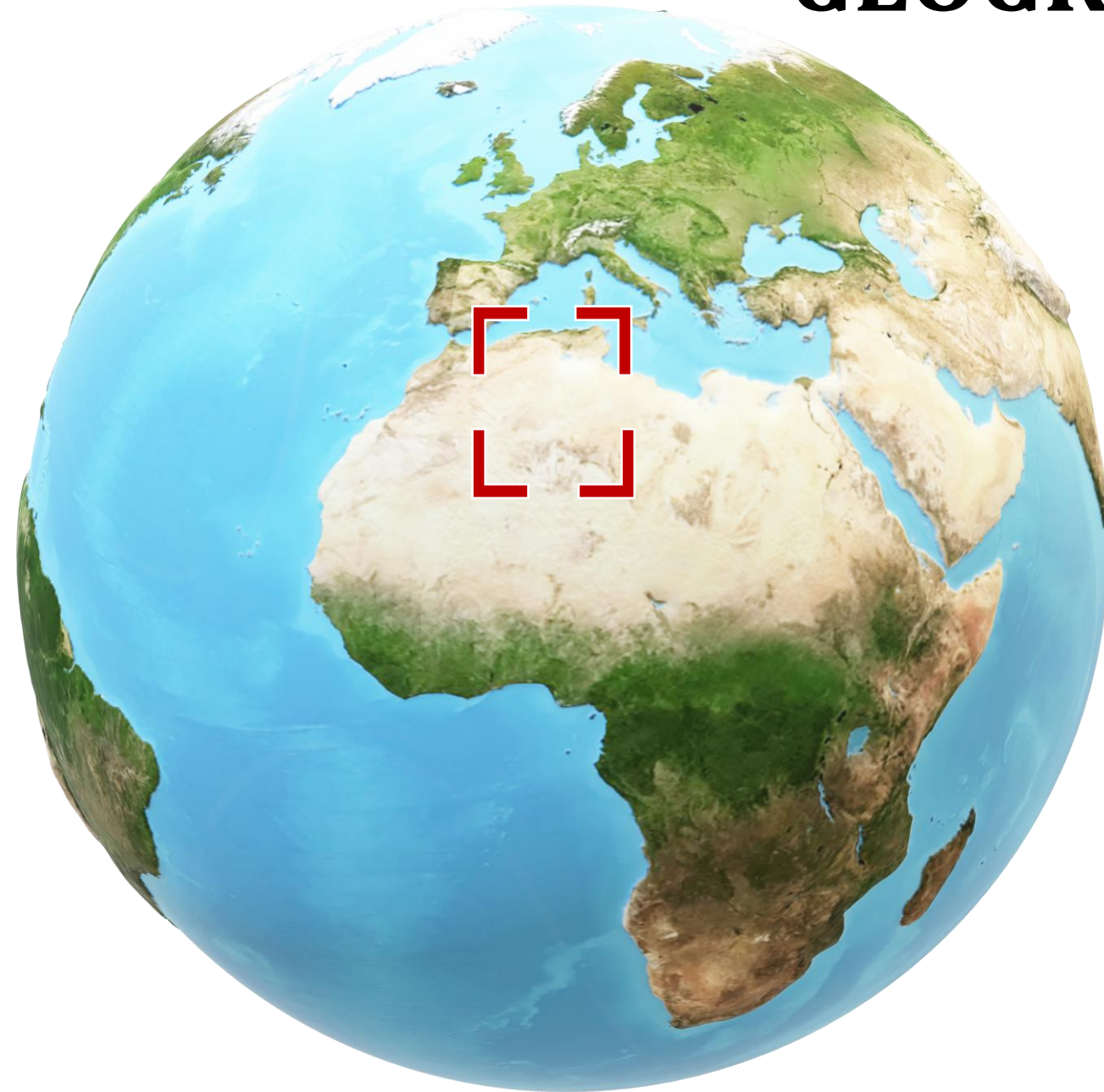
**INVESTMENT INCENTIVE SCHEME**



# 1

## WHY ALGERIA...

# GEOGRAPHY



**2.38 Million km<sup>2</sup>**

Total Area

**> 2 000 Km** -----

Coastline

**5 378 km** -----

Borderline



# DEMOGRAPHY

**46.2 Million**

population

**60%**

Less than 30 years old

**42%**

Active population rate

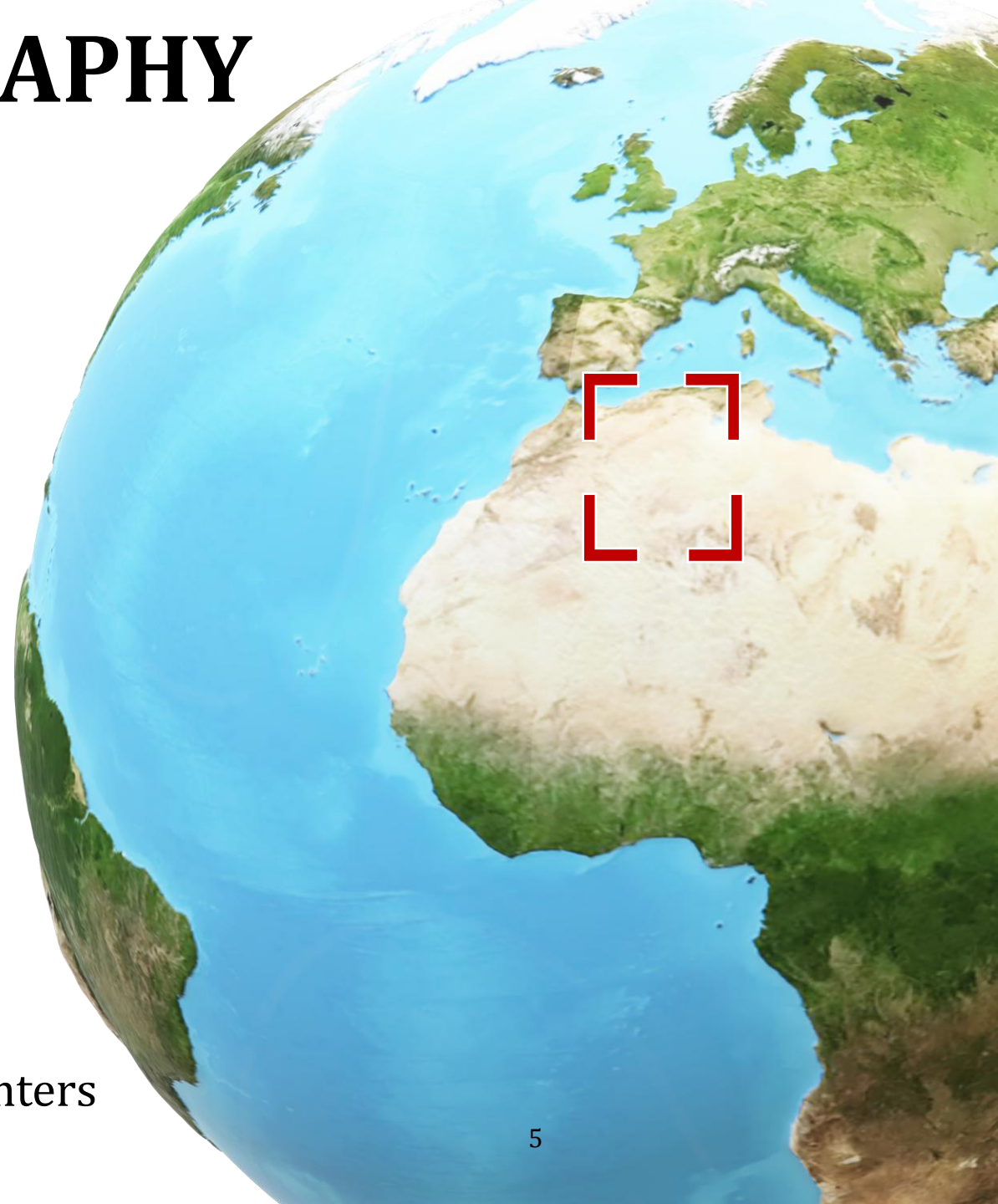
**190** Higher Education Institutions

**399.290** Graduates in 2022

**454** Training Programs Co-Developed  
with the Economic Sector

**1.809** Vocational Training Centers

Over **160.000** Graduates per Year







# INFRASTRUCTURE

## Rail Network



**5 316 KM**

**15 000 KM**

**by 2030**

Source: SNTF



**36 Airports**

**20 International**



**50 Sea Ports**

**10 Commercial**



**127 000 KM of Roads**

**1 216 KM East/West highway**



**9.8 Tbps of bandwidth of internet**

**98% Mobile Phone Coverage**



**99% Electrification Rate**

**64% Gas Penetration Rate**



**11 589**

**Artworks: Bridges, Tunnels,...**

# TRANS-SAHARAN MEGA PROJECTS



**2 300 KM** Trans-Saharan Backbone road  
Total length of 9 400 km  
4 504 km : Algeria → Lagos- NIGERIA  
Passing through: Tunisia-Chad-Mali-Niger-Nigeria

---



**2 600 KM** Optic Fiber Backbone  
Total length of 4 350 km  
Passing through : Chad-Mauritania-Mali-Niger-Nigeria

---



**2 310 KM** Trans-Saharan Gas Pipeline  
Total Length of 4 128 km Algeria-Niger-Nigeria  
Capacity: 30 billion M<sup>3</sup>



# MACROECONOMIC INDICATORS



- **GDP:** 239.9 billion US\$
- **GDP per capita:** 5.176 US\$
- **Real GDP growth rate:** 4.1% (4.3% excluding hydrocarbons)

## ECONOMIC GROWTH



### TRADE

- **Exports of goods:** 55 billion US\$
- **Imports of goods:** 42.9 billion US\$
- **Trade Balance / GDP:** 5%
- **External public debt / GDP:** 0.4%
- **Foreign exchange reserves :** USD 69 billion US\$



2023



### PRICES

- **Exchange rate:** 136 DZD / US\$
- **Inflation rate:** 4.06% (S1 – 2024)
- **Consumer Credit:** 10.52%
- **Short-Term Credit:** 8.06%
- **Long- Term Credit:** 6.7%



# PRODUCTION FACTORS COSTS



**0,35\$ - 0,218\$ - 0,068\$ /L**

Gasoline - Diesel - LPG



**0,043 - 0,046 \$**

According to the region

Water



**\$ 0,004/U**

Natural Gas

4<sup>th</sup> lower price in the world



**\$ 0,035 kWh**

Electricity

0,15 \$ Average price /World

0,228 \$ Average price / UE



Labor

**317 \$**

Average Salary/ month

**148 \$**

Legal Minimum Wage.

# 2

## INVESTMENT OPPORTUNITIES

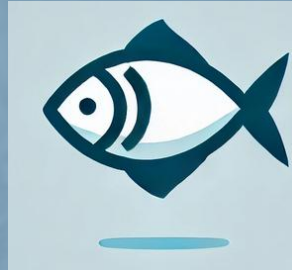


# AGRICULTURE AND FISHERIES POTENTIALITIES



## Agriculture

- **48,1 M. ha of agricultural land**  
(18.5% of the national territory)
- **Food Security:** 74% coverage of national needs in agricultural products.
- **Bioclimatic Diversity:** Five zones – Saharan, Arid, Semi-Arid, Sub-Humid, and Humid.
- **Agricultural Land:** Managed by the National Office for Agricultural Land (ONTA) in the north and the Office for the Development of Industrial Agriculture in Saharan Lands (ODAS) in the south.



## Fisheries and Aquaculture

- **Marine and Inland Fishing**
- **Marine and Freshwater Aquaculture**
- **Marine Biodiversity**
- **Support**  
Technical and educational training in ship operation, bridge fishing operations, repair and maintenance of fishing gear, aquaculture, professional diving, etc...



# AGRICULTURE AND FISHERIES OPPORTUNITIES



## Agriculture

- Development of integrated farms,
- development of local products;
- Plant and animal production;
- Forestry and mountain farming ;
- Industrial crops....
- Creation of processing units for vegetable crops
- Creation of fertilizer production units;
- Development of cold storage and preservation capacities...



## Fisheries and Aquaculture

- Exploitation units and aquaculture farms;
- Units for manufacturing equipment and processing products from these activities
- Construction, Repair, and Maintenance of Maritime Fishing Vessels.
- Conservation and Commercialization of Fishing Products: Cold storage, transport, and sales
- Services : Facilities for therapeutic services and Development of information systems for maritime fishing navigation.





# INDUSTRY POTENTIALITIES

**Important  
portfolio of  
industrial  
land**

**755**  
**industrial zones and  
zones of activities**

**The existence  
of important  
market share**

**The existence of significant  
market share due to the lack  
of domestic offer and the  
important domestic demand**

**The industry sector  
has a panel of 10  
Institutions, of  
training, expertise  
and advice**

- Provide the essential elements of decision support by preparing the necessary skills to face the sector problems.
- Support training or qualification requests expressed by economic operators (public or private).
- Design programs based on expressed needs.



# INDUSTRY OPPORTUNITIES

## Chemical Industry

- Petrochemical industry
- All density polyethylene and polypropylene.
- Industrial gases
- Ammonia, Urea and Ethyl Alcohol.
- Production of paints
- Production of solvents.

## Agri-Food Industry

- Integrated resort in the strategic sectors: cereals, livestock feed, oils (oilseed crops) and sugar (sugar beets).
- Production of milk.
- Production of infant food.
- Development of processing lines for local products.
- Development of olive oil cultivation and processing.
- Development of the food additive industry.

## Mechanical Industry

- Vehicles (Light, commercial, transporting).
- Machinery (Agricultural, public works, building and hydraulic).
- Engines for industrial vehicles.
- Equipment and spare parts for car engines and tractors.
- Parts of cars engines and tractors.
- Container manufacturing.
- Lifting and handling equipment.
- Manufacture and maintenance of tramways sets.
- Aerospace industry.



# PHARMACEUTICAL INDUSTRY OPPORTUNITIES



## Medical autonomy & sanitary security



### Manufacturing

#### Pharmaceutical inputs & products

New molecules, antibiotics, vaccines, pain relievers, antidepressants

#### Para-pharmaceutical products

Dietary supplements, herbal medicines, skincare products, hygiene products

#### Medical devices

Blood glucose monitors, pacemakers, surgical instruments, catheter bags



### Logistics

Distribution facilities



### R&D

Innovation



# HYDRAULICS STRATEGY



## STRATEGY

- **Prioritizing the mobilization of sustainable resources**
- **Developing and preserve resources**
- **Supporting the agricultural & industrial economic renewal**
- **Establishing a modern and efficient water governance model**

## ACTIONS

- **The continued mobilization of conventional water (surface and groundwater)**
- **Make seawater desalination the main drinking water resource**
- **Accelerate the development of treated wastewater reuse**
- **Support hydro-agricultural development**



# HYDRAULICS OPPORTUNITIES



From 8 to 9 billion m<sup>3</sup> reserve capacity  
from 98% to 99% network coverage  
irrigation schemes to reach 2 million ha

## Plants

- Desalination
- Demineralization
- Wastewater treatment

## Infrastructure

- water mobilization (dams, water reservoirs, ..)
- Desilting dams
- Networks
- Pumping stations
- flood control
- preservation of groundwater.

## Equipment

- Equipment
- Hydropower generation (hydrogen & electricity)
- Disinfectant products
- Biocidal products
- Zero Liquid Discharge (ZLD) technologies,



# INFORMATION & COMMUNICATION TECHNOLOGY OPPORTUNITIES



## E-Services

- E-Administration
- E-Payment
- E-Certification, E-Learning
- E-Logistics ...

## Infrastructure

- Space infrastructure,
- Networks,
- Antennas & satellites systems...

## Technology

- Technological parks
- Innovation

## Tele-health

- Tele-medicine
- Consultations
- Education, data...

## Security

- Security systems
- Database, cyber security

## R&D

- ICT Industry Innovation...



# TOURISM POTENTIALITIES



## NATURAL RESOURCES

- 09 national parks (among which 05 are UNESCO listed)
- 51 wet zones listed RAMSAR
- 05 cultural parks
- 282 thermal sources
- 154 sites and touristic circuits
- 2000 km coastline with 609 beaches

## EXISTING INFRASTRUCTURE

- 1427 accommodation facilities (139 678 beds)
- 658 ongoing projects (85 552 beds)
- 66 public hotels and resorts under
- 100 rated touristic restaurants
- 4999 travel agencies
- 235 tour guides



# TOURISM OPPORTUNITIES



## Develop :

- coastal tourism in the 14 coastal Algerian provinces
- Saharan tourism
- Business tourism around big cities
- trekking, climate and mountain tourism

- Modernize health and wellness tourism

- Introduce cultural and religious tourism

- Sustain niche tourism



# MINING POTENTIALITIES



## R&D

- Mining research program for new resources to increase the reserves of active mines : Djebel Onk phosphate mine, Ouenza-Boukhadra iron mine, and El Abed zinc mine.
- Completion of the full geological mapping of Algeria (15 out of 38 regions finalized).
- Updating of the mineral resource inventory.
- Establishment of a National Airborne Geophysics Unit.

## Ongoing development plan

Gara Djebilet iron ore mine: production capacity of 2 M tons /y

Tebessa integrated phosphate project : 3 M tons of urea production

Oued Amizour zinc-lead mine: 170,000 tons/year of zinc concentrate and 30,000 tons/year of lead concentrate.

# MINING OPPORTUNITIES



## Promotion of national mining products

by making exploitable mining sites available.

## Valorization of mineral substances

found in large reserves such as iron, phosphate, lead-zinc, etc.

## Prospecting and exploration of mineral deposits

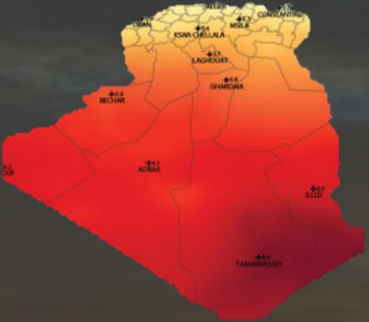
that are widely consumed by domestic industries, as well as those with high intrinsic value (gold and semi-precious stones).



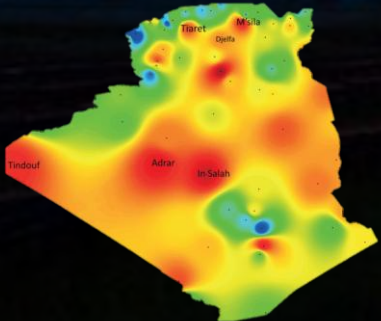
# NEW AND RENEWABLE ENERGY POTENTIALITIES

## Potential

240 thermal sources



Solar radiation  $\geq 3900$  h/y  
with a yield of  $2650 \text{ kWh/m}^2/\text{y}$



Wind speed up to 7m/s

## Existing infrastructure



- $\sim 600$  MW of installed RES capacity
- 34 409 km of electricity transmission &
- 396 802 km of electricity distribution grids



- 406 TOE domestic pipelines capacity
- Important transnational pipelines linking Algeria to Europe



- 250 liter/s water flow in the Sahara
- 2,1 Mm<sup>3</sup> /d desalination potential

## Ongoing projects



Construction of 3000 MW PV plants out of 15000 MW



Implementation of 2MW, 4 MW and 50 MW electrolyzers powered by renewables to produce green hydrogen



# NEW AND RENEWABLE ENERGY ROADMAP



By 2025



Implementation of the regulatory framework of green hydrogen

By 2035



Installing 15 GW of solar capacity (30% energy mix)

By 2050



Connecting difficult industries to electrify with green/blue hydrogen

By 2030



Conducting pilot projects and industrializing the sector of hydrogen

By 2040



Transition to green/blue industrial hydrogen projects



By 2025



Implementation of the regulatory  
framework of green hydrogen



By 2030

Conducting pilot projects and  
industrializing the sector of hydrogen



By 2035



Installing 15 GW of solar capacity  
(30% energy mix)



By 2040

Transition to green/blue industrial  
hydrogen projects



# By 2050



## Connecting difficult industries to electrify with green/blue hydrogen

# NEW AND RENEWABLE ENERGY OPPORTUNITIES



## Industry

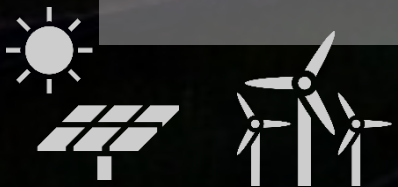
- Individual solar kits with or without energy storage at different capacities for individual use ;
- Wind power industry ;
- Energy storage industry (batteries)...

## Power generation

- Production of hydrogen from decentralized renewable sources (decentralized mini grids and biogas stations) ;
- Power and fuel generation from waste.....

## Management

- Development of smart systems industry for energy management ;
- Creation of laboratories for measuring renewable energy equipment ;
- Connect to international carbon markets....





# 3

## INVESTMENT INCENTIVE SCHEME

# INVESTMENT INCENTIVE BODIES

## *1. National Investment Council - CNI -*

### **Missions :**

- Setting the State's investment strategy
- Ensuring its overall coherence
- Assessing its implementation





# INVESTMENT INCENTIVE BODIES

## *2. Algerian Investment Promotion Agency - AAPI -*

### **Missions :**

- Promoting investment
- Granting land concessions & tax incentives
- Processing & monitoring investment files
- Informing & accompanying the investors
- Managing the investor's digital platform
- Managing the one-stop shops

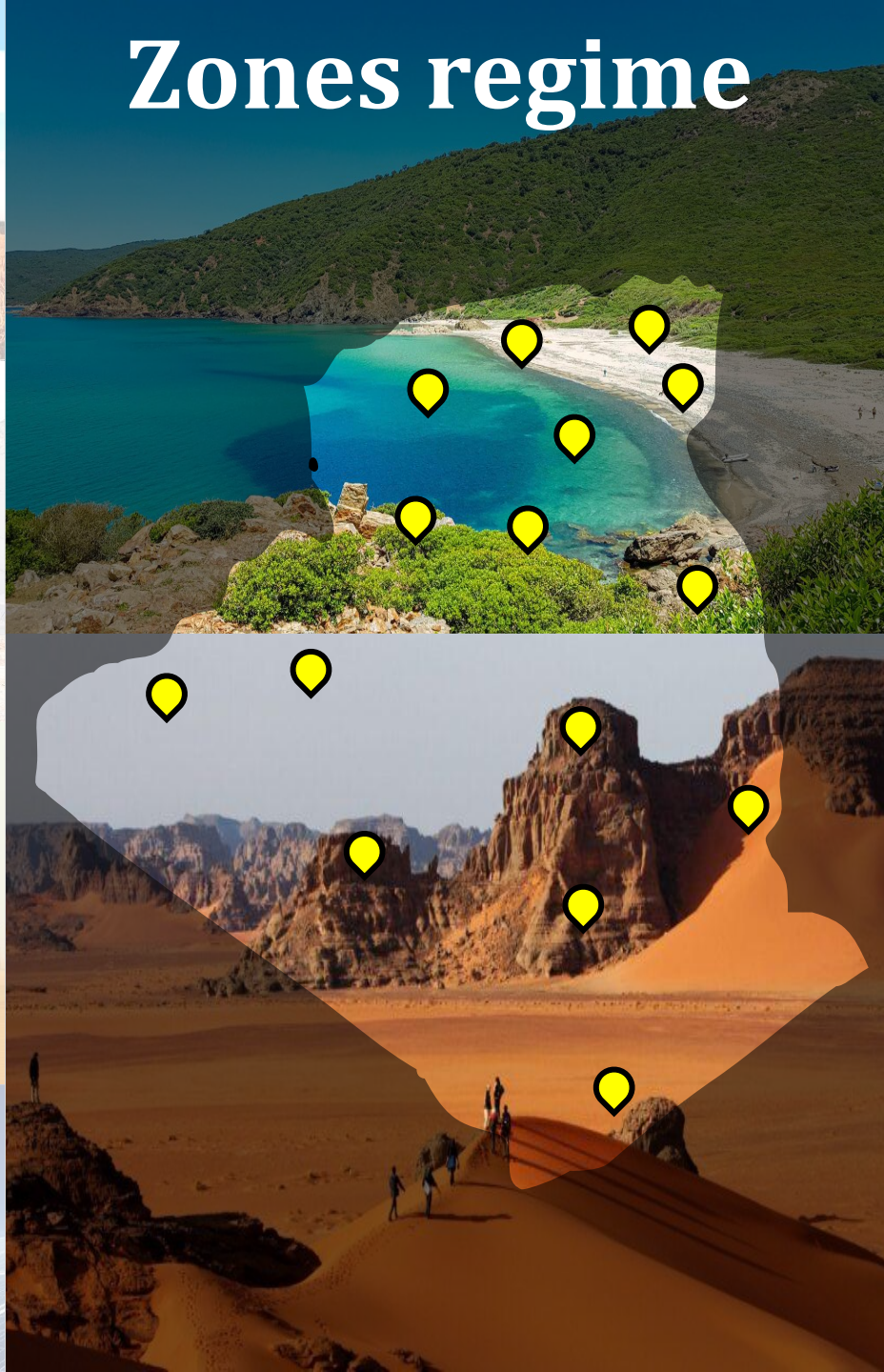




# Sectors regime

1. Mines & quarries
2. Agriculture, aquaculture and fisheries
3. Industry
4. Knowledge economy & ICT
5. New & renewable energies
6. Services & tourism.

# Zones regime



# Structuring investments regime

**Amount  $\geq 74$  M\$**

**Jobs  $\geq 500$**





# INVESTMENT INCENTIVES



## Fiscal and parafiscal 100% exemptions

	Sectors regime	Zones & structuring investments regimes
Implementation phase	3 years	5 years
Operation phase	From 3 to 5 years	From 5 to 10 years

## Economic land concessions

- Fully digitalized application via : [www.invest.gov.dz](http://www.invest.gov.dz)
- Duration : renewable 33 years
- Type : Industrial, touristic and urban
- Convertible into cessions
- Annual fees : after entry into operation





**Web site**



**LinkedIn**



**The investor's  
Digital Platform**



**Facebook**

