

Algeria Oil And Gas Upstream - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

Market Report | 2026-02-09 | 90 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

Algeria Oil And Gas Upstream Market Analysis

The Algeria Oil And Gas Upstream Market is expected to grow from USD 7.14 billion in 2025 to USD 7.31 billion in 2026 and is forecast to reach USD 8.2 billion by 2031 at 2.33% CAGR over 2026-2031.

The growth path is modest because mature Saharan reservoirs are in decline, infrastructure is aging, and capital inflows depend on improved fiscal terms under the 2019 Hydrocarbon Law (worldbank.org). Rising European demand for Algerian pipeline gas, post-COVID capital spending recovery, and new risk-service contracts with Asian NOCs are lifting investment sentiment. At the same time, water scarcity, slow execution of fiscal reform, and security risks in remote areas temper production targets. The balance of these trends keeps the Algeria oil and gas upstream market on a measured but resilient expansion track.

Algeria Oil And Gas Upstream Market Trends and Insights

Accelerated Post-COVID Capex Rebound in Mature Saharan Fields

Operators have restarted drilling and workover programs deferred during 2020-2021 shutdowns, targeting incremental barrels from brownfield assets such as Hassi Messaoud and Hassi R'Mel. Sonatrach is deploying artificial-lift upgrades and selective EOR pilots that keep lifting costs low while adding short-cycle volumes. Service companies supplying reservoir management, slickline, and pump-optimization kits are reporting fuller backlogs. Capital discipline remains visible; firms prioritize infill wells tied to

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

existing flowlines over new build facilities. Persistent water scarcity curtails steam flood plans, so chemical EOR and gas re-injection receive more attention. Overall, project sanctioning favors mature fields with known decline profiles and steady cash flow potential.

Entry of Asian NOCs via Risk-Service Contracts

Chinese and other Asian NOCs have taken minority economic exposure but carry technical risk, enabling Algeria to tap fresh capital without ceding equity. CNPC and CNOOC have mobilized frac fleets and directional rigs suited to tight sand and shale pilots in Illizi and Ghadames. Their lower cost structures, strong procurement chains, and deep shale learning curves from Asia underpin competitive bids. The risk-service model shields Sonatrach from price swings because compensation is fee-based, rather than profit-sharing. Algerian regulators also value the technology transfer clauses that mandate local crew training and data handover. Between 2025 and 2027, additional blocks under this template could unlock unconventional appraisal drilling rounds.

Delay in Fiscal Reforms Implementation Bureaucracy

Multiple ministries must co-sign environmental, technical, and fiscal clearances, which extends the average license processing time to 18 months. A high turnover of senior officials creates learning curves for investors, while inter-agency digital platforms are still in pilot stages. The World Bank highlighted these capacity gaps as a drag on Algeria's competitiveness in the oil and gas upstream market in its 2025 Economic Monitor. Although ALNAFT has hired additional evaluators, backlogs for seismic data release and block boundary approvals persist. International firms price this uncertainty into hurdle rates, delaying final investment decisions.

Other drivers and restraints analyzed in the detailed report include:

New Hydrocarbon Law (2019) Offering Improved Tax Terms
Surge in European Gas Demand for Algerian Pipeline
Exports
Water-Stress Limiting Steam & EOR Projects

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

Algeria's oil and gas upstream market size for onshore projects was USD 6.44 billion in 2025, accounting for a 90.12% share. Production stems from central Saharan megafields connected via legacy pipelines to Skikda, Arzew, and Janezina hubs. Offshore acreage, mostly in the Oran and Bejaia offshore zones, currently contributes less than 10% but will post a 5.63% CAGR to 2031 on the back of 3-D seismic re-processing and ultra-deepwater rig tenders. Discoveries in Blocks 629a and 611 push operators to test high-pressure formations that could sustain plateau output for 20 years. The new fiscal incentives under the 2019 Law reduce offshore royalties to 10% compared with 20% for onshore operations, thereby improving project economics. Marine operations require subsea tiebacks and floating storage units, resulting in higher service intensity per barrel compared to land wells. The Algeria oil and gas upstream market share of offshore projects is projected to edge toward 14.6% by 2031 once first oil from the Oran deepwater comes onstream.

The onshore segment focuses on EOR, multilateral reentries, and cluster tiebacks that limit capital expenditure per barrel. Yet reservoir pressures are falling by 4-5% annually, necessitating more artificial lift. Security logistics remain simpler onshore, but weather events, such as sandstorms, occasionally disrupt production. Offshore development benefits from proximity to European LNG routes, enabling direct shuttle tanker deliveries. Both segments jointly underpin Algeria's oil and gas upstream market resilience, with offshore growth serving as a hedge against onshore decline.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Crude oil accounted for USD 4.26 billion of Algeria's oil and gas upstream market size in 2025, translating to a 59.62% share. Mature sandstone pays in Hassi Messaoud deliver 450,000 barrels per day with water cut rising to 35%. Horizontal infill drilling and electric submersible pumps are expected to maintain stable output through 2027. Natural gas, valued at USD 2.88 billion, is scaling faster at a 4.32% CAGR, fueled by 9 bcm of incremental offtake commitments signed with Eni through 2027. Gas development receives priority in the budget, driven by the advantages of pipeline tolls over LNG. Algeria's oil and gas upstream market share for gas is set to climb above 45% by 2031.

Gas reservoirs in Hassi R'Mel South and the Reggane North fields exhibit low-sulfur content, easing processing costs. LNG back-fill requirements compel Sonatrach to debottleneck compression at Skikda, enabling higher feedstock flows from discoveries. Crude oil faces tougher competition from global supply additions and energy transition policies. Still, refinery modernization in Skikda and Algiers ensures domestic crude offtake, supporting baseline drilling. Overall, the dual-resource focus balances revenue volatility while supporting the growth of Algeria's oil and gas upstream market.

The Algeria Oil and Gas Upstream Market Report is Segmented by Location of Deployment (Onshore and Offshore), Resource Type (Crude Oil and Natural Gas), Well Type (Conventional and Unconventional), Service (Exploration, Development and Production, and Decommissioning). The Market Sizes and Forecasts are Provided in Terms of Value (USD).

List of Companies Covered in this Report:

Sonatrach Eni BP TotalEnergies ExxonMobil Chevron Equinor CNPC CNOOC Gazprom Repsol Petroceltic Pertamina Occidental Petroleum Wintershall Dea Kosmos Energy Neptune Energy Lukoil Sinopec OMV

Additional Benefits:

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

- 1 Introduction
 - 1.1 Study Assumptions & Market Definition
 - 1.2 Scope of the Study
- 2 Research Methodology
- 3 Executive Summary
- 4 Market Landscape
 - 4.1 Market Overview
 - 4.2 Market Drivers
 - 4.2.1 Accelerated post-COVID capex rebound in mature Saharan fields
 - 4.2.2 Entry of Asian NOCs via risk-service contracts
 - 4.2.3 New Hydrocarbon Law (2019) offering improved tax terms
 - 4.2.4 Surge in European gas demand for Algerian pipeline exports
 - 4.2.5 LNG back-fill requirements at Skikda & Arzew complexes
 - 4.3 Market Restraints
 - 4.3.1 Delay in fiscal reforms implementation bureaucracy
 - 4.3.2 Water-stress limiting steam & EOR projects

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 4.3.3 Persistent security risks in remote Saharan blocks
- 4.3.4 Growing investor scrutiny on flaring & methane emissions
- 4.4 Supply-Chain Analysis
- 4.5 Technological Outlook
- 4.6 Regulatory Landscape
- 4.7 Crude-Oil Production & Consumption Outlook
- 4.8 Natural-Gas Production & Consumption Outlook
- 4.9 Unconventional Resources CAPEX Outlook (tight oil, oil sands, deep-water)
- 4.10 Porters Five Forces
 - 4.10.1 Bargaining Power of Suppliers
 - 4.10.2 Bargaining Power of Consumers
 - 4.10.3 Threat of New Entrants
 - 4.10.4 Threat of Substitutes
 - 4.10.5 Intensity of Rivalry
- 4.11 PESTLE Analysis

- 5 Market Size & Growth Forecasts
 - 5.1 By Location of Deployment
 - 5.1.1 Onshore
 - 5.1.2 Offshore
 - 5.2 By Resource Type
 - 5.2.1 Crude Oil
 - 5.2.2 Natural Gas
 - 5.3 By Well Type
 - 5.3.1 Conventional
 - 5.3.2 Unconventional
 - 5.4 By Service
 - 5.4.1 Exploration
 - 5.4.2 Development and Production
 - 5.4.3 Decommissioning

- 6 Competitive Landscape
 - 6.1 Market Concentration
 - 6.2 Strategic Moves (M&A, Partnerships, PPAs)
 - 6.3 Market Share Analysis (Market Rank/Share for key companies)
 - 6.4 Company Profiles (includes Global level Overview, Market level overview, Core Segments, Financials as available, Strategic Information, Products & Services, and Recent Developments)
 - 6.4.1 Sonatrach
 - 6.4.2 Eni
 - 6.4.3 BP
 - 6.4.4 TotalEnergies
 - 6.4.5 ExxonMobil
 - 6.4.6 Chevron
 - 6.4.7 Equinor
 - 6.4.8 CNPC
 - 6.4.9 CNOOC
 - 6.4.10 Gazprom

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 6.4.11 Repsol
- 6.4.12 Petroceltic
- 6.4.13 Pertamina
- 6.4.14 Occidental Petroleum
- 6.4.15 Wintershall Dea
- 6.4.16 Kosmos Energy
- 6.4.17 Neptune Energy
- 6.4.18 Lukoil
- 6.4.19 Sinopec
- 6.4.20 OMV

7 Market Opportunities & Future Outlook

7.1 White-space & Unmet-Need Assessment

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Algeria Oil And Gas Upstream - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

Market Report | 2026-02-09 | 90 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-26"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

