

COSTS OF PRODUCTION FACTORS

Algeria is an important and strategic market with special assets and attractive investment opportunities.

Algeria is also a favourable and risk-free economic stability for business with excellent macroeconomic data.

Investment in Algeria may have a young and skilled workforce as well as competitive and advantageous costs of production factors.

AVERAGE WAGE:

PUBLIC SECTOR (data for 2019, source: (ONS) Units: DA

Sections	Executives	Supervisors	Field workers
Extractive Industries	129,692	98,901	74,793
Manufacturing Industries	70,246	54,255	36,201
Electricity, gas and water production and distribution	65,148	43,392	31,866
Construction	66,300	43,926	29,659
Commerce & Reparation	66,478	37,400	28,506
Hotels & Restaurants	66,308	39,215	29,067
Transports & Communications	118,367	63,122	43,211
Financial Activities	84,246	38,577	24,784
Real estate, renting and business-related services	94,279	42,084	24,173
Joint social and personal services	71,700	36,805	25,912

Minimum wage guaranteed in Algeria: 20,000 DA.

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PRIVATE SECTOR (2019 data, source: ONS) Units: DA

Sections	Executives	Supervisors	Field workers
Extractive Industries	45,077	29,323	22,843
Manufacturing Industries	69,398	38,066	26,825
Electricity, gas and water production and distribution	61,794	34,749	24,996
Construction	89,020	40,418	27,250
Commerce & Reparation	66,478	37,400	28,506
Hotels & Restaurants	66,308	39,215	29,067
Transports & Communications	118,367	63,122	43,211
Financial Activities	84,246	38,577	24,784
Real estate, renting and business-related services	94,279	42,084	24,173
Joint social and personal services	71,700	36,805	25,912

SOCIAL CONTRIBUTIONS (DATA FOR YEAR 2019)

- 25% employers' contribution rate is for gross salaries.
- 9 % employee' contribution rate is deducted at source for social security, pension and unemployment benefits.

ENERGY:

GAS (DATA FOR 2019):

The provided gas shall be invoiced in the same way throughout the national territory, based on the following duty-free rates:

CUSTOMER RATES, HIGH PRESSURE (HP):

Rate Code	Fixed fee DA/month	Flow		Price of used energy KDA/th
		Unit price DA / month. Th		
		Provided	Consumed	
11	72,423.80	5.86	28.97	12.42
21T	9,574.81	15.07	-	24.96

CUSTOMER RATES, MEDIUM PRESSURE (MP):

Rate Code	Fixed Fee DA/ month	Unit price Provided flow rate DA/month/th /h	Price of used energy KDA/th
21	7,882.73	12.42	20.55
22	788.23	3.02	42.63

PRICES FOR LOW PRESSURE CUSTOMERS (LP):

FOR HOUSEHOLD CUSTOMERS:

Rate Types	Rate Code	Fixed Fee DA/month	Price of used energy DA/Th			
			1 st quarter	2 nd quarter	3 rd quarter	4 th quarter
Progressive Rate	23M	28.50	16.82	32.45	40.25	45.99

FOR CUSTOMERS OTHER THAN HOUSEHOLDS:

Rate Types	Rate Code	Fixed fee DA/month	Price of used energy DA/Th		
			1 st quarter	2 nd quarter	3 rd quarter
Progressive Rate	23NM	28.50	32.45	40.25	45.99

ELECTRICITY (DATA for 2019):

The invoicing of the provided electricity shall be applied in the same way throughout the national territory, based on the following duty-free rates:

CLASS B HIGH VOLTAGE CUSTOMER RATES:

Rate Code	Fixed fee DA/month	Price of power DA / kW. Month		Price of active energy DA / kWh				Price of reactive energy DA/kvarh	
		Provided	Consumed	Peak	Full	Night	Single Band	Penalty	Bonus
31	505,413.28	37.93	189.46	660.85	136.62	59.03	-	31.01	6.20

32	505,413.28	100.94	505.38	-	-	-	136.94	31.01	6.20
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CLASS A HIGH VOLTAGE CUSTOMER RATES:

Rate Code	Fixed Fee DA/ Month	Price of Power DA / kW /Month		Price of active energy DA/kWh Price of reactive energy DA/kvarh							
		Provided	Consumed	Peak	Full	Night	Off-peak	Day	Single Band	Penalty	Bonus
41	38,673.35	25.85	116.15	872.02	193.76	102.40	-	-	-	45.53	9.11
42	515.65	38.70	180.58	872.02	-	-	180.64	-	-	45.53	9.11
43	515.65	38.70	154.56	-	-	102.40	-	428.30	-	45.53	9.11
44	515.65	38.70	180.58	-	-	-	-	-	375.62	45.53	9.11

LOW VOLTAGE CUSTOMER RATES:

FOR HOUSEHOLD CUSTOMER:

Rate Types	Rate Code	Fixed fee DA/month	Price of provided power DA/ kW /month	Price of active energy DA/kWh				
				Peak	Full	Night	Off-peak	Day
Band rates	51 M	286.44	29.85	811.47	216.45	120.50	-	-
	52 M	66.40	29.85	811.47	-	-	178.07	-
	53 M	66.40	14.81	-	-	120.50	-	486.98
Rate Types	Rate Code	Fixed fee DA/month	Price of provided power DA/ kW/month	Price of active energy DA / kWh				
				1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	
Progressive rate	54 M	-	4.37	177.87	417.89	481.20	547.96	

FOR NON-HOUSEHOLD CUSTOMERS:

Rate Types	Rate Code	Fixed fee DA/month	Price of provided power DA/kW/month	Price of active energy DA / kWh				
				Peak	Full	Night	Off-peak	Day
Band rates	51 NM	286.44	29.85	811.47	216.45	120.50	-	-
	52NM	66.40	29.85	81 1.47	-	-	178.07	-
	53NM	66.40	1 4.81	-	-	120.50		486.98

Rate Types	Rate Code	Fixed fee DA/month	Price of provided power DA/kW/month	Price of active energy DA / kWh		
				1 st Quarter	2 nd Quarter	3 rd Quarter
Progressive rate	54NM	-	4.37	417.89	481.20	547.96

FUELS (DATA FOR 2020)

Products	Unit	Selling price to consumer (at the station) in DA (tax inclusive)
Super petrol	Litre	45.97
Normal petrol	Litre	43.71
Unleaded petrol	Litre	45.62
LPG fuel	Litre	9.00
Diesel	Litre	29.01

Products	Unit	Selling Price to consumer (at station) in DA (tax inclusive)
Butane	13 KG	200

Propane	35 KG	407.10

WATER (DATA FOR 2019):

Drinking water rates are subject to scales specific to each territorial fare zone. They shall be calculated on the basis of the cost of Public Drinking Water Department and according to its distribution among the different categories of users and water consumption bands.

User categories include:

- **Households (category I).**
- **Administrations, craftsmen, and services of tertiary sector (category II).**
- **Industrial and touristic units (category III).**

Territorial fare zone	Basic rate inn DA/m3
Alger, Oran, Constantine	6.30
Chlef	6.10
Ouargla	5.80

FOR EACH TERRITORIAL RATE ZONE:

The scale of rates applicable to the different user's categories and quarterly consumption bands shall be determined by multiplying the basic rate by the coefficients set out in the table above:

Categories of users	Consumption Bands	Multiplier Coefficients	Applied rates (unit : basic rate DA/m3)
Category I : Households			
1 st Quarter	Up to 25 m ³ /Quarter	1.0	1.0 unit
2 nd Quarter	From 26 to 55 m ³ /Quarter	3.25	3.25 unit
3 rd Quarter	From 56 to 82 m ³ /Quarter	5.5	5.5 unit

4 th Quarter	More than 82m ³ /Quarter	6.5	6.5 unit
Category II			
Administrations	Similar	5.5	5.5 units
Craftsmen and services of tertiary sector	Similar	5.5	5.5 units
Category III			
Industrial and touristic units	Similar	6.5	6.5

SANITATION RATES:

Sanitation rates are subject to specific scales for each territorial fare zone. They shall be calculated on the basis of the cost of the Public Sanitation Department and according to its distribution among the different categories of users and water consumption bands corresponding to the volumes of water supplied to users of Public Drinking Water Department.

Territorial fare zone	Basic rate (DA/m3)
Alger, Oran, Constantine	2.35
Chlef	2.20
Ouargla	2.10

The sanitation fee is a component of the water bill established by l'Algérienne des Eaux (and, by SEAL "Société des Eaux et de l'Assainement d'Alger for the province of Algiers).

WATER SAVING CHARGE:

The water saving charge shall be collected from each user connected to a collective, industrial or agricultural, drinking water network.

The water saving charge shall be:

- 4 % of the water bill for the provinces in the north of the country.
- 2 % of the water bill for the provinces in the south of the country.

MANAGEMENT FEE:

The management fee for public drinking water production, transport and distribution facilities applied to each cubic meter of water consumed shall be 3 DA/m³ for all fare zones.

Added Value Tax: Applied rate of 7%.

TELEPHONY (DATA for 2019) Source : ALGERIE TELECOM

National communication pricing (public operator : ALGERIE TELECOM) :

Destination	Minute rate
Landline AT (Local and National)	3 DA tax exclusive
Mobile	8 DA tax exclusive

INTERNATIONAL COMMUNICATION PRICING (PUBLIC OPERATOR: ALGERIE TELECOM)

(Rate per second after 30 first seconds).

Country	Landline	Mobile
Germany	5	10
Mauritania	36	42.5
Mexico	5	5
Oman	20	20
Netherlands	21.5	21.5
Peru	5	10
Poland	10	10
Portugal	5	25
Qatar	12.5	12.5

United Kingdom	10	15
Russia	15	17,5
Serbia	28.5	28.5
Switzerland	5	20
Tunisia	44.5	44.5
Turkey	5	10
Saoudi Arabia	7.5	11
Australia	7.5	7.5
Bahrain	10	10
Jordan	10	10
Belgique	7.5	30.5
Bulgaria	7.5	22
Egypt	5	10
United Arab Emirates	11	30
Spanish	5	10
United States of America	5	10
France	5	7.5
Italy	5	11
Kuwait	5	10
Lebanon	7.5	10
Libya	15	15
Luxemburg	25	25
Malaisia	7.5	7.5

Source : Algérie Telecom

INTERNET (DATA FOR 2021)

Internet pricing depends on the customer's desired speed of Internet. The speed ranges from 4, 10, 20 to 100 MBPS.

For example, tax exclusive rates range from 1600 DA/month for a speed of 4 MBPS to 7999 DA/month for a speed of 100 MBPS.

Sources:

Centre de Développement des Energies Renouvelables (Renewable Energy Development Center)
 Ministry of Water Resources
 National Investment Development Agency (ANDI)
 Ministry of Energy and Mines
 Ministry of Industry
 Algérienne des eaux