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# Tunisia launches energy storage capacity subsidy policies in various regions

### Should Tunisia phase out energy subsidies?

Tunisia's energy subsidies have become increasingly costly, averaging 2.1 percent of GDP over the last decade and jumping to 5.3 percent in 2022. Phasing out energy subsidies would help address not only the macro-fiscal crisis but could also improve the energy sector performance and stimulate renewable energy production.

#### Why is energy supply in Tunisia inefficient?

Energy supply in Tunisia is inefficient and is ineffective in respect of climate-damaging emissions. The existing subsidy policy acts as a disincentive to the efficient and economical use of energy. Necessary investments that could improve the supply structure are delayed or take the form of economically questionable temporary solutions.

### Will Tunisia promote local energy generation?

Alongside Tunisia's national energy policy are encouraging signs that the country will promote local energy generation. In 2015,Law 2015-12 established a regulatory and institutional framework for the promotion of investment in independent renewable energy projects and local self-generation projects.

### How will solar energy affect Tunisia?

This trend will structure political and economic powerin the region in the short- to medium-term. In March 2022,the Tunisian government announced the approval of solar energy projects in the south of the country (Tataouine,Tozeur,Sidi Bouzid,Kairouan,and Gafsa),designed to service Tunisia's domestic energy needs.

## Does Tunisia need a low-carbon energy transition?

Against this background of Tunisia's "almost entire [reliance] on fossil fuels to meet its domestic energy needs," this article surveys the country's low-carbon energy transition and its potential to diversify away from fossil fuels and offer a sustainable, low-cost solution to energy needs.

## Why are energy prices rising in Tunisia?

Tunisia has been forced to face the inherent vulnerability of its energy sector due to external shocks in the energy market. The government raised in April 2022 fuel prices by around 5 percent for the third time this year, placing mounting pressure on ordinary Tunisians' purses at a time when food and electricity prices are also on the rise.

Regulations enabling energy storage to participate in wholesale energy trading through spot markets on the JEPX power exchange were put in place last year, offering a potential revenue opportunity for BESS and leading to the first BESS units to trade on JEPX to go into operation through solar PV developer Pacifico Energy mid-2023.

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Spain launches EUR280 million grants for standalone energy storage, thermal and PHES. By Jonathan Tourino. July 24, 2023. Europe. Grid Scale. Business, Policy. LinkedIn Twitter Reddit Facebook Email One of the ...

Currently, the Tunisian government has provided \$121 million in subsidies for solar thermal and solar PV system with battery storage. These subsidies can cover up to 30% of the initial ...

Given an annual 4%-5% growth in power consumption, natural gas price spikes, and mounting pressure on the dinar, the energy subsidy scheme has become progressively costly to ...

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Tunisia''s GDP growth for 2023 is expected to be around 2.3 percent, subject to considerable variation depending on the progress of financing conditions and structural reforms. One critical reform is to phase out energy subsidies, which have become increasingly costly, averaging 2.1 percent of GDP over the past decade and jumping to 5.3 percent ...

Many energy related policies, such as renewable energy policies and market reforms have been implemented in many parts of the world. However, ESS policies have only recently started to be adopted and promoted in some countries. It is only with ESS policies that barriers blocking the development of ESS can be eliminated to ensure they can one ...

Tunisian energy sector officials have set out an ambitious and well-thought-through programme of development and reform - the objective of which is to add gigawatts of renewable generation capacity in the coming years. But to get it implemented they will have to counter political and economic headwinds generated by President Kaïs Saïed himself.

Given an annual 4%-5% growth in power consumption, natural gas price spikes, and mounting pressure on the dinar, the energy subsidy scheme has become progressively costly to maintain, creating budgeting challenges and hindering Tunisia's clean energy transition.

To support the Tunisian energy sector in achieving its clean energy goals, Power Tunisia program will support

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the delivery of renewable energy and energy efficiency projects through targeted technical assistance, grant funding, and capacity building for sector stakeholders via a competitive application process through our website application ...

Energy storage resources are becoming an increasingly important component of the energy mix as traditional fossil fuel baseload energy resources transition to renewable energy sources. There are currently 23 states, plus the District of Columbia and Puerto Rico, that have 100% clean energy goals in place. Storage can play a significant role in achieving these goals ...

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their renewable energy potential, such as Tunisia. The objective of this report is to look into the potential of Battery Energy Storage System (BESS) development in Tunisia, in line with ...

Africa is a continent in continuous transformation, with a sustained economic and population growth, a fast-paced urbanization and a young generation of talents who is leading its business revolution. This transformation requires energy and will require it even more in the next decades.

Community-centered low-carbon energy policy helps ensure that an energy transition is just and equitable, benefiting those who are most vulnerable to climate change. ...

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