

ALGERIA

North Africa's next investment frontier

Algeria is an enormous country of enormously untapped potential across a range of industries from agribusiness to healthcare and from hydrocarbons to renewable energies

The relationship between the US and — to give its full name — the People's Democratic Republic of Algeria is currently undergoing a profound and historic renaissance. For much of the early 21st century, the bilateral relationship between Washington and Algiers was heavily viewed through a singular lens: security. Driven by shared concerns over regional stability, counterterrorism and military coordination, economic ties often played a secondary role. That paradigm has now shifted. Today, the US-Algeria relationship is characterized by a dynamic commercial diplomacy that prioritizes mutual economic prosperity and long-term strategic investments. Trade between the US and Algeria reached \$3.5 billion in 2025, highlighting a multifaceted partnership that leverages the economic strengths of both nations.

American ingenuity, capital and technology are uniquely positioned to assist Algeria in realizing its vast potential. The primary sectors primed for deep US-Algerian collaboration include agribusiness and food processing, renewable energy, mining and critical minerals, pharmaceuticals, transportation and logistics, water management, as well as digital technologies. By integrating American expertise into these structural pillars, Algeria is actively modernizing its domestic infrastructure and building a resilient, diversified economy for the future.

The agribusiness mega-project

Nowhere is this strategic collaboration more evident than in the agricultural sector. Historically, Algeria has been one of the world's largest importers of powdered milk, an economic vulnerability that the government has sought to rectify to ensure national food security. The cornerstone of the solution lies in a groundbreaking agricultural partnership with the US — a memorandum of understanding (MoU) signed on January 29, 2025. This agreement provides for the export of an initial 30,000 dairy cows from the US to Algeria, with the broader, long-term objective of reaching approximately 240,000 cows. This initiative illustrates the scale and ambition of the bilateral partnership, which goes far beyond the commercial dimension by directly contributing to Algeria's core development priorities.

The MoU is already reshaping the landscape of Algerian agribusiness. By April 2026, the ambitious \$3.5 billion Baladna integrated dairy megaproject had advanced into its second phase, underscoring the scale of Algeria's commitment to modernizing its agricultural sector and reducing dependence on imports. It has become a flagship example of how American expertise and technology can support Algeria's long-term food security objectives.

The project forms part of a broader transformation of Algeria's agricultural sector. As Minister of Agriculture Yacine El-Mahdi Oualid explains: "The Baladna project with Qatar, a \$3.5 billion dairy investment covering 117,000 hectares [290,000 acres], will involve large-scale milk production. It is one of the largest dairy projects in the world. Since Algeria is a major importer of milk powder, this project, along



President Tebboune has been president of Algeria since 2019. He won re-election in 2024 with 84.3% of votes cast.

with others, aims to strengthen local production and move toward self-sufficiency in the dairy sector." The economic ecosystem surrounding this project heavily relies on American industrial strength and demonstrates the broader role American companies can play in Algeria's development through technology transfer, infrastructure and agricultural innovation. Once fully operational, this megaproject is projected to meet up to 50% of Algeria's national demand for powdered milk, creating over 15,000 jobs in Algeria and approximately 1,200 jobs in the US.

The acceleration of these commercial agreements is not accidental; it is the result of deliberate geopolitical maneuvering. Beginning in late 2025, the Algerian government launched a sophisticated diplomatic charm offensive directed at the US. Historically, Algeria has maintained strong military and political ties with Russia, but the evolving global landscape prompted Algiers to reevaluate its strategic posture. By cultivating deeper ties with Washington, Algeria aims to balance its foreign relations and elevate its standing as an indispensable geopolitical player in the Mediterranean and North Africa, something which it has already comprehensively achieved in energy matters.

This diplomatic pivot was vividly demonstrated last month at the 2026 SelectUSA Investment Summit, held in May in National Harbor, Maryland. The summit is the Department of Commerce's premier event for promoting

foreign direct investment and Algeria's participation was unprecedented in its scale and seniority. The delegation was facilitated by the US Embassy in Algiers and its chargé d'affaires Mark Schapiro, led by the Algerian Economic Renewal Council (CREA) President Kamel Moula and included representatives from 24 of Algeria's most dynamic public and private companies, spanning energy, healthcare, ICT and manufacturing.

ABDELMADJID TEBBOUNE
PRESIDENT

"The new economic model is starting to bear fruit according to positive statistics from the World Bank, the International Monetary Fund and other international institutions."

Speaking about the connections possible between the two countries, Moula says: "For us, the US market is an important one, not only as a market for our products but also as a partner." He notes that Algeria's rapid industrial expansion — with more than 20,000 businesses already created and a target of reaching between 35,000 and 40,000 — requires international partnerships capable of providing expertise,

technology and investment.

Moula identifies agriculture, pharmaceuticals, manufacturing, automotive production and energy as sectors where cooperation can accelerate growth. "The United States possesses globally recognized expertise, particularly in energy production and utilization," he says. "Numerous projects are currently being launched and to accelerate their implementation, it is essential to rely on partners capable of sharing their expertise and experience."

He also believes one of the greatest opportunities lies in improving knowledge between the two countries. "The main challenge lies in a lack of mutual understanding between Algerian and American companies," Moula explains. "American companies still know little about the Algerian market and, conversely, Algerian companies do not have a sufficient grasp of the American market." CREA's efforts to connect business leaders from both countries are therefore aimed at building long-term partnerships and helping US investors better understand Algeria's ongoing economic transformation. US officials warmly received this outreach, proposing annual strategic meetings to monitor and expand joint US-Algerian projects, signaling a mutual desire to permanently anchor the relationship in commercial diplomacy.

While agribusiness and high-tech sectors represent the future of Algeria's diversification, **Continued on page 2**

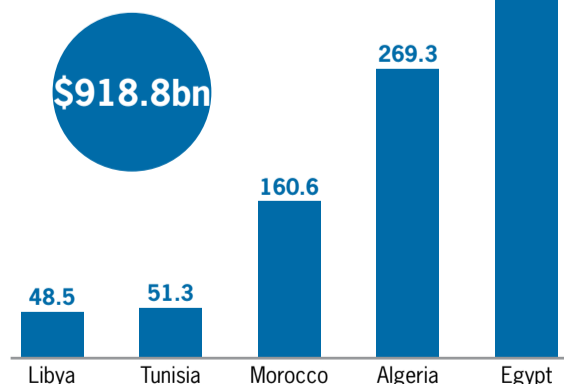
ALGERIA IS A MAJOR ECONOMIC PLAYER IN AFRICA AND THE ARAB WORLD

Algeria is a huge country and has so far been hugely underrated. Long dependent on hydrocarbons, it has a major ongoing diversification drive and plenty to recommend it

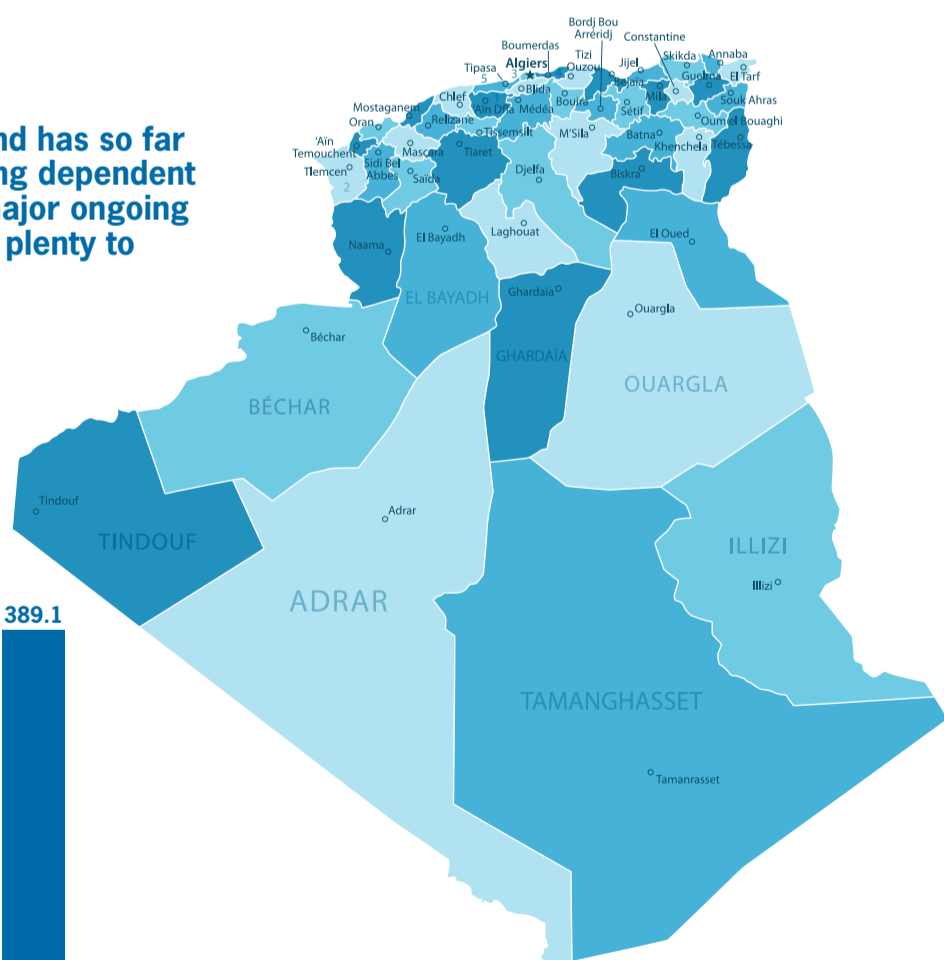
Important player

Algeria has the second largest GDP in North Africa

GDP in 2024 across North Africa \$bn



SOURCE: <https://data.worldbank.org/?locations=DZ-EG-TN-MALY>



Algeria is the largest country in Africa, bigger than France, Italy, Germany and Spain combined



About 70% of the population is under the age of 40 ensuring a young, skilled workforce



Almost 90% of its 47 million people live within 30 miles of the Mediterranean coast



Algeria has some of the world's highest solar energy potential. Many regions have 3,500 hours of sunshine per year



Algiers, the capital, was founded in the year 944, on the ruins of an older, Roman city



The deployment of fiber optic cables and 4G technology has rapidly modernized the telecommunications sector, making ICT a growing area of investment

\$77bn

Sonatrach, the state-owned hydrocarbons company made around \$77 billion in 2023

3rd

Algeria holds the world's 10th largest natural gas reserves and the third largest shale gas reserves

22GW

Algeria has implemented a program targeting 22 gigawatts of renewable capacity by 2030

50%

Half of agriculture output comes from southern areas that were once unsuitable for farming



Algeria's capital city is often known as El Djazair El Beida (Algiers the White).

the energy sector remains the economic bedrock and a vital conduit for US relations. However, even in the realm of hydrocarbons, the nature of the partnership is evolving.

In August 2025, Algeria took an unprecedented step by opening its heavily guarded natural gas reserves to American energy conglomerates. Driven by the need to maximize state revenues and capitalize on Europe's urgent search for alternatives to Russian gas, the Algerian state-owned energy giant Sonatrach entered advanced negotiations with US firms ExxonMobil and Chevron. This act is historic because it focuses on the exploitation of vast shale gas reserves. Algeria possesses the third-largest proven shale gas reserves in the world, trailing only China and Argentina and sitting just ahead of the US. Extracting shale gas requires highly complex fracking technology — a domain where American companies are the undisputed global pioneers. By inviting US supermajors into the Ahnet and Berkine basins, Algeria is leveraging American technological supremacy to unlock its subterranean wealth.

ABDELMADJID TEBBOUNE
PRESIDENT

"Economic diversification has become a reality after being merely a slogan for decades. The next phase is a genuine economic transformation."

The country is also positioning itself as a future leader in renewable energy. Algeria possesses exceptional solar resources, vast available land and strong ambitions to become a regional hub for clean energy production. This creates significant opportunities for American firms specializing in solar technology, energy storage, smart grids, hydrogen production and energy efficiency solutions. As global energy markets continue their transition toward lower-carbon solutions, collaboration between Algerian and American companies is likely to expand beyond oil and gas into a broader energy partnership.

The mining sector also presents significant opportunities. Algeria possesses large reserves of iron ore, phosphates, zinc, lead, gold and critical minerals that are increasingly important for modern technologies and the global energy transition. US companies could play an important role in exploration, extraction and value-added manufacturing.

Similarly, the pharmaceutical sector offers substantial opportunities. Algeria has invested heavily in expanding domestic pharmaceutical production and reducing reliance on imports. Partnerships with American pharmaceutical companies can support technology transfer, research, manufacturing capacity and improved healthcare outcomes. The digital and

Abundant and waiting

Utilizing geography, meteorology and finance, Algeria is gearing up to embrace renewables

For decades, Algeria has been recognized as one of the world's leading hydrocarbon producers. Now it is leveraging another of its greatest natural advantages — its exceptional renewable energy resources.

At the heart of Algeria's energy transition is an ambitious strategy to build a more balanced energy mix while maintaining its role as a major energy supplier. The country has launched a national renewable energy program targeting 22 gigawatts of renewable capacity by 2030. Once completed, renewable sources are expected to account for between 20% and 30% of Algeria's energy mix.

The cornerstone of this transformation is solar energy. With an average of 3,500 hours of sunshine annually across the Sahara, Algeria enjoys some of the world's highest solar irradiation levels. Recognizing this extraordinary potential, the government launched a 3,200-megawatt photovoltaic program in 2023, with commissioning scheduled to begin in 2026. Current solar capacity stands at 383 megawatts, but ongoing projects — including a 200-megawatt solar plant equipped with energy storage — will increase total installed solar capacity to nearly four gigawatts by 2026. Complementing these large-scale developments are off-grid programs providing solar kits, solar water heaters and solar-powered irrigation systems to homes and agricultural operations across the country.

From the sun to the earth

Beyond solar power, Algeria is positioning itself as a future leader in green hydrogen. According to Mourad Adjal, the country's energy minister, "Algeria has integrated green hydrogen into its national energy transition strategy, with ambitious targets for 2040."

Algeria's roadmap includes the installing 10 gigawatts of renewable-powered electrolyzer capacity and it aims to produce and export more than one million tons of green hydrogen annually by 2040. Among the flagship initiatives is the South H2 Corridor, a proposed 2,000-mile pipeline connecting Algeria to European mar-



Mourad Adjal
Minister of Energy and Renewable Energies

kets through Italy, Austria and Germany.

"Algeria is well-positioned to become a key player in the global hydrogen economy," says Adjal. "However, the success of this transition hinges on mobilizing investment, guaranteeing market access, strengthening technical expertise and establishing a regulatory framework conducive to the hydrogen sector. We remain open to partnership opportunities in this area."

As Adjal notes, "The US remains a key partner for our country and the prospects for expanding this cooperation are particularly promising and are now part of the energy transition, with a growing interest in the development of renewable energy and green hydrogen."

Supporting these ambitions are investment reforms, including streamlined administrative procedures, one-stop investment centers and attractive tax incentives for renewable energy projects. The government is also prioritizing local manufacturing and skills development.

With vast natural resources, a strategic location and a clear commitment to energy transition, Algeria is becoming one of the most attractive renewables markets in the region.



Algeria is known as the iron sleeping giant and Gâra Djebilet is a big part of why.

Gâra Djebilet mining project

Deep in Algeria's southwest, near the border with Mauritania, lies the Gâra Djebilet Mine — one of the largest untapped iron ore deposits in the world. Discovered in 1952, the deposit contains around 3.5 billion tons of iron ore reserves, of which about 2 billion tons are considered economically exploitable. It has become the centerpiece of Algeria's strategy to diversify its economy beyond hydrocarbons. As Minister of State, Minister of Hydrocarbons and Mines Mohamed Arkab explains, "The mining sector is currently a major strategic lever for Algeria's economic diversification. The country possesses significant geological potential, which remains largely unexplored."

After decades of dormancy due to technical challenges associated with the ore's phosphorus content, the project entered a new phase in 2022 with the launch of pilot extraction operations. The government subsequently accelerated development through a partnership with Chinese industrial partners, alongside the construction of a nearly 600-mile railway linking the mine to Béchar and Algeria's industrial centers. The railway is expected to play a critical role in transporting ore and supporting future

steel production.

Several key milestones are now approaching. Initial industrial production is scheduled to begin in 2026, supported by the commissioning of the first ore processing facilities with a capacity of 4 million tons per year. Longer-term plans envision production rising to between 40 and 50 million tons annually by 2040 through a network of six processing plants and expanded transport infrastructure.

The economic impact could be transformative, with projections suggesting the project could eventually generate close to \$10 billion in annual revenues while significantly reducing Algeria's reliance on imported iron ore and raw materials. Thousands of jobs have already been created during the construction phase and the project is expected to support the development of steel and manufacturing industries.

More than a mining project, Gâra Djebilet represents a cornerstone of Algeria's broader industrialization strategy. By combining extraction, processing, transport infrastructure and value-added manufacturing, the project embodies the country's ambition to build a more diversified and export-oriented economy for decades into the future.



Martyrs Memorial for those killed during the Algerian war of independence.

Multi-faceted relations

Algeria's ambassador to the US explains how significant his country can be for US interests

The relationship between Algeria and the US has entered a new phase. According to Algeria's Ambassador to the United States, Sabri Boukadoum, the foundations are now in place for a significant expansion of bilateral economic ties.

"The current relationship is characterized by growing political dialogue, expanding commercial exchanges and a shared interest in developing practical, long-term partnerships," Boukadoum explains. "What makes this moment particularly significant is the convergence between Algeria's ambitious economic reforms and the increasing interest of American companies in emerging and strategic markets."

This growing cooperation is already producing tangible results and certainly one of the most significant recent developments is the January 2025 agreement involving the export of an initial 30,000 US dairy cows to Algeria, with a long-term objective of approximately 240,000 animals. For Algeria, however, the project goes far beyond agriculture. It is a cornerstone of the country's strategy to strengthen food security, reduce dependence on imports and modernize agricultural production through technology transfer and international partnerships.

Opportunities beneath the surface

Agriculture is only one part of a much broader opportunity. As Boukadoum notes, "Our national economic diversification strategy is creating major opportunities across multiple sectors for American companies seeking a long-term presence in our market. In addition to agriculture and agribusiness, important opportunities exist in renewable energy, infrastructure, transportation, mining, water, digital technologies, healthcare, manufacturing and logistics."

The country's location at the crossroads of Africa, Europe and the Middle East gives it unique advantages as a regional hub. Major investments in ports, airports, railways, highways and logistics infrastructure are strengthening connectivity and creating new growth areas for international businesses seeking access to African and Mediterranean markets.

At the same time, Algeria is investing heavi-



Sabri Boukadoum
Ambassador of Algeria to the US

ly in digital transformation. AI, cloud computing, cybersecurity, telecommunications, fintech and digital infrastructure are all areas where US expertise can play a major role. With a young and increasingly skilled population, Algeria is seeking partnerships that combine investment with knowledge transfer and innovation.

Supporting these prospects is a reform agenda designed to improve the business climate and attract foreign investment. "President Tebboune has undertaken, through his decisions and policies, significant reforms in recent years to improve the business climate and strengthen investor confidence," Boukadoum says. "The new investment law introduced important measures aimed at enhancing transparency, simplifying procedures, strengthening legal protections and increasing predictability for foreign investors."

For US companies looking toward emerging markets, Algeria offers a compelling combination of political stability, strategic geography, abundant resources and a clear commitment to economic modernization. As Boukadoum emphasizes, the opportunities are significant and the partnership between Algeria and the US is only beginning to realize its full potential.



The public sector has historically dominated Algeria's finance industry, but market reforms are coming and generous incentives are in place for investors.

Algeria's financial sector opens to global investors

Economic and financial reforms as well as geostrategic positioning combine to make Algeria an enviable investment prospect

As Algeria advances its economic diversification agenda, two institutions are playing a pivotal role in shaping the country's future: the Ministry of Finance and the Bank of Algeria. Together, they are driving reforms designed to reinforce macroeconomic stability, modernize financial infrastructure, expand financial inclusion and position Algeria as one of North Africa's most attractive investment destinations.

For Finance Minister Abdelkrim Bouzred, the government's economic strategy is centered on sustaining growth while creating a more dynamic and inclusive investment environment. The 2026 Finance Act reflects this vision through a combination of investment incentives, financial-sector reforms and measures designed to preserve purchasing power while supporting long-term development.

One significant innovation is the introduction of treasury bond issuances structured according to Islamic finance principles. The initiative is designed to attract savings that have often remained outside the banking system, bringing them into the formal economy.

Digitalization is another cornerstone of the reform agenda. The Ministry of Finance has accelerated the modernization of public administration through the digitization of tax records, land registries and customs procedures. These reforms are improving transparency, strengthening oversight and enhancing the efficiency of public services while creating a more predictable business environment.

The Bank of Algeria complements these efforts by safeguarding financial stability in the banking sector. Governor Mohamed Lamine

Lebbou emphasizes: "In a rapidly changing global environment, Algeria must strengthen private banking to increase public trust, encourage deposits and support investment and entrepreneurship. At the same time, the Central Bank must ensure effective supervision of foreign currency reserves and banking activities through clear and transparent regulations."

This focus on transparency and international best practices is helping Algeria improve investor confidence. The banking sector continues to align with global standards, including Basel regulations and anti-money laundering and counter-terrorism financing requirements.

The broader economic outlook remains positive. As Lebbou notes, "Algeria's economic outlook is positive. Growth reached 4.1% in the first half of 2025, compared with 4.0% in 2024, showing steady progress." Stronger credit growth and rising investment activity are being supported by major projects across mining, energy, renewable energy and industry.

For international investors, Algeria's appeal extends well beyond its domestic market. According to Bouzred, "Algeria is a country open to all. Investment opportunities are plentiful and well-established. It is possible to establish a presence there as an economic player in the local market, but also to view Algeria as a springboard to other markets."

Regional and international influence

The country's strategic position is reinforced by its growing role within Africa. Bouzred explains: "Algeria has always attached particular importance to its position in Africa, as an African country with natural ties rooted in that



Abdelkrim Bouzred
Minister of Finance



Mohamed Lamine Lebbou
Governor, Bank of Algeria

region." Significant investments in transport infrastructure, including railway links extending toward the Sahel, are strengthening Algeria's connectivity with neighboring markets and supporting regional economic integration.

He further adds that "Algeria is aware of its role in Africa, its relations with the countries of the continent and the importance of shared interests." This regional engagement is creating new opportunities for trade, logistics and industrial cooperation across the continent.

From an investment perspective, Algeria offers a combination of scale and untapped potential. "Algeria currently has approximately 47 million consumers. Domestic production is approaching \$250 billion. There is therefore a real market. Investment potential remains partially untapped — at 30-40% — whether in industry, agriculture or tourism, excluding the hydrocarbons sector," Bouzred says.

The framework supporting these opportunities continues to strengthen. Lebbou highlights: "Algeria offers a favorable environment for foreign investment. Investors can freely transfer dividends and profits after meeting tax obligations. Under the new investment code, major

Banking for everyone



CPA is one of the leading banks in Algeria and is promoting the country abroad too

Founded in 1966, shortly after Algeria's independence, Crédit Populaire d'Algérie (CPA) is one of the country's most influential financial institutions and a pillar of Algeria's banking sector. As the bank approaches its 60th anniversary, it ranks third in Algeria and among the leading banks in North Africa. A defining milestone in the bank's recent history was its successful initial public offering (IPO) which marked a new phase in governance and market integration.

"This has resulted in strengthened governance, greater transparency and alignment with financial market standards, in accordance with regulatory authorities' expectations. These transformations are accompanied by solid financial performance, in line with shareholders' expectations following the public offering," Ali Kadri, its CEO explains.

The IPO not only reinforced confidence in CPA itself but also signaled a broader shift within Algeria's financial landscape. Historically, Algeria's economy depended heavily on traditional bank lending, but now capital markets are beginning to play a greater role in financing growth. "The question of the balance between bank financing and market financing is part of a recent trend in the Algerian economy. For a long time, the



Ali Kadri
CEO, Crédit Populaire d'Algérie (CPA)

inclusion, while meeting specific ethical and compliance requirements," the CEO says.

"True to its slogan, 'A bank listening to you,' CPA places customer proximity at the heart of its strategy. The goal is to get closer to customers, not only by expanding its physical network, but above all by leveraging modern distribution channels," he adds.

Playing a greater role than banking

Beyond banking services, CPA is also playing a crucial role in promoting the country as a foreign investment destination. The CEO highlights Algeria's modern infrastructure, strategic geographic position linking Africa and Europe and competitive energy costs as major advantages for investors.

"Algeria offers considerable potential in renewable energy, particularly solar power. With some of the highest numbers of sunshine hours in the world, the country positions itself as a particularly attractive destination for investment in this field," he notes. Combined with a young, highly skilled workforce and major infrastructure projects connecting Algeria to regional markets, these strengths are creating new opportunities for international investors. Through syndicated lending and its expertise in financing large-scale projects connecting Algeria to Europe and West Africa, CPA is a trusted partner for global investment and long-term growth in North Africa.



Coordination and targeted efforts

Speaking with one voice, Algeria's government and researchers are courting investors

The Minister of Knowledge Economy, Startups and Micro-enterprises, Noureddine Ouadah, and CREA are building an environment geared toward innovation and new opportunities.

Since its creation in 2020, the ministry has pursued a clear objective: transforming Algeria from a hydrocarbons-dependent economy into a knowledge-driven economy powered by talent and innovation. According to Ouadah, a key factor behind the success has been its digital-first approach. The ministry operates through fully digital platforms, making services accessible throughout the country and enabling participation from the Algerian diaspora.

Algeria's startup ecosystem has expanded from approximately 250 startups in 2020 to more than 10,000 today. A major catalyst has been the introduction of a new legal framework and financing model specifically designed for innovation. "The old SME model was largely debt-based, which is not suited to innovation, where risk is higher and business models are less predictable," explains Ouadah. "To address this, we introduced a new legal framework in October 2020, defining startups and innovation and created the Algerian Startup Fund, an equity-based financing mechanism. This shift helped unlock innovative projects that could not grow under the previous system."

Incubators are now established across Algeria's higher education system, encouraging students to turn academic research into commercial ventures. Ouadah explains: "Overall, we are shifting from a mindset of 'engineers seeking jobs' to 'engineers creating companies, building teams and generating economic value.'"

Outreach across the ocean

While the ministry focuses on entrepreneurship and innovation, CREA is the critical bridge between the public and private sectors. Under Kamel Moula, the organization has played an active role in shaping Algeria's new investment environment and promoting business partnerships both domestically and internationally.

He points to the scale of Algeria's industrial expansion as evidence of its momentum. "Since the creation of the Investment Promotion Agency, more than 20,000 industrial projects are underway. Of these, approximately 6,000 have already entered the operational phase."

"There are around 600 pharmaceutical companies in Africa. Of these, nearly 230 are based in Algeria. The country now produces about 80% of its own needs, a significant level of health security. This achievement places Algeria at a level that few countries, particularly in the region, have managed to reach," he adds. The



Noureddine Ouadah
Minister of Knowledge Economy, Startups and Micro-enterprises



Kamel Moula
President, Algerian Economic Renewal Council (CREA)

progress is equally evident in energy. "Just a few years ago, products such as gasoline and diesel were still being imported. Today, these imports have virtually disappeared," Moula notes.

Both Ouadah and CREA see significant opportunities for partnership with the US. The minister has actively promoted exchanges with American innovation hubs, while CREA has worked to strengthen connections between Algerian and US businesses.

As Ouadah notes: "The Algerian ecosystem is growing rapidly, not only for Algeria, but for Africa as a whole." For Moula, the message is clear: "When we speak of a 'new Algeria,' we are not just referring to slogans, but to an ongoing reality that is evident even from the outside."



Algeria is a major gas exporter and Sonatrach operates a substantial maritime fleet, shipping LNG and LPG to various global markets from Europe to the Far East.

A strategic position in global gas markets

Sonatrach is the largest company in Africa by revenue and is redefining Algeria's energy landscape through strategic investments

For more than six decades, Sonatrach has driven Algeria's economic development, transforming the country into one of the world's most important energy producers and a trusted supplier of oil and natural gas to international markets. Today, as global energy demand continues to evolve and the transition toward lower-carbon energy systems accelerates, Algeria's national energy champion is embarking on one of the most ambitious investment and expansion programs in its history.

Backed by substantial reserves, world-class infrastructure and a renewed legislative framework designed to attract international investment, Sonatrach is positioning itself not only as Africa's largest energy company, but also as a key contributor to regional energy security and a driving force behind Algeria's long-term economic growth.

As Mohamed Arkab, Minister of State, Minister of Hydrocarbons and Mines, notes, "The hydrocarbons sector has always been a cornerstone of the national economy. Since independence, it has served as the engine of growth, financing the country's infrastructure and public services." Today, the sector continues to account for about 40% of state budget revenues and around 20% of Algeria's GDP, underlining its strategic importance to national development. At the heart of this success story is Sonatrach.

A historic investment program

The company has launched what CEO Nour Eddine Daoudi describes as a transformational investment cycle designed to strengthen Algeria's position in global energy markets while ensuring long-term resource sustainability. "We have launched an ambitious five-year program for 2026-2030 with a total investment of around \$60 billion, or about \$12 billion per year. Around 75-80% of this budget will be dedicated to upstream activities to sustain current production levels and renew our oil and gas reserves," Daoudi explains.

The scale of this commitment places Sonatrach among the most active energy investors in Africa and the Mediterranean region. The strategy focuses heavily on exploration, field development and enhanced recovery technologies aimed at maximizing production from both existing and newly discovered reservoirs.

This investment drive aligns closely with the national strategy outlined by Minister Arkab, who highlights that Algeria has launched "a strategic offensive to revitalize its upstream sector" supported by Hydrocarbons Law No. 19-13 and a national investment program valued between \$60 billion and \$70 billion through 2030.

The objective is clear: secure Algeria's future as a major energy producer while meeting growing domestic demand and maintaining strong exports. One of the defining characteristics of Sonatrach's current strategy is its willingness to move beyond traditional producing areas and pursue new exploration frontiers. "Exploration has become more challenging than in the past. Discovering new resources is increasingly complex, requiring advanced technologies to reduce geological risk. While previous efforts focused mainly on near-field exploration, we are now moving toward frontier areas that demand stronger capabilities in geophysics, geology and investment," says Daoudi.

This approach is already delivering results. "In 2025, Sonatrach made around 17 discoveries, with total resources exceeding 100 million barrels of oil equivalent in place, across

MOHAMED ARKAB
MINISTER OF STATE, MINISTER OF
HYDROCARBONS AND MINES

"Algeria occupies a central position in regional and Euro-Mediterranean energy diplomacy."

both proven and possible volumes. This strong performance confirms our decision to further increase investment in exploration." These discoveries are part of a broader exploration success story with a further 18 discoveries from 2024 across eight sedimentary basins, particularly in the Amguid-Messaoud, Berkine and Illizi basins.

The momentum has continued into 2026. "The results are already encouraging: in early 2026, we achieved more discoveries than in the same period of 2025, reaching over 130 million barrels of oil equivalent in terms of evaluated resources," Daoudi notes. These achievements highlight the vast untapped potential of Algeria's hydrocarbon resources. Despite decades of production, only a portion of the country's sedimentary basins have been thoroughly explored, leaving significant opportunities for future discoveries.

While Algeria remains Sonatrach's primary focus, the company is also looking beyond its borders. "Sonatrach's strategy is to strengthen its presence in Africa and develop cooperation with neighboring countries, in a spirit of South-

South partnership," says Daoudi. The company is currently active in Libya in the Kufra Basin and in Niger, while expanding cooperation across the continent. "We have also recently signed memoranda of understanding with Mauritania, Chad and Burkina Faso. In addition, we are exploring opportunities in other regions such as Mozambique."

These initiatives showcase Sonatrach's ambition to evolve from a national champion into a truly continental energy player capable of contributing to Africa's energy development while creating new growth opportunities for Algeria.

Regional cooperation is particularly important as African countries seek to improve energy access, develop infrastructure and attract investment. Sonatrach's technical expertise, operational experience and financial strength position it as a valuable partner in these efforts.

Continental significance

Perhaps no project better illustrates Sonatrach's regional ambitions than the Trans-Saharan Gas Pipeline (TSGP). The project would connect Nigeria's vast natural gas resources to Algeria through Niger, creating a nearly 2,500-mile energy corridor capable of transporting approximately 1 trillion cubic feet of natural gas annually.

According to Minister Arkab, the TSGP reflects "Algeria's vision of regional energy integration that benefits both Africa and Europe." For Sonatrach, the project offers multiple strategic advantages. It would reinforce Algeria's position as a regional energy hub, strengthen energy cooperation across Africa and provide additional gas volumes for European markets.

The pipeline would connect directly to Hassi R'Mel, Algeria's giant gas hub and one of the world's most important natural gas fields. From there, gas could flow through existing export infrastructure to European consumers. Combined with the Medgaz pipeline to Spain and the TransMed pipeline to Italy, the TSGP would further solidify Algeria's role as a critical bridge between Africa and Europe at a time when global energy security has become a strategic priority. Algeria's reputation as a dependable supplier has never been more important. "Algeria occupies a central position in regional and Euro-Mediterranean energy diplomacy, founded on one core principle: reliability," says Minister Arkab. "For decades, Algeria has consistently honored its contractual commitments, even during periods of extreme market volatility and geopolitical uncertainty."

This reputation is supported by a robust infrastructure network that includes extensive pipeline systems, LNG facilities, export terminals and storage capacity. Algeria's gas exports



Mohamed Arkab
Minister of State, Minister of Hydrocarbons and Mines

play a crucial role in European energy security, particularly for countries seeking to diversify their energy supply sources. Through long-term contracts and reliable delivery performance, Sonatrach has established itself as a trusted partner for utilities and industrial consumers across the continent.

As Europe continues balancing energy security objectives with climate commitments, natural gas remains an important transition fuel, creating sustained opportunities for Algeria's hydrocarbon sector. While exploration and production remain central to Sonatrach's business model, the company is increasingly focused on creating value through downstream activities. Daoudi emphasizes that Sonatrach continues to invest in "high value-added activities, particularly petrochemicals processing and transformation which strengthen Sonatrach's industrial integration and long-term growth."

NOUR EDDINE DAOUDI
CHAIRMAN AND CEO, SONATRACH

"In 2026, we achieved more discoveries than in the same period of 2025, with over 130 million barrels of oil equivalent in evaluated resources."

This strategy aligns with Algeria's broader industrialization objectives, which seek to maximize the value derived from natural resources through local processing and manufacturing. Among the most significant is a new refinery in Hassi Messaoud with a processing capacity of over 5.5 million tons of crude oil annually. According to Arkab, the facility is scheduled for commissioning in 2027 and will fully satisfy domestic diesel demand while creating additional export opportunities for refined products.

Other major projects include petrochemical developments producing polypropylene, MTBE and linear alkyl benzene, all designed to reduce imports, support domestic industries and generate higher-value exports. These investments represent a shift from simply exporting raw



Nour Eddine Daoudi
Chairman and CEO, Sonatrach

hydrocarbons toward capturing greater value across the entire energy chain.

Attracting global partners

A key component of Sonatrach's growth strategy is collaboration with leading international energy companies. "Under the new legal framework, Sonatrach has signed nine hydrocarbon contracts through direct negotiations with major international companies including ENI, Occidental, Sinopec, Pertamina, Repsol and TotalEnergies," Minister Arkab explains.

The launch of Algeria Bid Round 2024 further strengthened investor confidence, with five of six available blocks awarded to international operators. For Sonatrach, partnerships provide more than capital. "We are in discussions with two major US companies, ExxonMobil and Chevron. These talks have been ongoing for some time, as we seek to establish strong partnerships. Our objective is to diversify our international partnerships beyond European companies and attract leading global players that can bring advanced technology, expertise and investment," says Daoudi.

These relationships are particularly important as exploration becomes increasingly sophisticated and technically demanding. International partnerships provide access to advanced seismic imaging, reservoir modeling, digital technologies and operational expertise that can significantly improve exploration success rates and production performance.

Looking forward, Sonatrach is preparing to enter entirely new areas of exploration which remain as yet untapped and unexplored. "Studies suggest that Algeria has significant potential, among the largest in the world. For this reason, we want to work with industry leaders such as ExxonMobil and Chevron, particularly in conventional exploration and development, where they have strong global expertise," Daoudi says. In addition to conventional resources, the company is evaluating opportunities in shale gas and shale oil, areas where Algeria is believed to possess substantial resource potential.

Even more promising may be offshore exploration. "Studies show that offshore could offer significant potential for Algeria. Many of the world's recent major discoveries have been offshore, particularly in the Eastern Mediterranean, including Egypt, Cyprus, Malta and Libya, which are not far from Algeria."

Daoudi believes similar geological opportunities may exist off Algeria's coastline. "We believe Algeria has similar opportunities, but offshore exploration is highly complex and costly. For Sonatrach, it is a new frontier, so we aim to develop it through partnerships." Success offshore could significantly expand Algeria's reserve base while opening a new chapter in the country's hydrocarbon development story.

At the same time, Sonatrach is integrating sustainability into its growth strategy. Minister Arkab emphasizes that "as a major energy producer, Algeria considers sustained growth in hydrocarbon production essential for regional and international energy security. At the same time, that growth must be accompanied by structural decarbonization."

A cornerstone of this effort is methane reduction. "In January 2024, a dedicated methane committee was established to oversee the implementation of the National Tool for Methane Emissions Detection and Reduction. Sonatrach has adopted ambitious targets: Zero avoidable methane emissions by 2030. Zero routine flaring by 2030."

The company is also deploying energy-efficiency measures, improving operational performance and introducing renewable energy into hydrocarbon operations. Its solarization program aims to install more than one gigawatt of solar capacity across operational sites, reducing emissions while freeing additional natural gas for export markets.

As global energy markets continue to evolve, Sonatrach is in no way standing still. Through massive investment, exploration success, international partnerships, downstream expansion and sustainability initiatives, the company is reinforcing its position as one of Africa's leading energy enterprises. Its strategy is ambitious but clear: strengthen reserves, expand production, create industrial value, deepen international cooperation and support both national development and global energy security.

In doing so, Sonatrach is not only securing Algeria's position as a hydrocarbon powerhouse for decades to come — it is shaping the country's energy future and reaffirming its role as a trusted partner in the global energy landscape.

سوناتراخ



sonatrach



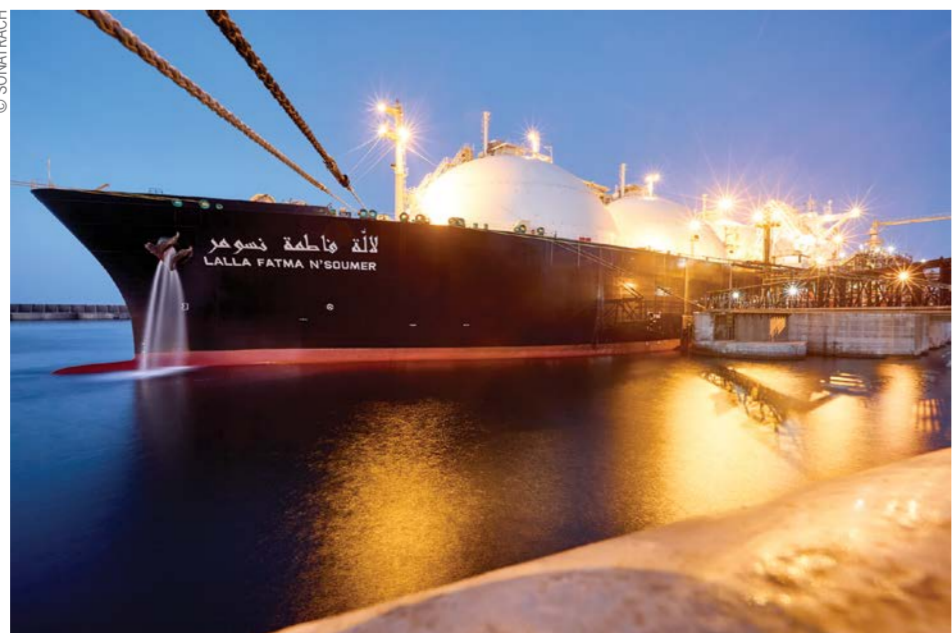
More than an integrated group in the hydrocarbons industry, SONATRACH mobilizes all its **ENERGY** to ensure the country's energy security, to meet its contractual commitments toward its clients, while conducting its operations responsibly and respecting the environment.

SONATRACH commits all its **ENERGY** to a sustainable development.

Energy for a Sustainable Development



Algeria's six refineries have a combined capacity of 30.6 million tons per year.



Sonatrach operates a fleet of 10 LNG ships, five of which it wholly owns.

Algeria's infrastructure drive gains strong momentum

A comprehensive, interconnected and nationwide upgrade of all modes of transport are driving forward a new era of opportunities

Through massive investments in roads, railways, ports, airports and digital infrastructure, Algeria is not only modernizing its domestic economy but also creating the foundations for long-term regional integration and international competitiveness. Front and center of this transformation is a clear national framework: infrastructure as a catalyst for economic diversification, industrial development and sustainable growth.

Algeria has accelerated investment across every mode of transport. Today, the country boasts more than 90,000 miles of roads, almost 1,000 miles of motorways, over 3,500 miles of railway lines, 52 ports and 51 aerodromes. Between 2020 and 2025 alone, the rail network expanded by 1,000 miles, connecting 40 provinces and reinforcing national cohesion while opening new opportunities for trade and investment.

For Minister Abdelkader Djellaoui, these investments are the backbone of economic transformation. His view that infrastructure is "the fundamental prerequisite for any socio-economic development and the primary driver of any lasting economic transformation" is perhaps nowhere more visible than in Algeria's growing role as a gateway between Africa and global markets. "For decades, Algeria has been connecting Africa — with a clear and deliberate geographic vision," he says. "In this continental project, the public works sector plays a central and operational role: to develop and modernize infrastructure in order to guarantee fluid, reliable and sustainable commercial flows."

A centerpiece of this strategy is the Trans-Saharan Highway, a 6,200-mile corridor connecting North Africa to Sub-Saharan markets. The Algerian section is fully operational, stretching over 1,400 miles from Algiers to the Niger border. Continuous upgrades are underway, including motorway-standard expansions and extensive modernization works to ensure the reliability of this vital trade route. The highway is complemented by an expanding network of regional connections that strengthen Algeria's position as a continental logistics hub.

Beyond the main road axis, Algeria has built a genuine network of African connectivity: the Tunisian branch is fully paved over 318 miles; for the Malian branch, 248 miles out of 338 have been completed; and in terms of bilateral access routes, 472 miles have been finalized toward Mali and over 350 miles toward Niger,"



Abdelkader Djellaoui
Minister of Public Works and Basic Infrastructure

notes the minister. "These routes are not mere transit corridors — they are the commercial arteries that enable Algerian goods and the products of the entire Sub-Saharan region, to circulate, be exchanged and reach markets."

The broader objective is obvious: creating seamless trade flows across borders and strengthening Africa's economic integration. "A country that connects its neighbors is not engaging in geopolitics — it is building an economy," Djellaoui says. "And that economy is already in motion."

Rail infrastructure is equally central to Algeria's development strategy. In January 2026, the country inaugurated the landmark 590-mile Western Mining Railway Line linking Béchar, Tindouf and the vast Gâra-Djebilet iron ore deposits. Designed to transport over 55 million tons of raw iron ore and 27 million tons of processed products annually, the railway forms part of a fully integrated mine-rail-port logistics chain that will support industrial production and exports. Its eastern counterpart, the 262-mile Eastern Mining Line, is under construction and will facilitate the transportation of 25 million tons of phosphates annually, unlocking additional opportunities in both industrial and agricultural value chains.

The expansion of the national railway network extends well beyond mining. Major corridors connecting industrial zones, ports,



The Port of Algiers, Algeria's main seaport, covers 10 miles of the Bay of Algiers.

agricultural regions and population centers are under development, while the strategic Algiers-Tamanrasset line will ultimately reinforce Algeria's role as a logistics bridge between the Mediterranean and Sub-Saharan Africa.

Connecting countries across the Sahara
At the heart of this infrastructure strategy lies multimodal integration. Rather than viewing roads, railways, ports and airports as separate assets, Algeria is developing an interconnected logistics ecosystem designed to maximize efficiency and competitiveness.

"Algeria is building the links of a continental logistics chain, anchored in a coherent and multisectoral territorial planning vision, in which every segment reinforces the competitiveness of the whole," Djellaoui explains.

ABDELKADER DJELLAOUÏ
MINISTER OF PUBLIC WORKS AND BASIC INFRASTRUCTURE
"An inefficient port is a border in disguise. Algeria has recognized this and has begun a structural transformation of its port infrastructure"

Ports play a particularly important role in this approach. With most international trade moving by sea, Algeria is investing heavily in expanding capacity, improving connectivity and modernizing operations. "An inefficient port is a border in disguise," says the minister. "Algeria has recognized this and has embarked on a structural transformation of its port infrastructure, not as a renovation, but as a competitive repositioning in service of a clear vision: to make our ports genuine modern logistics hubs, capable of supporting the diversification of the national economy and progressively reducing our dependence on hydrocarbons."

Recent achievements include the delivery of

70 miles of motorway access roads connecting the strategic ports of Djen Djen, Béjaia, Oran and Ghazaouet directly to the national motorway network. Major upgrades are also underway at the ports of Annaba, Arzew and Djen Djen, the latter expected to become a major Mediterranean transshipment hub with capacity exceeding five million TEUs annually.

Alongside physical infrastructure, Algeria is embracing digitalization as a critical component of modern project delivery and investor confidence. An integrated digital management platform now supports infrastructure oversight across the sector, while geolocation technologies and advanced monitoring systems provide real-time visibility into project execution. "For an international investor, the question is never abstract — it is simple and direct: where does my project stand, who is accountable for it and what happens if a deadline is at risk?" Djellaoui explains. "The digital tools we are deploying provide a documented, traceable and verifiable answer to each of these questions."

The scale of opportunity is substantial. Thousands of miles of new rail lines remain under construction or in advanced planning stages. Port expansions, motorway upgrades, logistics platforms, digital infrastructure and smart mobility systems all present opportunities for partnerships with global engineering, technology and logistics leaders.

"Algeria is seeking partners," Djellaoui concludes. "Partners who bring technology, operational excellence and a long-term vision. American companies fit this profile exactly. The question is no longer whether the partnership is possible — it is rather who will be visionary enough to seize it first."

As Algeria continues to build infrastructure on a continental scale, it is simultaneously building something even more important: a platform for economic diversification, regional connectivity and long-term prosperity. Its infrastructure revolution offers a compelling story of ambition, execution and opportunity.



Widespread digital adaption has led to much greater empowerment for society.

fers a unique advantage in the global digital economy. Sitting between Europe and Africa, the country is investing heavily in submarine cables and international fiber routes to become a regional connectivity hub. The government's vision includes expanding connections to neighboring countries while creating alternative, lower-latency routes linking Africa with Europe. New submarine cable projects and terrestrial fiber corridors are designed to improve network resilience, increase capacity and reduce dependence on traditional routes.

Zerrouki believes these investments can transform Algeria into a key digital gateway for the continent. By connecting West and Central African markets through Algeria's network infrastructure, countries can gain faster and more cost-effective access to European digital services and cloud platforms.

SID ALI ZERROUKI
MINISTER OF POST AND TELECOMMUNICATIONS
"5G is now a must. This is not just for streaming or broadcasting or chatting; it is meant for industrial empowerment."

While much attention focuses on fiber and 5G, the postal sector remains a crucial component of Algeria's digital transformation. Algérie Poste is one of the largest public institutions on the continent, serving more than 20 million account holders. Through its extensive network, it plays a vital role in financial inclusion, payment services, government disbursements and the digitization of public services.

The modernization of postal services has become more important as Algeria accelerates its moves toward electronic payments, digital government platforms and broader financial inclusion initiatives. The integration of postal and digital services ensures that modernization reaches citizens in every corner of the country,

including remote communities that may have limited access to traditional banking infrastructure.

"We are also right at the center of the world, between the US and Asia, between Europe and Africa. And the greatest competitive advantage that we have is low-cost energy and a low cost of living," says Zerrouki.

The country graduates between 250,000 and 300,000 students annually, providing a substantial pool of young talent. Combined with competitive operating costs, affordable energy and proximity to European markets, this creates a compelling proposition for international investors. The government has set ambitious employment targets, aiming to create hundreds of thousands of jobs in outsourcing, customer service and digital services over the coming years. These industries could become important new drivers of economic diversification while providing opportunities for Algeria's growing youth population.

AI, cloud computing and partnerships
Algeria also sees artificial intelligence and cloud computing as the next frontier of economic development. The government is actively seeking partnerships with leading international technology companies to accelerate technology transfer, innovation and investment. Its huge energy resources provide a significant advantage in an era when AI and cloud infrastructure require increasingly large amounts of electricity.

"Partnering with leading American companies is a must for us. We strongly believe in the potential and we are working to reach it, but we all know that AI and cloud computing require a lot of energy. And Algeria has abundant energy at very affordable prices. As such, we can be a key technology partner for the US and others in this part of the world."

With expanding fiber networks, 5G rollout, international connectivity projects, a modernizing postal system and growing ambitions in AI and cloud computing, Algeria is laying the foundations for a digitally connected future.

A push for agricultural self-sufficiency

A new approach to agriculture is seeing more land being used more productively, ensuring food security and reliability across Algeria

As Algeria seeks to reduce its dependence on hydrocarbons, strengthen food security and create new opportunities for investment, the agricultural sector is undergoing a transformation driven by technology and modernization. Minister, Yacine El-Mahdi Oualid, is pursuing an ambitious vision that combines agricultural self-sufficiency with innovation and international partnerships. This approach reflects a broader national strategy focused on building a more resilient economy capable of meeting the challenges of population growth, climate change and global food insecurity.

For Oualid, modernization is at the heart of this transformation. "We must accelerate digital transformation and invest in sustainability, particularly in response to climate change, water scarcity and energy constraints. The key challenge is balancing food production for a growing population with responsible use of resources. Technology is central to this transition and in Algeria we need to invest more strongly in it to drive a more efficient and sustainable agricultural model."

The importance of agriculture to the Algerian economy cannot be overstated. The sector contributes approximately 15% of GDP and supports around 2.4 million people. Algeria possesses nearly 33,000 square miles of agricultural land, making it one of the most significant agricultural economies in North Africa despite its environmental challenges, given much of its territory is unusable.

"Although Algeria is the largest country in Africa, most of its territory is desert, which makes farming very challenging. Despite this, we have strong results. We are self-sufficient in vegetables and fruits and largely in red meat and poultry. However, Algeria is among the world's largest wheat consumers, with an average consumption of about 215kg [474lbs] per person per year, compared to a global average of 65kg [143lbs]," Oualid explains.

Historically, Algeria's agricultural strategy focused on food security rather than exports. In today's uncertain global environment, that approach is proving prescient. Disruptions to global supply chains, geopolitical tensions and climate-related shocks have reinforced the im-



Agriculture composes 15% of the economy despite occupying such little land.



Yacine El-Mahdi Oualid
Minister of Agriculture, Rural Development and Fisheries

portance of domestic food production capacity. To support this objective, the government has significantly increased investment in the sector. Agriculture now benefits from one of the largest public budgets in Algeria, with annual spending approaching \$6 billion. These resources are used to subsidize fertilizers, irrigation systems, mechanization and agricultural equipment, while also guaranteeing minimum purchase prices for strategic crops such as wheat.

Reforming the agricultural model

However, the ministry is now pursuing reforms designed to make these support mechanisms more efficient. "Performance-based subsidies are one of the key reforms we are currently working on. The idea is to shift from input subsidies — fertilizers, seeds and other inputs — to

output subsidies, where support is given after production. The goal is to ensure that public money directly benefits farmers."

Alongside subsidy reform, the ministry has identified two additional strategic priorities: genetics and digitalization. Algeria is seeking to reduce its dependence on imported seeds through the development of a national seed industry and gene bank. At the same time, stronger links are being created between universities, research institutions and agricultural producers to improve resilience and productivity.

Digitalization represents perhaps the most transformative initiative. The ministry is developing a National Agricultural Information System, an AI-powered platform designed to support decision-making at every level of the agricultural value chain. From individual farmers to policymakers, access to real-time data is expected to improve productivity, optimize resource use and strengthen long-term planning.

Milking the moment

These reforms are occurring alongside a wave of major investment projects that are reshaping the sector. Among the most significant is the Baladna dairy project, a \$3.5 billion investment being developed in partnership with Qatari investors. Covering over 290,000 acres, the project is expected to become one of the largest dairy developments in the world.

Algeria will import around 240,000 dairy cows from the US. An initial agreement signed in January 2025 provided for the first 30,000 cows, while the long-term objective is to establish a fully integrated ecosystem capable of dramatically reducing Algeria's dependence on imported milk powder.

The scale of the operation is remarkable. By 2026, the project had already entered its second

phase, supported by agreements worth more than \$635 million. To facilitate the importation of livestock, a large-scale airlift operation was launched involving more than 100 flights transporting premium Holstein Friesian dairy cattle from multiple US states to Algeria.

The project also underscores the growing role of American companies in Algeria's agricultural modernization. US firms are supplying livestock, irrigation technology and agricultural expertise. Companies specializing in advanced pivot irrigation systems are helping transform arid land into productive farmland while maximizing water efficiency.

Another flagship initiative involves collaboration with Italian agricultural giant BF Group. The project covers over 222,000 acres and focuses on wheat and pasta production, helping Algeria strengthen domestic cereal production and reduce imports.

These investments are supported by one of Algeria's most valuable natural assets: the Albion Aquifer, one of the world's largest underground freshwater reserves. Shared with Tunisia and Libya, approximately 75% of the aquifer lies beneath Algerian territory. Combined with modern irrigation technologies, this resource has enabled the remarkable expansion of agriculture into areas that were once considered unsuitable for cultivation.

Nearly half of Algeria's agricultural production now comes from regions that were previously desert landscapes. In a striking reversal of traditional patterns, southern agricultural regions are increasingly supplying food to northern population centers. These developments create substantial opportunities for international investors. "I believe Algeria is still under-invested, partly because we have

YACINE EL-MAHDI OUALID
MINISTER OF AGRICULTURE, RURAL DEVELOPMENT AND FISHERIES

"Most of Algeria's territory is desert, which makes farming very challenging. Despite this, we have strong results. We are self-sufficient in vegetables."

not done enough to promote its potential. We are now changing that approach. Algeria is a country of opportunities, not only in agriculture but across many sectors," says Oualid.

"Recent reforms have made regulations more attractive, with tax incentives and improved procedures. It is now easier to create companies, including online registration, and we have 'green corridors' for large investors."

From dairy and cereals to irrigation technology, food processing and agritech, opportunities are emerging across the entire value chain. For a country once defined by its hydrocarbons sector, agriculture is increasingly becoming a new engine of growth, one capable of strengthening food security, creating jobs and attracting investment while helping secure a more sustainable future.

Hyper-connected from top to bottom

Algeria is spending billions on the latest telecoms infrastructure

Driven by major investments in fiber-optic infrastructure, next-generation mobile networks, international connectivity, data centers and digital public services, Algeria is rapidly proving itself as one of Africa's most ambitious digital transformation success stories.

The Ministry of Post and Telecommunications, led by Minister Sid Ali Zerrouki, places connectivity at the heart of Algeria's economic modernization. As digital technologies become increasingly critical to government services, business competitiveness and citizen well-being, telecommunications is no longer viewed as a supporting sector but as a foundational pillar of national development. "Today, telecommunications constitutes a pillar of the economy. Without telecommunications we cannot connect populations, industries and countries to each other. We consider our department to be critical for the whole government and for GDP growth," Zerrouki explains.

Few countries face connectivity challenges on the scale of Algeria. Stretching across more than 919,000 square miles — or roughly the size of Alaska and Texas combined — Algeria is one of the largest countries in the world. Connecting remote communities, desert settlements, industrial zones and urban centers requires massive infrastructure investments.

The government has made fiber deployment a national priority. According to Zerrouki, more than 3 million households are already connected to fiber, with a target of connecting virtually all households by the end of 2026 and phasing out legacy copper networks by 2027.

"Each and every single government department relies on telecommunication and connectivity, not only the institutions, but also the individuals within them and their households. Nowadays everyone has smartphones and tablets, so not having connectivity feels like something that only happened in the past," he says. "Algeria is a huge country, so providing coverage for all our people is a challenge. But we are sparing no effort in deploying fiber optic and mobile connectivity."

The progress has been remarkable. Algérie Télécom announced that it surpassed 2.5 million fiber-to-the-home subscribers in 2025, making it one of the largest fiber deployments on the African continent. The company continues to expand high-speed broadband across all 58 provinces while introducing increasingly higher bandwidth offerings for households and businesses. The impact extends far beyond faster internet. Fiber connectivity supports remote



Sid Ali Zerrouki
Minister of Post and Telecommunications

work, e-learning, digital entrepreneurship, cloud computing, online public services and the growth of Algeria's digital economy.

Entering the 5G era

Algeria's telecommunications ambitions extend beyond fixed broadband. The country has officially entered the 5G era, with licenses awarded to the nation's three major mobile operators: Mobilis, Djeezy, and Ooredoo. The rollout began in key urban and economic centers and will gradually expand nationwide under a multi-year deployment plan.

For Algeria, 5G is about far more than faster smartphone downloads. "5G is now a must. This is not just for streaming or broadcasting or chatting; it is meant for industrial empowerment," says Zerrouki. The minister envisions 5G transforming sectors ranging from mining and agriculture to healthcare and smart cities. Ultra-low latency communications will enable remote monitoring of industrial equipment, automation of large-scale operations and advanced digital services that were previously impossible with older technologies.

Projects such as the giant Baladna agricultural development initiative and the Gâra Djebilet mining complex stand to benefit significantly from high-capacity wireless networks capable of supporting thousands of connected devices simultaneously. Healthcare applications could also become a reality, with 5G enabling remote diagnostics and advanced telemedicine services across Algeria's vast territory.

Algeria's strategic geographic location of-

Agriculture is just one feather in its cap

BADR is one of the levers of Algeria's economy, keeping the wheels turning to bring success

In a country that is actively reshaping its economic future, few institutions have played as central a role as Algérie Banque de l'Agriculture et du Développement Rural (BADR). Established in 1982 and wholly owned by the Algerian state, BADR has evolved from a specialist agricultural lender into one of the nation's most influential financial institutions, supporting strategic sectors ranging from agriculture and housing to infrastructure, mining, and industry.

With a network of around 355 branches spread across Algeria's vast territory, BADR possesses one of the most extensive banking footprints in the country. As Mohand Bourai explains: "BADR has established itself as the leading bank for financing the agricultural sector and rural development. Its primary mission is part of a major strategic objective: contributing to the country's food security."

That mission has taken on increasing importance in recent years. Like many nations, Algeria recognized that food security is not merely an agricultural issue, but one of national resilience. BADR has become a principal financial engine supporting that vision.

Agriculture remains at the heart of BADR's identity. Unlike traditional lenders that focus only on production financing, BADR supports virtually every stage of the agricultural value chain. The bank finances land preparation, irrigation systems, seeds, fertilizers, agricultural machinery, storage facilities, processing plants, distribution infrastructure and agribusines expansion projects. "Beyond financing agricultural activity itself," Bourai notes, "we finance the entire supply chain, including storage, distribution and processing. The bank covers the entire value chain related to agricultural activities."

The results are increasingly visible. Algeria has achieved self-sufficiency in most agricultural products, with grain and dairy production remaining key areas of ongoing investment. The country is now working to expand domestic production in these sectors while creating additional value through food processing industries.

While agriculture remains a core focus, BADR has successfully transformed itself into a broader development bank aligned with Algeria's economic diversification agenda. For decades, the economy has relied heavily on gas. Today, the government is actively encouraging investment in manufacturing, mining, pharmaceuticals, logistics, renewable industries and other non-hydrocarbon sectors. Bourai says nearly 30% of the bank's financing portfolio is now allocated to sectors outside agriculture. "We support both SMEs, which are the driving force of the economy, and major infrastructure



Mohand Bourai
CEO, Banque de l'Agriculture et du Développement Rural (BADR)

projects," he explains.

Among the projects financed by the bank are major national infrastructure developments, including the expansion of the new Algiers airport, power generation projects, housing developments and participation in the financing of the strategically important Gâra Djebilet mining project. The bank is also actively supporting sectors such as pharmaceuticals, petrochemicals, chemicals and mining — industries viewed as critical to Algeria's long-term economic transformation. This

MOHAND BOURAI
CEO, BADR
"Algeria offers significant investment opportunities across all sectors, whether agricultural, industrial, or service-related."

diversification strategy demonstrates how BADR has evolved from a sector-focused institution into a key pillar of Algeria's broader development framework.

One of BADR's most significant contributions extends beyond financing large projects. Its extensive branch network enables the bank to support financial inclusion in rural and underserved communities throughout Algeria. In many regions, access to banking services can mean the difference between economic opportunity and migration toward already crowded urban centers. "Our goal is to support farmers and citizens



BADR has a large branch network in Algeria, even in the most remote regions.

living in rural areas," says Bourai. "There is an economic objective — the creation of wealth — but also a social objective: maintaining local populations." By financing small businesses, agricultural ventures and rural development initiatives, BADR helps create sustainable economic activity while supporting balanced regional development.

Modernization of banking in Algeria

BADR's transformation is not limited to lending activities. The bank has also become a leader in the modernization of Algeria's financial system. In 2025, BADR became the first public bank in Algeria to successfully implement ISO 20022, the global standard for financial messaging. The milestone represented a significant step forward in improving interoperability, transparency, compliance and cross-border transaction efficiency. The adoption of ISO 20022 strengthens BADR's ability to facilitate international trade and connect Algerian businesses with global markets.

Bourai emphasizes the strategic importance of compliance and trust: "Our motto is to strictly comply with all requirements in order to offer the highest level of security and assurance, by staying up to date on security standards, technological developments, and, above all, prudential rules." The bank's modernization efforts reflect Algeria's broader commitment to digital transformation within the financial sector while providing greater confidence to international partners and correspondent banks worldwide.

Perhaps the most compelling aspect of BADR's story is its role as a facilitator of

international investment. Algeria is increasingly positioning itself as an attractive destination for global investors, offering a combination of strategic geographic location, abundant natural resources, competitive energy costs, extensive infrastructure, and a highly educated workforce.

"International investors are most welcome in Algeria," Bourai says. "There are significant investment opportunities, with comparative advantages over other countries." He points to several factors that strengthen Algeria's investment proposition, including energy costs among the lowest globally; a large pool of engineers, technicians and skilled graduates; over 745 miles of Mediterranean coastline; lengthy road, rail and port infrastructure and the country's strategic location connecting Europe, Africa, and the Middle East.

For those seeking opportunities in North Africa, BADR offers more than financing — it is a gateway into one of the region's most promising emerging markets. As Bourai concludes: "Algeria offers significant investment opportunities across all sectors, whether agricultural, industrial, or services. Investors are welcome and will find committed partners ready to assist, advise and support them in bringing their projects to fruition."



بنك الفلاحة والتنمية الريفية
Banque de l'Agriculture et du Développement Rural
@badrbank www.badrbank.dz
+213 21 989 323



Algeria boasts some of the best-preserved and most extensive Roman ruins in the world, often rivaling sites in Italy, such as this former Roman village in Djemila.

Tourism is likely to swell and for good reason

There are not many countries with as much untapped tourism potential as Algeria

For decades, Algeria has remained one of the most overlooked destinations in the Mediterranean and North Africa. Yet that is beginning to change. As the largest country in Africa, Algeria possesses an extraordinary combination of Roman ruins, beaches, dramatic mountain ranges, vibrant cities and one of the world's most spectacular desert landscapes. Increasingly, international travelers are discovering what many insiders have long known: Algeria may be one of the last great untapped tourism destinations.

At the heart of its visitor appeal lies the Sahara. The desert offers authentic cultural experiences like the UNESCO-listed Tassili n'Ajjer, which is among the most remarkable desert landscapes on Earth. Often described as a forest of stone, it contains more than 15,000 prehistoric engravings and paintings that document thousands of years of human history in the Sahara. Other destinations include Djanet and the Hoggar Mountains, where visitors can trek alongside Tuareg guides through otherworldly landscapes that remain largely untouched by mass tourism.

Unlike many other famous desert countries, Algeria offers a sense of authenticity and exclusivity that has become increasingly rare in global tourism. Nowhere will visitors find domesticated camels lining up to take them on predetermined routes with air conditioning waiting for them at the end.

Beyond the Sahara, Algeria's tourism assets are remarkably diverse. Along its near-8,000-mile Mediterranean

coastline, visitors can discover pristine beaches and historic cities, while inland lie some of the best-preserved Roman archaeological sites in the world, including Timgad and Djemila. The country's rich Arab, Berber, Ottoman and French influences create a unique cultural mosaic of architecture, cuisine and traditions.

International recognition is growing. Following a landmark visit to Algeria, US Deputy Secretary of State Christopher Landau praised the country's "incredible" tourism potential and described his experience as fascinating, highlighting the growing international awareness of Algeria's opportunities for visitors.

Tourism is also becoming an increasingly important pillar of Algeria's broader economic diversification strategy. The country is investing heavily in hospitality infrastructure, hotel development and transportation networks while modernizing visa procedures and encouraging private-sector investment in the industry.

First mover's advantage

But the time to visit is now. Ambitious government targets expect 12 million annual international visitors by 2030 — a bold goal given their record-breaking 2023 saw 2.2 million foreigners visit the country.

To achieve this, connectivity is improving. Air Algérie confirmed an order for 10 Boeing 737 MAX 8s as part of a wider fleet modernization and development plan for which it has a budget of \$2 billion. The 737 MAX 8 is well suited to short-medium high density routes which will make connections both domestically



The country offers almost 1,000 miles of stunning Mediterranean coastline.

and with European hubs much easier and more efficient. As Minister of Finance Abdelkrim Bouzred noted: "Algeria is located about an hour's flight from Marseille, not to mention its proximity to Spain and other destinations."

It has also ordered 16 new ATR 72-600 aircraft and launched a new regional airline designed to improve access to underserved destinations across the country, particularly in the south where many of the nation's most spectacular tourism attractions are located. The investment will strengthen domestic connectivity and make remote destinations more accessible.

The result is a country increasingly attracting attention from travel experts seeking alternatives to more crowded markets. Or, as the Minister of Agriculture Yacine El-Mahdi Qualid highlighted: "Beyond economics, many visitors also discover the country's climate, food and hospitality, which further strengthen its appeal."

Algeria offers something many destinations can no longer provide: authenticity, scale and discovery. From the Roman ruins of the north to the endless horizons of the Sahara, Algeria is becoming one of the most exciting tourism frontiers in Africa.

Algeria's expanding pharmaceutical market

Public and private sectors working together to make Algeria a pharmaceutical powerhouse

Pharmaceutical self-sufficiency and healthcare security are major Algerian goals and the SAIDAL Group is playing a pivotal role in shaping the sector's future to make that happen. As the country's only public pharmaceutical company, SAIDAL combines a public health mission with an ambitious industrial strategy focused on innovation, technology transfer and local production.

The group has placed particular emphasis on lessons learned from the COVID-19 pandemic, which highlighted the importance of domestic manufacturing capacity and technological independence. Today, SAIDAL is working to strengthen Algeria's ability to produce strategic medicines while improving access to advanced treatments for patients.

Central to this strategy is the development of partnerships with leading international pharmaceutical companies. However, CEO Mourad Belkhef stresses that these relationships must go beyond purely commercial arrangements. "The goal is to develop a win-win model based not solely on commercial exchanges but on effective technology transfer. This transfer must remain reasonable and cannot span several years, given that molecules evolve rapidly and sometimes become obsolete within two or three years."

The company has already made significant progress in areas such as oncology, immunotherapy, vaccines and insulin production. Through partnerships with companies including Abbott, Novo Nordisk, Sanofi, AstraZeneca and Boehringer, SAIDAL is helping bring more advanced therapies to the Algerian market while building local expertise.

At the same time, the group is pursuing a broader objective: increasing the level of integration within Algeria's pharmaceutical industry. While local manufacturing has expanded significantly, much of the sector still relies on imported ingredients and partially processed materials.

As Belkhef explains, "When it comes to imports, it is true that they remain necessary. However, the goal is to increase the level of integration, particularly by developing local production of raw materials. Until now, the model has relied mainly on 'fill and finish,' that is, partial production using imported products. It is therefore not a fully integrated production process. The challenge now is to produce raw materials locally, particularly for strategic products with high economic potential."

The company is also focused on complementing rather than competing with existing private-sector producers. In the field of diabetes treatments, for example, SAIDAL aims to introduce newer technologies to the market. "The goal is not to replicate what is already being done locally. The private sector already produc-



Ouacim Kouidri
Minister of Pharmaceutical Industry

es insulins, but mainly first- and second-generation ones. The purpose is therefore to complement the existing ecosystem by introducing more advanced products. The logic is not to compete directly, but to provide added value."

Strength and depth

The momentum behind Algeria's pharmaceutical transformation extends well beyond SAIDAL. A growing ecosystem of public and private manufacturers is helping to strengthen the country's healthcare security while positioning Algeria as one of Africa's most advanced pharmaceutical production centers.

Among the leading private-sector players is Biopharm, which has grown from a pharmaceutical distributor founded in 1992 into one of Algeria's largest pharmaceutical groups, holding close to 13% of the domestic market. Through sustained investment in manufacturing and R&D, as well as international partnerships, Biopharm has become a symbol of the industry's evolution from import dependence to local innovation.

Abdelhalim Benmerad highlights that this transformation has been closely aligned with Algeria's national healthcare strategy. "A national policy aims to reduce the cost of importing medicines. From the outset, the group has aligned itself with this strategy by developing local production. Starting with the first facilities established in 2003, efforts were made to produce medicines locally and thereby limit imports. This approach is also in line with the government's decision to ban the importation of medicines already manufactured in Algeria."

The company's success reflects broader changes taking place across the sector under the leadership of the Ministry of Pharmaceutical Industry. As Minister Ouacim Kouidri explains: "The main driver has been the author-



Mourad Belkhef
CEO, SAIDAL Group



Abdelhalim Benmerad
Group CEO, Biopharm

ities' decision to designate the pharmaceutical industry as a strategic sector — beyond its commercial dimension — by framing it within a public health security framework."

Biopharm operates a rapidly expanding network of production facilities covering a wide range of therapeutic areas, from conventional pharmaceuticals to highly specialized oncology products. The company manufactures for several global pharmaceutical leaders while also developing its own portfolio of nearly 200 products.

Particularly significant is Biopharm's investment in the latest and most complex medical research, on the cutting edge of science. "Advanced projects have also been launched, particularly in injectable oncology and radiopharmacy. To date, no pharmaceutical company has invested in this field in Algeria. Despite the complexity of these technologies, the group

Ouacim Kouidri
MINISTER OF PHARMACEUTICAL INDUSTRY
"With nearly 230 production facilities, Algeria alone accounts for more than one-third of the African continent's pharmaceutical capacity."

has chosen to take on this challenge," says Benmerad. These capabilities not only strengthen Algeria's healthcare system but also create opportunities to serve regional and international markets. Biopharm is already exporting across Africa and the Middle East and is pursuing further expansion into Europe through internationally recognized certifications.

As the minister further explains, domestic pharmaceutical production has increased dramatically and now accounts for the vast majority of Algeria's supplies: "Before 2020, the rate at which domestic production met the country's drug needs was estimated at around 54%. Today, this rate has reached nearly 80%, or even 83%, reflecting significant progress." This achievement places Algeria among the conti-

nent's leading pharmaceutical producers and provides a strong foundation for future exports.

Continental development

Kouidri views pharmaceutical manufacturing not merely as an industrial activity but as a matter of national health security. Significant investments are now being directed toward producing active pharmaceutical ingredients, vaccines, biosimilars, immunotherapies and cell therapies locally. As he explains, Algeria is also developing partnerships with African countries through contract manufacturing arrangements, leveraging a production surplus: "With nearly 230 production facilities, Algeria alone accounts for more than one-third of the African continent's pharmaceutical capacity," But this is not just about profit, it is about everyone growing together: "The goal is not to pursue a purely commercial approach, but to establish partnerships that include technology transfer over several years," he adds.

The minister has also emphasized the importance of moving beyond generic medicines and building a fully integrated pharmaceutical value chain. This includes local production of raw materials, increased R&D and technology-transfer partnerships with leading international companies. Such efforts have already helped reduce Algeria's pharmaceutical import bill dramatically while improving access to advanced treatments for patients.

The international dimension of this strategy is becoming increasingly important. By combining modern production facilities, technology transfer, competitive costs and growing regulatory expertise, the country is creating a model that can support healthcare security and industrial development across the continent.

For Benmerad, the future remains full of opportunity. "It is essential to believe in the country's potential. Algeria has established training programs and mechanisms to enable manufacturers to produce high-quality medicines for Algerian patients." As both public and private sector leaders continue investing in innovation and advanced manufacturing, Algeria is steadily strengthening its position as one of Africa's most promising pharmaceutical hubs.