
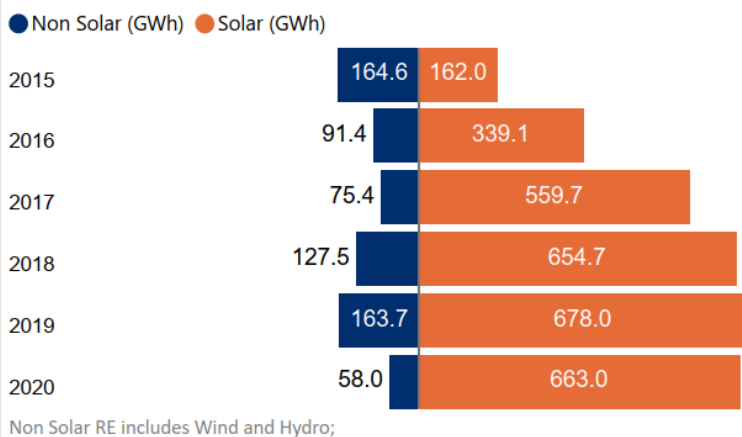
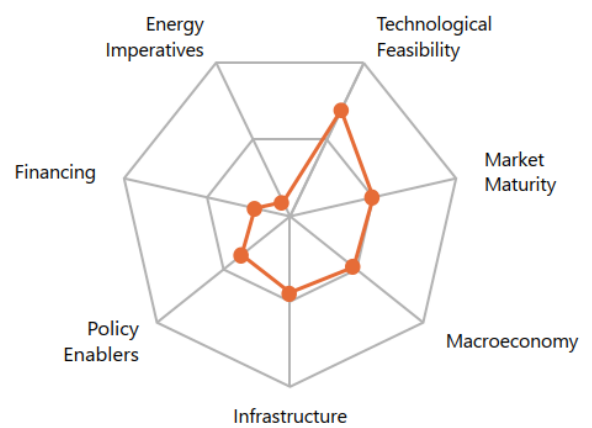
	Algeria		Ease of doing Solar classification
	Africa		Influencer
Electricity Consumption in kWh/capita (2020)	Average PVout in kWh/kWp/day (2020)	Cumulative Solar Capacity in MW (2021)	
1659.3	4.9	423.0	
Getting Electricity Score (2020)	NDC Target by 2030 in %	Human Development Index (2021)	
72.1	7.0 to 22.0	0.7	

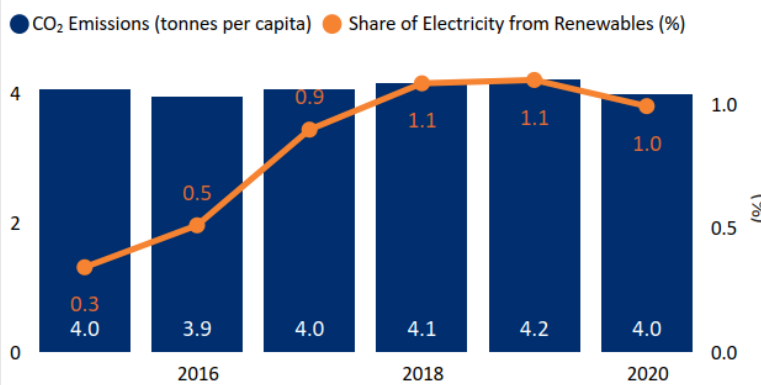
Renewable Energy Generation by Source



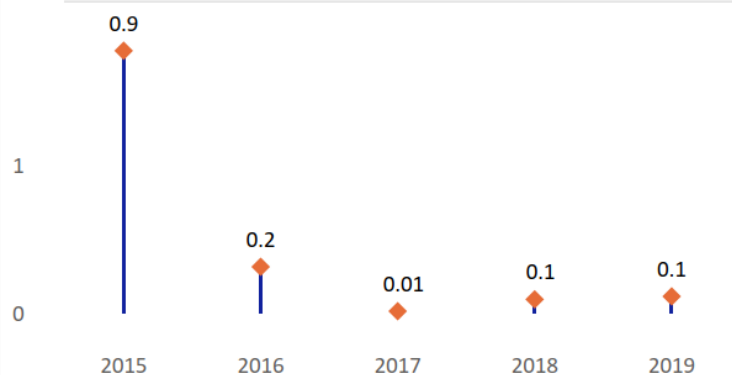
Performance against 7 Drivers



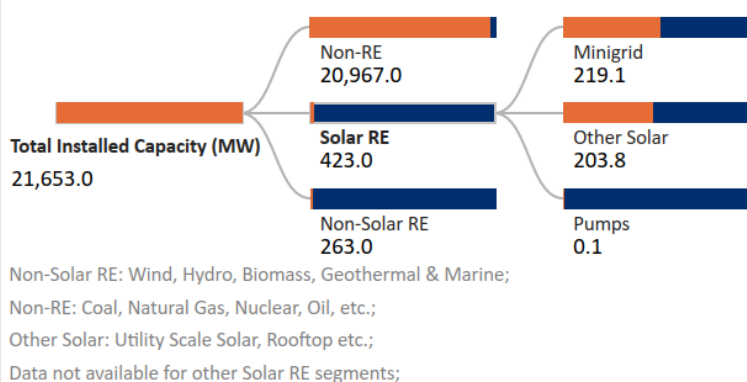
CO₂ Emissions vs Electricity share from Renewables



International Finance received for Clean Energy (Million US Dollars)



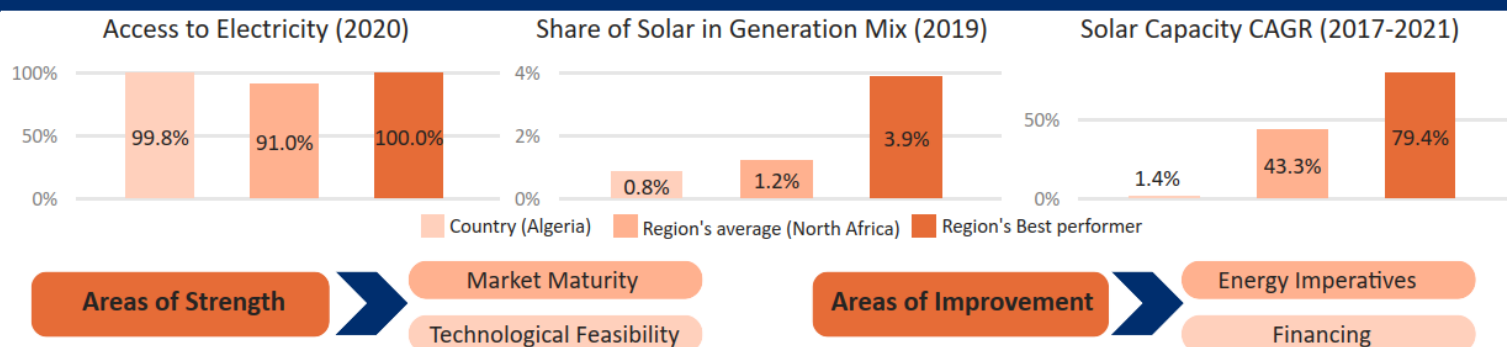
Installed Capacity by Source (2019)



Support for Renewables (2020)

Feed-in-Tariffs for renewable energy supply to the grid?	Net metering/Gross metering policies and regulations?
Yes	No
Renewable Energy Certificates?	Renewable Purchase Obligation?
No	No

Country's regional performance and characteristics



Key Insights

Drivers

Insights



Macro-economy

- Algeria is a lower middle-income country¹ having GDP per capita (PPP) of USD 12,128 in 2021² with oil and gas sector as the dominant contributor to the economy.⁴
- GDP (Real) is estimated to decline by 2.4% in 2022. The GDP grew at an annual rate of 4% in 2021³ with total public debt estimated at 59.2% of GDP in 2021.⁵
- Inflation rate in the country increased to 7.2% in 2021 from earlier levels of 2.4% in 2020.⁶



Policy enablers

- Ministry of Energy Transition and Renewable Energies (METRE) is the nodal ministry that is responsible for developing and implementing the energy transition plan.⁵
- The country aims to achieve 15,000 MW of electricity generation capacity through RE resources by 2035 with an aim to reduce its GHG emissions to 7% by 2030.⁵
- The Algerian government constituted the National Fund for Energy Efficiency and for Renewable Energies and Cogeneration (NFEEREC) to finance RE projects.⁸



Technological Feasibility

- Algeria receives very high levels of solar irradiation of 5.9 kWh/m²/day and specific yield of 4.9 kWh/kWp/day indicating a strong technical feasibility for solar in the country.¹⁰
- Algeria has an energy transition plan which calls for 25 GW of generation from green and blue hydrogen by 2030.¹²
- Algeria's Minister for Industry has launched a new national automotive strategy, which calls for domestic manufacturing of EVs – both full-electrics (BEVs) and plug-in hybrids (PHEVs).¹¹



Market Maturity

- 99.8% population in Algeria is having access to electricity since 2020.¹³
- SONELGAZ, the National Society for Electricity and Gas, is the authority responsible for distribution of electricity and natural gas in the country.¹⁴
- Algerian Electricity and Gas Regulation Commission (CREG) is the designated energy regulator in the country.¹⁴



Infrastructure

- The length of the electricity transmission network to be built over the period 2021-2030 is estimated to be 64,204 km. This includes 15,628 km at 400 kV, 25,516 km at 220 kV and 22,442 km at 60 kV for handling a capacity of 98,540 MVA.¹⁵
- The length of the electricity distribution network to be built over the period 2021-2030 is estimated to be 101,960 kms. Besides this, it is envisaged to build 38,864 sub-stations to supply 4.4 Mn additional customers.¹⁵
- In the Boukherana industrial zone the algerian company milltech has a factory capable of supplying 100 MW of solar panels per year.¹⁶



Financing

- The AfDB, through its Sustainable Energy Fund for Africa (SEFA), is providing technical assistance to promote the development of a transparent and competitive solar energy sector to enhance private sector investment.¹⁷
- The AfDB and Algeria have signed a loan agreement for a €900-Mn to support the country's industrial and energy competitiveness.¹⁹
- In Algeria, the World Bank has shown keen interest in providing technical assistance and analytical services in renewable energies and the investment climate.¹⁸



Energy Imperatives

- The total installed capacity of solar PV witnessed a CAGR of 1.4% between 2017-2021 reaching 423 MW in 2021 from 400 MW levels in 2017.²⁰
- In 2020, the per capita electricity consumption stood at 1.6 MWh²¹ which is significantly lower in comparison to the global average of 3.31 MWh.²²
- The peak demand for electricity in the country declined to 73 TWh in 2020 from 76 TWh levels in 2019.²³
- The price of electricity in the country was 2.20 US Cents/kWh as of 2019.²⁴