



كلية الحقوق و العلوم السياسية  
Faculty of Law and Political Sciences

*Lectures in Investment Law*  
الجمهورية الجزائرية الديمقراطية الشعبية  
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**Lectures  
in  
INVESTMENT LAW**

***A University Handout Presented  
to  
First-Year Master's Students  
in  
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**Introduction:**

Investment law occupies a central position among the legal disciplines connected with economic development. In recent years, economic development has become a major field of academic and practical concern, given the decisive role of investment in strengthening the national economy and enabling it to respond to internal and external transformations.

This explains the growing attention paid by the Algerian legislator to the legal framework governing investment, both in terms of the substantive rules applicable to investment operations and the institutional bodies entrusted with their supervision. The objective is to establish a balanced legal system that reconciles economic efficiency with the protection of the national interest.

The study of investment law becomes particularly important in fields that are directly linked to strategic economic sectors, such as energy and mining. The energy sector, in particular, represents one of the most investment-intensive areas, as its development requires major projects, considerable financial resources, advanced technical expertise and a stable legal and institutional environment.

For this reason, the legal regulation of investment in the energy and mining sectors must be understood within a broader framework combining economic planning, legal security, institutional effectiveness and the preservation of national sovereignty over strategic resources.

Since the constitutional amendment of 2020, Algeria has adopted a renewed legislative framework for investment. This process began with the enactment of Law N°22-18 relating to investment, followed by its implementing texts and the subsequent amendments introduced during the second quarter of 2026. These reforms seek, in general, to simplify investment procedures, improve the business climate, enhance legal certainty and make Algeria more attractive to national and foreign investors.

Within this context, these pedagogical lectures provide a simplified and structured presentation of the main themes prescribed in the training programme. They are organized into two principal units:

## **First Unit: The Legal System of Investment**

This unit examines the conceptual and substantive framework of investment in Algeria through the following themes:

1. The legislative framework governing investment in Algeria;
2. The concept of investment in Algerian law;
3. The scope of application of Algerian investment law;
4. Incentive schemes and eligibility conditions for benefiting from investment advantages in Algeria;
5. Investment disputes in Algeria.

### **Second Unit: The Legal System of Investment Bodies**

This unit deals with the institutional and organizational framework of investment by examining the following bodies and mechanisms:

1. The High National Commission for Appeals;
2. The National Investment Council;
3. The Algerian Investment Promotion Agency;
4. The Single Window mechanism;
5. The Digital Investment Platform.

## **Unit One: The Legal Regime of Investment**

## **Section One: The Legislative Foundations of Investment Regulation in Algeria**

The legal basis of investment regulation in Algeria is primarily founded on Law N°.22-18 of 24 July 2022 on Investment. This law marked a shift from the previous investment-promotion model toward a more modern regulatory framework based on the freedom to invest, transparency, equal treatment of investors, legal guarantees, institutional support, and incentive schemes.<sup>1</sup>

The law determines the categories of investment covered, the rights and obligations of both domestic and foreign investors, and the incentives available for productive activities in the fields of goods and services. It also provides important safeguards, including the transfer of capital and profits, protection of intellectual property, compensation in cases of requisition, access to administrative and judicial remedies, and stability of the legal regime applicable to existing investments.

At the institutional level, the system is organized around the National Investment Council and the Algerian Investment Promotion Agency (AAPI), with support from one-stop investment services and a digital platform for investors.

This framework is further detailed by the 2022 implementing decrees, which regulate matters such as the appeals commission, the functioning of the National Investment Council and AAPI, investment registration procedures, eligibility for incentives, priority investment zones, structuring projects, and investment monitoring. Another important legal pillar is Law N°.23-17 of 15 November 2023,<sup>2</sup> which governs access to state-owned economic land for investment projects through concession mechanisms that may later be converted into ownership.

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1- Law N°.22-18 of 24 July 2022 relating to investment, *Official Journal of the Algerian Republic*, N°.50, 28 July 2022, pp. 6-12.

2- Law N°.23-17 of 15 November 2023 fixing the conditions and modalities for granting economic land belonging to the private domain of the State for investment projects, *Official Journal*, N°.73, 16 November 2023, pp. 5-8.

A review of Algeria's investment trajectory reveals a fundamental shift in its economic and legal orientation, marked by the transition from a centrally planned economic model to a market-based economy.

In light of this development, the legislative framework governing investment<sup>1</sup> in Algeria will be analysed in three main phases: first, the period of the planned economy; second, the period of transition toward and consolidation of the market economy; and third, the legislative reforms introduced in the aftermath of the 2020 constitutional amendment.

### **First: The Evolution of Investment Legislation in Algeria Under the centrally planned economic system**

Following independence, Algeria adopted a socialist economic orientation and sought to develop investment through all available means, despite the constraints of being a newly independent state with fragile institutions and limited resources.

The main objective during this period was to build a solid economic infrastructure through state-led development projects. To achieve this, Algeria endeavoured to mobilize the necessary financial, material and human resources, and to implement development programmes in strategic economic sectors, especially hydrocarbons.

However, these efforts were pursued within the logic of a centrally planned economy, in which the State played the dominant role in directing and organizing investment activity.

Under the centrally planned economic model, investment was essentially carried out within a public-sector framework. The State assumed a dominant role in economic activity by mobilizing public funds and exercising exclusive authority over management, planning, supervision and control.

This approach reflected a cautious attitude toward foreign investment, as the Algerian State was concerned that opening the national economy to foreign investors could lead to external influence or interference in strategic economic

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1- Law N°22-18 of 24 July 2022 relating to investment. Official Gazette of the People's Democratic Republic of Algeria, N°50, 28 July 2022, pp. 6-11.

decisions.<sup>1</sup> In this context, several successive legislative instruments were adopted to regulate investment, the main features of which may be summarized as follows:

**1- Law N°.63-277 of 26 July 1963, relating to the Investment Code:**

This law constituted Algeria's first legislative instrument aimed at pursuing economic development through investment. It was adopted in a context marked by limited resources and challenging post-independence conditions. As a result, investment projects during this period were necessarily restricted by their scale, sectoral nature, and by the limited availability of qualified human resources capable of organizing, supervising and managing them.<sup>2</sup>

Law N°.63-277 primarily sought to lay down the foundational principles governing investment<sup>3</sup> and to define the order of investment priorities. It affirmed the principles of freedom of investment, equality before the law, and freedom of movement and residence throughout the national territory.

In terms of priorities, the law first emphasized the development of existing enterprises, followed by the establishment of new ones. Nevertheless, its practical effect on the national economy remained limited, particularly after Algeria embarked upon a policy of nationalization, which reinforced the dominant role of the State in economic activity.

**2- Law N°.66-284 of 5 September 1966 concerning the Investment Code**

Law N°.66-284 illustrates the strong connection between Algeria's socialist economic policy and the legislative framework adopted to regulate investment. In line with the major reforms introduced after 1965, the 1966 Investment Code redefined the legal approach to investment by extending its

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1- Nabil Nougui, *Lectures in Investment Law*, delivered to first-year Master's students specializing in Business Law, Si El Haouès University Centre, Barika, 2020, p.34.

2- Mehidi, K., Algeria's New Investment Legal Framework: Procedural Improvements and Traits of Modernization, *Journal of Management and Economics Research*, 6(3), 2024, pp.360–382.

3- Lilia Ben Mansour, *The Euro-Mediterranean Partnership and Its Role in Attracting Foreign Direct Investment in the Maghreb*, Doctoral dissertation, Faculty of Economic Sciences and Management Sciences, University of Constantine, Algeria, 2010, p.49 ff.

scope to certain private-sector activities, while maintaining the prohibition on private ownership of the means of production.

This clearly reflected the prevailing socialist orientation, under which the State retained supervisory authority over property and economic activity.<sup>1</sup> The law was also designed to strengthen the public sector through the expansion of employment, the retraining and upgrading of national human resources, and the training of qualified personnel abroad.

### **3- Law N°.71-22 and Law N°.71-24 concerning the 1971 Economic Planning Framework**

This phase reflected a clearer and more structured commitment by the Algerian State to economic planning. The State adopted centralized development plans as an essential instrument for directing economic activity and securing productive returns. Within this framework, the hydrocarbons sector was nationalized, and significant financial allocations were devoted to its expansion and modernization.<sup>2</sup>

Law N°.71-24 further reinforced this orientation by establishing a second planning framework designed to achieve maximum economic benefit from the hydrocarbons sector, particularly through price increases and the expansion of exports.

Within Algeria's post-independence socialist economic strategy, **Law (Ordinance) No. 71-22 of 12 April 1971** and **Law (Ordinance) No.71-24 of 12 April 1971** constituted important pillars of the 1971 economic planning framework. Ordinance No.71-22 established the legal basis for foreign participation in the hydrocarbon sector by requiring foreign companies engaged in oil exploration and exploitation to operate in association with the national company **Sonatrach**, which was required to hold at least 51% ownership.

Ordinance No.71-24 complemented this policy by amending the hydrocarbon legal and fiscal regime, reinforcing state control over natural resources and aligning investment activities with national development

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1- Nabil Nougui, *Op.cit.*

2- Zoubir, Y. H., & Ahmed, A., Economic transition in Algeria. Proceedings of the 25th International Academic Conference, OECD Headquarters, Paris, 2016, pp.333–334.

objectives. Together, these measures reflected Algeria's broader policy of economic sovereignty, centralized planning, and state-led industrialization during the 1970s.

Together, these texts reflected Algeria's post-independence policy of economic sovereignty, national control over natural resources, and the subordination of foreign investment to national development planning.

#### **4- Law N°.82-11 and Law N°.82-13 of August 21<sup>st</sup>, 1982 concerning Economic Investment**

Law N°.82-11 marked an opening toward national private economic investment. Article 2 recognized the right of initiative in investment for Algerian natural persons, as well as for persons residing in Algeria, thereby allowing limited private participation within the national economy.<sup>1</sup>

Law N°.82-13, by contrast, regulated the creation and management of mixed-economy companies. Under Article 22, foreign participation in such companies was permitted up to 49% of the share capital, while the Algerian State retained a majority holding of 51% in the public capital of these entities. This legal arrangement reflected a cautious opening to foreign economic participation: it preserved State control over strategic investment structures while allowing Algeria to benefit from foreign expertise, capital, and, in particular, technology transfer.

#### **5- Law N°.86-13 of August 19<sup>th</sup>, 1986 amending Law N°.82-13**

Law N°.86-13 was enacted in response to the limited effectiveness of Law N°.82-13, which had failed to attract the expected level of foreign investment, particularly in the hydrocarbons sector. This failure was largely due to the lack of sufficient incentives, together with the heavy obligations and burdens imposed on foreign investors.

The 1986 amendment therefore sought to remedy these shortcomings by introducing a more attractive legal framework. It granted additional advantages, eased certain obligations, and broadened the guarantees offered to investors. In particular, it encouraged greater freedom of investment, allowed

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1- Moulai, K., The evolution of the institutional investment framework in Algeria: Rent administration versus private capital. *Journal of Excellence for Economics and Management Research*, 6(2), 2022, pp.577-594.

foreign investors to participate in the management of mixed-economy companies and in the decision-making process, and recognized their ability to transfer funds abroad.

Nevertheless, the reform remained limited because it maintained the State's 51% majority shareholding requirement. This rule continued, at that time, to represent a significant barrier to foreign investors, as it restricted their control over investment projects and reduced the attractiveness of the Algerian investment environment.<sup>1</sup>

### **6- Law N°.88-25 of June 12<sup>th</sup>, 1988 on the Orientation of National Private Economic Investment**

Law N°.88-25 reflected the beginning of a conceptual and institutional transition in Algeria's economic policy. As the country moved gradually toward a market-oriented model, it became necessary to revise the terminology and legal categories inherited from the socialist period. Accordingly, the notion of "socialist enterprises" was replaced by that of "public economic enterprises."<sup>2</sup>

These public economic enterprises were granted a certain degree of autonomy from the central administrative authority and were brought under the rules of commercial law, particularly as capital companies. This reform signalled an attempt to introduce more flexible and business-oriented mechanisms into the management of public-sector economic activity.

Nevertheless, the State's control over the economy remained substantial. Foreign companies continued to be excluded from investing in sectors regarded by the State as strategic, pursuant to Article 5 of the same law. Thus, while the 1988 reform marked a step toward economic liberalization, it did not amount to a complete opening of the national economy to foreign investment.<sup>3</sup>

### **Second: The Evolution of Investment Legislation in Algeria within the Framework of the Market Economy**

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1- KPMG Algeria, Guide to investing in Algeria 2025, 2025, KPMG Algeria, p.67.

- Clifford Chance, Algeria's move toward relaxing certain foreign investments restrictions. Clifford Chance, June 2020.

2- Gide Loyrette Nouel. (2016). New Investment Code in Algeria. Client Alert, 26 August 2016.

3- Sadoudi, M, La reprise de la croissance par l'investissement privé en Algérie. Les Cahiers du MECAS, 2, 2006, pp.71-80.

The adoption of the 1989 Constitution represented a decisive turning point in Algeria's economic and legal orientation. It signalled an opening toward market mechanisms, an express departure from the socialist economic model, and a gradual transition toward a liberal capitalist economy. This constitutional shift necessarily entailed profound legal, institutional and economic consequences, particularly in the field of investment regulation.

### **1- Law N°.90-10 of April 14<sup>th</sup>, 1990 on Money and Credit**

Law N°.90-10 constituted a major step in Algeria's transition toward a market-based investment system. It marked the State's retreat from direct intervention in the management and orientation of investment activities and introduced a new legal approach based on the nationality of capital rather than the nationality of the economic investor.<sup>1</sup>

The law gave more concrete expression to key investment principles, particularly freedom of investment and the right to transfer capital. Nevertheless, foreign investment remained subject to prior approval by the Money and Credit Council, which replaced the National Investment Commission as the competent body for authorizing foreign investment in Algeria.

In addition, the law contributed to stabilizing and regulating the foreign exchange market. However, its treatment of investment incentives remained limited, as it mainly addressed financial and funding-related mechanisms without establishing a broader system of investment advantages.

### **2- Legislative Decree N°.93-12 of October 5<sup>th</sup>, 1993 on Investment Promotion**

Legislative Decree N°.93-12 marked a decisive stage in the liberalization of Algeria's investment regime. It repealed the previous legislative framework and departed from the restrictive 51%-49% ownership rule, thereby permitting full foreign ownership of investment projects.

The decree strengthened the legal guarantees granted to investors by affirming fundamental principles such as equality of treatment between national and foreign investors and the freedom to transfer capital abroad. It

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1- Benmahammed, S., Étude de la législation de l'investissement étranger en Algérie. *Journal of International Management, Educational and Economics Perspectives*, 7(1), 2019, pp.31-43.

also introduced a range of investment incentives, including tax advantages and exemptions during the first five years of the investment project.<sup>1</sup>

Institutionally, the decree established the Investment Promotion Agency and introduced the one-stop shop mechanism, intended to simplify administrative procedures for investors.

However, this mechanism did not achieve the expected practical effectiveness at the time.<sup>2</sup> Another significant development was the recognition of international arbitration as a means of settling disputes arising from investment, which reflected Algeria's attempt to provide stronger legal security for foreign investors.

### **3- Ordinance N°.01-03 of August 20<sup>th</sup>, 2001 on Investment Development**

Ordinance N°.01-03 was adopted as a corrective reform to the previous investment regime. It repealed the earlier framework in its entirety and introduced a renewed set of rules designed to preserve the guarantees and achievements established by prior legislation, while improving the practical conditions for investment.<sup>3</sup>

The ordinance sought to simplify administrative procedures and strengthen the institutional framework for investment promotion. To that end, it provided for decentralized structures of the National Agency for Investment Promotion and allowed the establishment of its branch offices abroad, with a view to facilitating access to investment services and attracting foreign investors.<sup>4</sup>

It also broadened the scope of dispute-settlement mechanisms by extending the use of international commercial arbitration and private arbitration, thereby reinforcing legal security and investor confidence in the Algerian investment environment.

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1- Bouzida, S., & Zaaich, M., Are fiscal incentives the magic tool for an increased FDI?: Algeria's case study. *Al-Hadath Journal for Financial and Economic Studies*, 2018(1), 2018, pp.184-192.

2- Lilia Ben Mansour, Op.cit., p.153.

3- Gide Loyrette Nouel, *New Investment Code in Algeria*. Client Alert, 26 August 2016, pp.1-3.

4- Mazouz, A. F. (n.d.). *Libéralisation et ouverture du champ économique en Algérie*. Doctoral or academic study, pp. 38-39, 148-149.

#### **4 -Ordinance N°.06-08 of July 15<sup>th</sup>, 2006 amending Ordinance N°.01-03**

Ordinance N°.06-08 was introduced to further streamline and expedite the administrative procedures governing both national and foreign investment. One of its key reforms was to impose shorter deadlines on the National Agency responsible for investment promotion, reducing the time limit for responding to investment applications and requests for benefits from two months to one month.

The ordinance also reflected a growing concern for environmental protection within the investment framework. In institutional terms, it reinforced the structures responsible for investment governance by establishing or strengthening the role of the National Investment Council, placed with the minister in charge of investment promotion and operating under the authority of the Head of Government.<sup>1</sup>

**Ordinance No. 06-08 of 15 July 2006** amended and supplemented **Ordinance No.01-03 of 20 August 2001 on the development of investment**. It reinforced the liberal principle that investments may be carried out freely, while remaining subject to rules governing regulated activities and environmental protection.

The legislation also reorganized the investment-support framework by confirming the role of the National Agency for Investment Development, setting time limits for decisions on investment benefits, creating a right of appeal for investors, and revising the tax, customs, and parafiscal incentives available during both the realization and exploitation phases of investment projects.

In addition, the ordinance strengthened the role of the National Investment Council in approving negotiated conventions for investments of national economic interest and introduced mechanisms for monitoring investors' obligations and withdrawing advantages in cases of non-compliance.

#### **5. Law N°.16-19 of 2016 on Investment Promotion**

Law N°.16-19 constituted an important reform of Algeria's investment framework. It repealed Ordinance N°.01-03, while preserving certain

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1- Zouiten, A, De quelques aspects de la réforme de l'ordonnance du 20 août 2001 sur le développement de l'investissement, *Revue Sciences Humaines*, 37, 2012, pp.43-52.

institutional arrangements, particularly those relating to the National Agency for Investment Development, the National Investment Council, the decentralized structures operating at wilaya level, and the Agency's representative offices abroad.<sup>1</sup>

The law aimed to improve the overall investment climate by simplifying administrative procedures and creating a more attractive legal environment for both domestic and foreign investors. In this regard, it confirmed the role of the National Agency for Investment Development and relied on the one-stop shop mechanism as a means of facilitating investment procedures and reducing administrative burdens.<sup>2</sup>

It also broadened the legal and judicial guarantees granted to investors and strengthened the system of tax and customs incentives. In addition, the law reaffirmed the principles of freedom of investment and equality of treatment between national and foreign investors.

A further significant feature of this reform was the reorganization of the authorization system. The granting of investment advantages became more closely linked to the economic value added by the project, particularly its contribution to technology transfer. At the same time, the law preserved certain instruments of State control, notably the State's right of pre-emption, and allowed recourse to domestic financing in cases of financial shortfall.<sup>3</sup>

### **Third: Law No.22-18 of July 24<sup>th</sup>, 2022 on Investment**

Law No.22-18 was adopted in the aftermath of the 2020 constitutional amendment and marked a new stage in the modernization of Algeria's investment framework. Its main objective was to ensure the practical and effective implementation of the fundamental principles governing investment, while promoting the use of digital mechanisms in investment procedures.

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1- People's Democratic Republic of Algeria, *Law No. 16-09 of 3 August 2016 relating to the promotion of investment*. Official Gazette of the People's Democratic Republic of Algeria, No. 46, 3 August 2016, pp. 16–21.

2- Gide Loyrette Nouel, *Op.cit.*, pp.1–3.

3- Gide Loyrette Nouel. (2017). *Retrospective 2016 of Legal News: Measures Related to Investment — Algeria*. Newsletter, January 2017, pp. 1–3.

The law also reorganized the institutional framework by transforming the former Investment Development Agency into the Algerian Investment Promotion Agency. This Agency was designed to operate as a genuine one-stop shop, particularly for major investment projects and foreign investments. In addition, the law sought to simplify access to industrial and investment land, thereby addressing one of the main practical obstacles faced by investors.

Furthermore, Law N°.22-18 introduced new incentive regimes and reinforced the legal guarantees granted to investors. In general, it constituted a qualitative development in the legal regime of investment in Algeria, both in terms of investor protection and the modernization of investment procedures.<sup>1</sup>

In examining Algeria's investment law, it is essential to clarify the scope of the law and the mechanisms through which it is implemented, particularly in light of the multiplicity of legal instruments governing investment. This requires determining how the various legislative and regulatory texts interact,<sup>2</sup> how potential overlaps are coordinated, and how consistency between them is ensured.

Accordingly, the relevant legal texts must be classified, and the provisions that remain applicable under Law N°.22-18 must be identified as follows:

### **1- Repeal of the Previous Investment Framework**

Law N°.22-18 repealed the former investment framework established by Law N°.16-19, while maintaining Article 37 of that law. Article 37 is significant because it had already repealed the provisions of Ordinance N°.01-03 on investment development, with the exception of Articles 6, 18 and 22. It also repealed Article 55 of Law N°.13-08 on the Finance Law for 2014.

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1- People's Democratic Republic of Algeria, *Law No. 22-18 of 24 July 2022 relating to investment*. Official Gazette of the People's Democratic Republic of Algeria, No. 50, 28 July 2022, pp. 6–11.

- People's Democratic Republic of Algeria, Ministry of Foreign Affairs and National Community Abroad. (2022). *Investment legal framework: Law No. 22-18 relating to investment*, p.1.

2- Baker McKenzie. (2022). *Algeria: A new set of laws in Algeria to attract foreign investors*. Client Alert, October 2022, pp. 1–7.

This preserved provision is important because Article 37 of Law No. 16-09 had already repealed the earlier regime created by **Ordinance No. 01-03 of 20 August 2001 on investment development**, except for **Articles 6, 18 and 22**, which remained in force. It also repealed **Article 55 of Law No. 13-08 of 30 December 2013**, relating to the Finance Law for 2014. As a result, Law No. 22-18 did not simply replace the 2016 framework; it also maintained certain transitional links with the previous institutional structure of Algerian investment law.

## **2- Implementing Regulations of Law No.22-18**

Law No.22-18 is accompanied by eight implementing executive decrees, which constitute the regulatory framework necessary for its practical application. These decrees are as follows:

- **Executive Decree No.22-296**, which determines the composition and functioning of the High National Commission for Investment-Related Appeals;
- **Executive Decree No.22-297**, which governs the composition and organization of the National Investment Council;
- **Executive Decree No.22-298**, which regulates the organization and functioning of the Algerian Investment Promotion Agency;
- **Executive Decree No.22-299**, which lays down the rules relating to the registration and transfer of investments, as well as the form and content of the investment registration certificate;
- **Executive Decree No.22-300**, which specifies the activities, goods and services excluded from investment advantages, together with the minimum thresholds required to benefit from such advantages;
- **Executive Decree No.22-301**, which determines the list of localities falling within the zones granted special importance by the State;
- **Executive Decree No.22-302**, which defines the qualification criteria for structuring investments and the procedures for granting the related advantages;
- **Executive Decree No.22-303**, concerns investment follow-up and measures applicable in case of non-compliance with investors' obligations. The decree that organizes the one-stop shops is mainly Executive Decree No. 22-298.

### **3- Transitional Period before the Implementing Decrees**

During the transitional period between the promulgation of Law N°22-18 and the issuance of its implementing decrees, the applicable legal regime is determined by the transitional provisions. This period, extending from ..., is governed by Article 38 of Law N°16-09, which refers back to the implementing texts adopted under Law N°16-09. This mechanism ensured continuity in the application of investment rules and avoided a regulatory vacuum before the new implementing decrees entered into force.<sup>1</sup>

### **4- Legal regime applicable after the issuance of the implementing decrees of Law N°22-18**

Once the implementing decrees of Law N°22-18 entered into force, Law No. 16-09 and its associated implementing regulations ceased to apply, with the sole exception of Article 37, whose substance has already been clarified above. This exclusion is expressly confirmed by Article 40 of Law N°22-18, which determines the legal effect of the new investment framework on the previous regime.<sup>2</sup>

### **5- Preservation of acquired rights and previously granted advantages**

As regards rights and advantages granted to investors under legislation preceding Law N°22-18, such rights and advantages remain protected. Investors who obtained benefits under earlier investment laws continue to enjoy them in accordance with the terms under which they were granted.

Where those advantages were limited in duration, they remain effective until the expiry of the prescribed period, even where the legal instruments granting them have subsequently been repealed by Law N°22-18. This reflects the principle of legal certainty and the protection of acquired rights.

### **6- Transfer of pending files from the National Investment Council to the Algerian Investment Agency**

Files that were pending before the National Investment Council are transferred to the Algerian Investment Agency, as they now fall within the

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1- Baker McKenzie, Op.cit., pp. 1–7.

2- Loucif, R. (2022, September 28). Algeria – New Investment Law implementation. LEX Africa. <https://lexafrika.com/2022/09/algeria-new-investment-law-implementation/>

Agency's competence. Article 39 of Law N°.22-18 provides for the transfer of the existing portfolio of projects from the Council to the Agency. This transfer reflects the reorganization of institutional jurisdiction under the new investment regime and aims to ensure continuity in the processing of investment projects.

## **Section Two: The Concept of Investment in Algeria**

In Algerian legislation, investment is not viewed merely as the allocation of capital, but as a productive economic operation intended to establish, expand, or rehabilitate projects in the sectors of goods and services. Law No. 22-18 of 24 July 2022 on Investment adopts a broad definition of investment, including the acquisition of tangible and intangible assets directly connected to production, contributions to company capital whether in cash or in kind, and the transfer of activities from abroad to Algeria.<sup>1</sup>

The law also identifies different forms of investment, such as the creation of new activities, the extension of existing capacities, rehabilitation, and relocation.<sup>2</sup>

This legal conception reflects Algeria's economic orientation, which regards investment as a tool for development, employment generation, technology transfer, competitiveness, and economic diversification. In the same sense, academic literature generally defines investment as the use of financial resources in productive ventures with the objective of obtaining future returns and creating added economic value.<sup>3</sup>

### **First: Defining Investment in Algeria**

In Algerian legislation, investment is primarily understood through its practical forms and economic objectives, rather than through a purely theoretical definition. Law No. 22-18 of 24 July 2022 relating to investment

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1- Sebiat Karima, Investment Incentive System in Algeria under Law 22-18, *The Journal of Teacher Researcher of Legal and Political Studies*, Vol. 10, No. 2, December 2025, pp.805–814, especially pp. 806–807.

2- Sabrina Bouamar, "The Legal Framework for the Registration of Investments and the Mechanisms of Field Oversight under Law No. 22-18," *Zaouli*, No. 12, Vol. 8, December 2025, pp. 718 and 722.

3- Baker McKenzie, *Algeria: A New Set of Laws in Algeria to Attract Foreign Investors*, Client Alert, October 2022, p. 1.

applies to economic activities aimed at producing goods and services, whether undertaken by natural or legal persons, Algerian or foreign, resident or non-resident.<sup>1</sup>

The law includes within the scope of investment the acquisition of tangible and intangible assets used directly in production, the establishment of new activities, the expansion of existing production capacities, the rehabilitation of production facilities, participation in company capital through monetary or in-kind contributions, and the relocation of activities from abroad to Algeria.

Accordingly, investment in Algeria can be described as the use of capital, assets, or productive resources to create economic value, increase production, promote development, and generate future returns. This view is reinforced by Abdelmoumen Abid, who observes that Algerian law does not provide an abstract definition of investment, but rather determines its meaning by listing its forms and purposes under Article 4 of Law No. 22-18.

This section addresses the concept of investment by examining its linguistic and technical meanings. The analysis covers the economic and legal dimensions of investment, both within the Algerian national framework and at the international level, as follows:

### **1- The Linguistic Meaning of Investment**

From a linguistic perspective, the Arabic term *istithmār* (investment) is derived from the root *thamara* (*fruit*), which conveys the idea of producing fruit, growth and increase.<sup>2</sup> Thus, a tree is said to have “*borne fruit*” when its produce appears, while the term may also be used metaphorically to denote the increase of a person’s wealth or offspring.<sup>3</sup>

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1- Sebiat Karima and Boukirat Abdelkader, Investment Incentive System in Algeria under Law 22-18, The Journal of Teacher Researcher of Legal and Political Studies, Vol. 10, No. 2, December 2025, pp. 805–814, especially pp.806–807.

2- Fatima Hassan Al-Abd Al-Fattah, *Investment in the Arabic Language*, King Faisal Center for Research and Islamic Studies, article published on the Arab Conferences website: [Alarabiahconferences.org](http://Alarabiahconferences.org), accessed April 4, 2025, at 2:00 p.m.

3- Ali Mahieddine Al-Qaradaghi, *Investment in Waqf and Its Old and New Methods*, article published on the website: [Algaradaghi.com](http://Algaradaghi.com), accessed on **04/04/2025 at 14:00**.

This semantic field is reflected in Qur'anic usage, where the term "**fruits**" may refer to material produce and forms of increase, as in the references to "*wealth, lives and fruits*"<sup>1</sup> and to "*the fruits of all things.*"

However, the Qur'anic use of the term does not directly denote commercial profit in the technical sense, unless the meaning is interpreted broadly to include all forms of material benefit and economic yield.<sup>2</sup>

Accordingly, in its general linguistic sense, investment implies the productive use of assets, funds or economic values in order to generate an increase, return or benefit for the person undertaking the initiative.<sup>3</sup>

Linguistically, also, the term **investment** is derived from the verb **invest**, which originates from the Latin *investire*, meaning "to dress," "to cover," or "to encircle."<sup>4</sup>

In its earliest usage, the word was associated with clothing, ceremonial robing, and the act of granting someone the visible symbols of authority or office. Over time, however, it developed a financial meaning, referring to the act of placing money or capital into a venture with the aim of gaining profit.

In this way, investment can be understood metaphorically as giving capital a new form, whereby money is converted into an asset, project, or productive activity capable of generating future benefits.

Therefore, from a linguistic standpoint, investment refers not simply to owning capital, but to directing it toward productive use in anticipation of growth, return, or profit.<sup>5</sup>

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1- Surat Baqara, Verse 155.

2- Benfares Ahmed Benfares Zakaria, Dictionary of the Measures of Language, House of Arab Thought, Cairo, p.388.

3- Dictionnaire juridique de Serge Braudo ,dictionnaire du droit prive:

<https://www.dictionnaire-juridique.com/serge-braudo.php>

4- Francisco J. Garcia, Reconceptualizing Foreign Investment as a Relational Ecosystem, Texas International Law Journal, Vol. 59, No. 1, 2023, pp. 38-39.

- P. R. Wilkinson, *Thesaurus of Traditional English Metaphors*, 2nd ed., London/New York: Routledge, 2002, p. 74, section B.6d "Dressing."

5- T. F. Hoad, *The Concise Oxford Dictionary of English Etymology*, Oxford: Oxford University Press, 1996, entry "invest."

The idea of investment suggests that money or resources are not left idle, but are placed in a project, asset, or economic activity with the expectation that they will generate future benefits. In this sense, investment carries the meaning of growth, development, and fruitful return, since capital is used as a means to produce profit, increase value, or create economic advantage over time.

## 2- The Technical Meaning of Investment

Establishing a single technical definition of investment is particularly difficult, given the multidisciplinary nature of the concept and the diversity of perspectives from which it may be analysed. Investment does not carry one fixed meaning; rather, its content varies according to the field of study and the purpose of the analysis, especially when viewed from economic and legal standpoints, whether at the national or international level.

Technically, **investment** means committing present resources—usually money, capital, or productive assets—with the expectation of obtaining future benefits.<sup>1</sup>

In finance, it refers to sacrificing value today in order to receive income, profit, or capital appreciation in the future, while accepting a degree of risk. In economics, the term is more specifically linked to the acquisition or creation of productive assets, such as machinery, buildings, inventories, technology, or human capital, which increase future production capacity.<sup>2</sup>

Therefore, investment is not simple saving or passive possession of money; it is the deliberate allocation of resources to assets or projects capable of generating future returns, productivity, and economic growth.<sup>3</sup>

### A- Investment in the Economic Sense

From an economic perspective, investment may be understood as the allocation of funds to productive activity with a view to increasing wealth,

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1- Bodie, Zvi, Alex Kane, and Alan J. Marcus. *Investments*. 12th ed., New York: McGraw-Hill Education, 2021, p. 1.

2- Mankiw, N. Gregory. *Principles of Economics*. 8th ed., Boston: Cengage Learning, 2018, p. 479.

- Baldwin, John R., and Wulong Gu. *Investment and Productivity Growth: A Survey from the Neoclassical and New Growth Perspectives*. Ottawa: Industry Canada, 2000, p. 13.

3- Jorgenson, Dale W. "Investment and Economic Growth." In *Technology and Growth*, Cambridge, MA: MIT Press, 1996, p. 57.

creating capital, or establishing new economic projects capable of generating financial returns.<sup>1</sup>

It may also be defined as the use of savings to form new productive capacities required for the production of goods and services, while also preserving and developing existing productive capacity.<sup>2</sup>

In the economic sense, **investment** refers to the use of present resources to create or acquire productive assets that increase future production capacity. It is therefore different from merely buying existing financial assets, because economic investment must add to the stock of capital in the economy.<sup>3</sup>

Mankiw explains that investment consists of goods bought for future use, such as new plant and equipment, new housing, and inventories, and stresses that, for the economy as a whole, investment “creates new capital.”<sup>4</sup>

The *System of National Accounts 2008* similarly treats investment through **gross capital formation**, which includes gross fixed capital formation, changes in inventories, and acquisitions less disposals of valuables. Thus, economically, investment means capital formation: the transformation of savings and resources into productive assets capable of generating output, productivity, and future growth.<sup>5</sup>

### **B -Investment in the Legal Sense**

From the standpoint of domestic law, Algerian investment legislation has not generally adopted a precise and comprehensive statutory definition of investment. This remains the case despite the succession of legislative texts and amendments governing the field, especially after Algeria’s shift toward a liberal economic model.

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1- Moḥammed Lamine Zine, The Legal Framework for Investment in Algeria, *Journal of Law and Political Sciences*, Vol.2, N°.1, 2009, p.11.

2- Karima Goudri, *Foreign Direct Investment and Economic Growth in Algeria*, Master’s thesis in Economics, University of Tlemcen, 2010-2011, p.03.

3- United Nations, European Commission, IMF, OECD and World Bank. *System of National Accounts 2008*. New York: United Nations, 2009, ch. 10, paras. 10.31–10.33, printed pp. 198–199.

4- Mankiw, N. Gregory. *Macroeconomics*. 5th ed., New York: Worth Publishers, 2003, p. 25.

5- Stiroh, Kevin J. *Investment and Productivity Growth: A Survey from the Neoclassical and New Growth Perspectives*. Industry Canada Occasional Paper No. 24, 2000, pp. 1–4

Instead, the principal investment laws have tended to define investment indirectly, either by reference to its forms and categories or by reference to the objectives pursued by investment policy.

This approach can be observed in Legislative Decree N°.93-12 on investment promotion, Ordinance No.01-03 on investment development, and Law N°.16-09 on investment promotion. It is also reflected in the currently applicable framework at the time of these lectures, namely Law N°.22-18, particularly Articles 1 and 2, which focus on the purposes and scope of investment rather than providing an abstract legal definition of the concept.

Conversely, certain comparative legal systems have adopted an express statutory definition of investment. A clear example is the Egyptian Investment Law,<sup>1</sup> whose first article defines investment as the use of capital for the establishment, expansion, development, financing, ownership, or management of an investment project, provided that such activity contributes to the comprehensive and sustainable development of the State.

This definition is broad and integrated, as it does not confine investment to the mere allocation of capital. Rather, it encompasses the principal methods through which investment may be carried out, the areas in which it may operate, and the broader developmental objectives pursued by the State.<sup>2</sup>

### **C- Investment at the International Level**

At the international level, most investment-related treaties and agreements do not provide a single comprehensive definition of investment, a position similar to that adopted in many domestic legal systems. Instead, such instruments often identify investment through its forms, assets, protected interests, or economic effects.

However, the Unified Agreement for the Investment of Arab Capital provides an express definition, describing investment as the use of capital in a field of economic development for the purpose of generating a return, whether

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1- The current Egyptian Investment Law N°.72 of 2017.

2- Schreuer, C., *Investments, International Protection*. In R. Wolfrum (Ed.), *Max Planck Encyclopedia of Public International Law*. Oxford University Press, 2011.

- International Monetary Fund, *Balance of Payments and International Investment Position Manual*, 6th ed., Washington, D.C.: IMF, 2009, pp. 99, 101–102.

within the host State's territory or by transferring that return to another territory. This definition links investment to three essential elements: "*the use of capital, contribution to economic development, and the pursuit of financial return*".

Also at the international level, **investment** generally refers to the transfer of capital, assets, or economic resources by an investor from one State into another State with the aim of establishing an economic interest abroad.

In economic statistics, this is most clearly expressed through **foreign direct investment (FDI)**, which involves a lasting relationship between a foreign investor and an enterprise in another economy, usually evidenced by ownership of at least **10% of voting power** and a degree of influence over management.<sup>1</sup>

In international investment law, however, the concept is often broader: many investment treaties define investment as "every kind of asset," including shares, movable and immovable property, contractual claims, intellectual property rights, and business concessions. Thus, internationally, investment is understood not only as capital movement but also as a legal and economic relationship between a foreign investor, a host State, and protected assets located in that State.<sup>2</sup>

## **Second: The Principles Governing Investment**

Across the various legal instruments<sup>3</sup> regulating investment, the Algerian legislator has established a number of guiding principles that govern investment activity in Algeria. These principles will be examined in light of Law N°22-18.

Before addressing them, however, it is necessary to distinguish between investment principles and investment guarantees. A principle constitutes a fundamental legal rule that contributes to building investor confidence and

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1- OECD, *Benchmark Definition of Foreign Direct Investment*, 4th ed., Paris: OECD, 2008, pp. 17, 48-49.

2- UNCTAD, *Scope and Definition: A Sequel*, UNCTAD Series on Issues in International Investment Agreements II, New York and Geneva: United Nations, 2011, pp. 6, 24.

3- The Algerian constitutional texts from the 1989 Constitution up to the 2020 constitutional amendment, particularly Article 61 thereof

ensuring legal certainty. A guarantee, by contrast, is a protective mechanism established by the State in order to safeguard investors and secure their rights within the investment environment.<sup>1</sup>

Certain scholars classify mechanisms such as legislative stabilization, the transfer of capital, and arbitration as principles of investment.<sup>2</sup> Nevertheless, although these mechanisms are undoubtedly important, they are more accurately understood as legal guarantees granted by the State for the protection of investors, rather than as foundational principles of the investment regime.

This distinction corresponds to the legislative logic of Law N°.22-18. For that reason, the present analysis will be limited to the principles expressly established under that law: freedom of investment, transparency, and equality of treatment. These principles will be examined as follows:

### **1- The Principle of Freedom of Investment**

The freedom of investment constitutes one of the essential foundations of a market-based economic system. It is also a broad legal principle closely connected with the freedom to conduct trade and industrial activities.<sup>3</sup> In the Algerian legal framework, however, this freedom is not absolute; rather, it is a regulated freedom exercised within the limits established by law.<sup>4</sup>

Compared with Law N°.22-18, earlier investment legislation was more explicit and detailed in affirming the freedom to carry out investment activities. At the same time, those texts clearly identified the legal restrictions governing that freedom. These restrictions included regulated sectors, environmental requirements, licensing procedures, the registration of investments, and other forms of administrative control.

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1-United Nations Conference on Trade and Development, Algeria: *Publishes a new Investment Code*. Investment Policy Monitor, 2022, p.109.

2- Behnas Ridha, Op.cit., p.29.

3- Bouchihi Issam et al., *The Principle of Freedom of Investment in Algerian Legislation*, Journal of Legal and Economic Sciences, University of Djelfa, p.726.

4- Berrani, F., Principles of investment under Law No. 22-18 on the promotion of investment. El-Wahat Journal for Research and Studies, 18(2), 2025.

Thus, the Algerian model recognizes freedom of investment, but within a legal framework designed to balance economic openness with public regulation and State oversight...

By contrast, Law N°.22-18 adopts a broader and more flexible formulation. Article 3 recognizes the freedom of investment for all investors on an equal basis, allowing them to choose their investment activities, provided that they comply with the legislation and regulations in force.

This legislative drafting is noteworthy. Rather than listing the specific restrictions applicable to investment freedom, the law refers generally to compliance with the applicable legal and regulatory framework.<sup>1</sup>

Such an approach is more comprehensive, as it encompasses all possible legal limitations, including regulated activities, environmental and sustainable-development requirements, authorization procedures, and investment-registration obligations. Thus, freedom of investment under Law N°.22-18 remains a protected principle, but one exercised within the boundaries of public regulation and the rule of law.

In general, the **principle of freedom of investment** refers to the general right of investors to select, establish, and implement their investment projects, as long as they respect the applicable legal and regulatory framework. In Algeria, this principle is clearly recognized in **Article 3 of Law No. 22-18 of 24 July 2022 relating to investment**, which provides that any natural or legal person, whether Algerian or foreign, resident or non-resident, has the freedom to decide on an investment, subject to the laws and regulations in force.<sup>2</sup>

This principle reflects Algeria's effort to open and improve its investment environment, encourage both domestic and foreign capital, and limit unnecessary administrative barriers. Nevertheless, this freedom is not unlimited, since investment activities must still comply with requirements relating to regulated sectors, environmental protection, public order, and national sovereignty. Accordingly, legal doctrine views freedom of investment

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1- United Nations Conference on Trade and Development. (2022). *Algeria: Publishes a new Investment Code*. Investment Policy Monitor.

2- Bouchareb, Imene. Principles of Investment in Light of Law No. 22/18 on Investment, *Russian Law Journal*, Vol. 8, No. 1, 2025, pp. 1530–1532, especially pp. 1531–1532.

as a fundamental but regulated principle within Algeria's contemporary investment policy.

## **2- The Principle of Equality of Treatment among Investors**

The principle of equality requires the State to treat investors without discrimination, whether with regard to the rights and guarantees granted to them or the obligations and duties imposed upon them. It therefore implies State neutrality in the investment field and requires fair, equitable<sup>1</sup> and non-discriminatory treatment of all investors.

This principle is not novel in Algerian investment law. Rather, it is grounded in a range of legal provisions<sup>2</sup> that establish equality before the law and prohibit unjustified distinctions between investors within the investment regime.

Under Law N<sup>o</sup>.22-18, the principle of equality among investors is expressly affirmed in Article 3, particularly in its second paragraph. The first paragraph already links equality to the principle of freedom of investment by stating that all investors enjoy the freedom to choose and carry out investment activities on an equal basis.

This equality extends to all categories of investors without distinction. It covers natural and legal persons, national and foreign investors, and both residents and non-residents in Algeria. Accordingly, Law N<sup>o</sup>.22-18 adopts a broad conception of equal treatment, ensuring that access to investment and the exercise of investment freedom are not conditioned by the investor's legal form, nationality, or residence status.

The purpose of this principle is to place national and foreign investors on an equal legal footing in relation to rights, obligations, procedures, and access to investment benefits, thereby strengthening legal certainty and investor confidence.

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1- Dnoun Mohamed Belabna, *Strengthening the Principles of Investment by Criminalizing the Obstruction of Investment under the Amendment to Penal Code N<sup>o</sup>.24-06*, Journal of Real Estate Law and Environment, Vol. 14, No. 01, 2026, p.202.

2- Particularly the aforementioned Law No. 16-09 relating to investment, in Article 25 thereof.

However, this equality remains subject to limits imposed by Algerian legislation, especially in regulated or strategic sectors and where international agreements provide otherwise.<sup>1</sup>

In international investment law, this idea corresponds closely to the standards of **national treatment**, **most-favoured-nation treatment**, and **fair and equitable treatment**, all of which aim to prevent discriminatory or preferential treatment among investors.

### **3- The Principle of Transparency**

Transparency refers to the accessibility and free circulation of information relating to public policies, legal systems, legislation, and governmental decisions.<sup>2</sup> It enables individuals and investors to obtain the information necessary to protect their interests, make informed decisions, and identify possible shortcomings or irregularities.<sup>3</sup>

In the field of investment, transparency is essential for strengthening legal certainty and investor confidence. Law N°.22-18 expressly enshrines this principle in the final paragraph of Article 3, marking a significant development in Algerian investment legislation. Unlike earlier investment laws, which did not explicitly refer to transparency, the current framework recognizes it as a guiding principle of the investment regime.

The principle of transparency in investment is reflected in the investor's right to access clear information and transparent procedures necessary for undertaking investment activities. This right is implemented through the competent investment bodies and the digital investment platform referred to in Article 21 of Law N°.22-18.

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1- Bouchareb, Imene, Op.cit.

2- Fares Ben Hallous Ben Badi, *The Role of Transparency and Accountability in Reducing Administrative Corruption in Government Sectors*, PhD dissertation, Naif Arab University for Security Sciences, Saudi Arabia, 2010, p.14.

3- Cited in Yousri Hassanet, *The Reality of the Requirements of Administrative Transparency among Civil Society Organizations and the Role of Relevant Authorities in Promoting Them*, dissertation submitted for the Specialized Diploma in Civil Society Organization Management, Islamic University, Gaza, 2002, p.9.

The platform serves as a means of providing information, presenting investment offers, and assisting investors from the registration phase through to the stage of project implementation. It further facilitates remote access to investment opportunities in Algeria, which is particularly significant for foreign investors.

However, it may be observed that the legislator only stated this principle in general terms in Article 3, while its practical implementation is elaborated later through the substantive rules, institutional mechanisms, and administrative bodies established under the law.<sup>1</sup>

### **Third: The Objectives of the Investment Law**

In general, the main objective of laws relating to investment is to encourage productive investment and make it a tool for national economic development.

The laws seek to develop priority sectors with high added value, ensure balanced and sustainable territorial development, promote the use of local natural resources and raw materials, encourage technology transfer, innovation, and the knowledge economy.

They also seek to expand the use of new technologies, create stable employment, improve human-resource skills, and strengthen the competitiveness and export capacity of the national economy. These objectives investment laws are not limited to attracting capital; they also aim to direct investment toward economic diversification, modernization, regional balance, and long-term development.<sup>2</sup>

In Articles 1 and 2 of Law N<sup>o</sup>.22-18 on investment, the Algerian legislator expressly set out the main objectives of the investment framework, namely to regulate and encourage investment. Through this clarification, the law reflects

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1- For further detail on the principle of transparency and democracy, see Slimane Hadj Azzem, *The Interrelationship between Investment and the Principle of Transparency and Democracy*, Journal of Rights and Freedoms, Issue No.03, 2016.

2- Abdelmoumen Abid, Follow-up of Investments in Algerian Law: How Effective is the New Law No. 22-18? *Revue des Sciences Humaines*, Constantine 1 University, Vol. 34, No. 4, 2023, pp. 37-46,

a coherent legislative policy founded on sustainable economic development and the attraction of national and foreign capital.<sup>1</sup>

The determination of these objectives reveals the legislator's orientation and the State's underlying philosophy in the field of investment. It also serves an important interpretative function, since identifying the purpose behind the enactment of the law facilitates the understanding of its provisions and assists administrative authorities and courts in their application and interpretation.<sup>2</sup>

### **1- Regulation of Investment:**

The regulation of investment, within the meaning of Article 1 of the Investment Law, refers to:

- The legal framework through which the legislator determines the rights granted to investors and the obligations incumbent upon them.
- The incentive regimes applicable to investments carried out in economic activities, whether relating to the production of goods or the provision of services.

These regimes apply irrespective of the nature of the activity or the legal status of the investor, whether a natural or legal person, Algerian or foreign, and whether resident or non-resident in Algeria.

### **2- Encouragement of Investment:**

The encouragement of investment constitutes both a strategic economic objective of the State and an instrument for achieving development, generating wealth, and strengthening economic sovereignty.<sup>3</sup> In this regard, Article 2 of Law N°.22-18 enumerates seven objectives pursued by the legislator in order to promote investment.<sup>4</sup> These objectives may be summarized and briefly explained as follows:

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1- Algerian Investment Promotion Agency, *Practical Guide for Investors in Algeria*. High National Commission for Investment-Related Appeals / AAPI, 2024.

2- Guedda, H, *The legal mechanisms for encouraging investment under Algeria's new investment law*. Journal of Law and Sustainable Society, 2024.

3- International Trade Administration. (2022, September 21). *Algerian investment law*. U.S. Department of Commerce.

4- United Nations Conference on Trade and Development, *Algeria: Publishes a new Investment Code*. Investment Policy Monitor, 2022.

**- Development of priority sectors with high added value**

This objective reflects the State's role in determining its economic priorities by identifying the sectors deemed most strategic for national development and granting them enhanced incentives. In this context, Algeria gives particular importance to sectors such as industry, agriculture, technology, energy, and high value-added services, considering them priority areas capable of supporting diversification, productivity, and economic growth.

**- Guaranteeing sustainable and balanced territorial development**

In view of Algeria's vast geographical area, substantial natural resources, and diverse climatic and regional characteristics, investment policy must contribute to reducing territorial disparities and preventing the excessive concentration of economic activity in specific regions.<sup>1</sup>

Accordingly, the Algerian State encourages investment in remote areas and in the southern regions through additional exemptions, incentives, and advantages. This approach seeks to promote balanced regional development and to achieve a form of territorial economic equity.

**- Valorisation of natural resources and local raw materials**

Algeria possesses a wide range of natural resources and raw materials. Its investment policy seeks not merely to export these resources in their raw state, but to transform, process, and industrialize them locally.

Accordingly, the legislator encourages manufacturing and productive industries capable of creating added value within the national economy. This approach strengthens domestic production capacities and contributes to the consolidation of industrial sovereignty.

**- Priority to technology transfer, innovation, the knowledge economy, and modern technologies**

This objective reflects the legislator's intention to promote investments that facilitate the transfer of modern technology, technical know-how, and advanced scientific expertise from abroad. At the same time, it aims to support

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1- Abid, A., Follow-up of investments in Algerian law: How effective is the new Law No. 22-18? *Revue Algérienne des Sciences Juridiques et Politiques*, 34(4), 2024.

national scientific research, innovation, economic knowledge, start-ups, and the broader digitalization of economic activity.<sup>1</sup>

In this sense, the Algerian legal framework encourages investors who introduce technologies beneficial to the national economy, while also reinforcing domestic scientific and economic capacities. Such an approach enhances competitiveness, improves the quality of Algerian goods and services, supports digital transformation, and contributes to building a modern knowledge-based economy.

**- Creation of permanent employment and development of human capital:**

This objective reflects the legislator's intention to link investment incentives to the creation of stable and sustainable employment. Projects that generate a significant number of permanent jobs and contribute to the training, supervision, and development of qualified human resources may benefit from additional advantages. Such an approach seeks to reduce unemployment, improve economic performance, and enhance the professional skills and expertise of the national workforce.<sup>2</sup>

**- Strengthening the competitiveness and export capacity of the national economy:**

The Investment Law also aims to reinforce the competitiveness of the Algerian economy and improve its ability to access foreign markets. For this reason, the State encourages projects that produce goods and services capable of meeting market demand and competing internationally. This contributes to expanding export potential, diversifying the economy, and improving the position of national products in external markets.<sup>3</sup>

**Section Three: The Scope of Application of the Investment Law**

Examining the scope of application of the Investment Law requires consideration of two main elements: the persons covered by the law and the types of investment activities falling within its subject matter.

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1- International Trade Administration. (2022, September 21). *Algerian investment law*. U.S. Department of Commerce.

2- Algerian Investment Promotion Agency. (n.d.). *Foreign investment in Algeria*.

3- Algerian Investment Promotion Agency. (n.d.). *Incentives and benefits*.

In this regard, Algeria has adopted a flexible and inclusive legislative approach with respect to investors, extending the protection and benefits of the law to different categories of natural and legal persons.<sup>1</sup>

As for the substantive scope, the law seeks to maintain a balance between the promotion of investment and the protection of the national economy, particularly by orienting investment toward productive projects that contribute to economic development. The following points clarify this approach in greater detail:

**First: The Personal Scope of Application of Investment Law: The Investor**

From the perspective of its personal scope of application, investment law applies to investors. The concept of the investor is a core notion within investment law, as it lies at the intersection of economic activity and legal regulation. It is through this concept that the law identifies the persons entitled to benefit from the investment regime, determines their rights and obligations, and defines the legal guarantees available to them under Law N<sup>o</sup>.22-18.<sup>2</sup>

**1- Definition of the Investor**

In economic terms, an investor may be understood as any person who allocates resources to a lawful economic activity with a view to obtaining future returns. Such activity is carried out within a legal relationship that gives rise to rights and advantages for the investor, while also imposing obligations and exposing him to economic risks.<sup>3</sup>

In legal terms, Article 5, paragraph 1, of Law N<sup>o</sup>.22-18 defines the investor as *any natural or legal person, whether Algerian or foreign, resident or non-resident under the applicable foreign-exchange regulations, who carries out an investment within the meaning of the Law.*

It follows that the Algerian legislator adopted a broad and functional definition of the investor. Rather than defining the investor through economic criteria alone, the law links this status to the act of carrying out an investment. It also identifies investors by reference to their legal form, nationality, and

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1- Baker McKenzie, op.cit. pp.1-7;

2- Mehdi k, op.cit.

3- Karima Goudri, op.cit.

residence status, thereby covering natural and legal persons, national and foreign investors, and both residents and non-residents.

## **2- Categories of Investors**

The Algerian legislator adopts three main classifications of investors under the investment regime.<sup>1</sup>

### **A- Classification according to legal nature**

From this perspective, an investor may be either a natural person or a legal person. A natural person must have the legal capacity required to carry out an investment project or participate in it. A legal person may be either public or private, provided that it undertakes an investment project or contributes to its realization.

### **B- Classification according to nationality**

Investors may also be classified on the basis of nationality. This classification distinguishes between national investors, who hold Algerian nationality, and foreign investors, who hold a nationality other than Algerian nationality.<sup>2</sup>

### **C- Classification according to residence**

A further classification is based on the investor's place of residence. Accordingly, investors may be divided into residents in Algeria and non-residents, in accordance with the applicable legal and regulatory framework, particularly the rules governing foreign exchange.

In light of the foregoing, it is clear that the Algerian legislator has adopted an expansive approach to the personal scope of investment law. The law is intended to apply to any person who carries out an investment project, irrespective of legal form, nationality, or place of residence.

However, this broad inclusion is not unconditional. Investors remain subject to the legal and regulatory requirements designed to ensure that

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1- The Algerian legislator adopts a broad classification of investors under Law No. 22-18. Article 1 extends the investment regime to natural and legal persons, whether national or foreign, resident or non-resident.

2- People's Democratic Republic of Algeria, Ministry of Foreign Affairs and National Community Abroad. (2022). *Investment legal framework: Law No. 22-18 relating to investment*.

investment contributes to sustainable development and remains consistent with the protection of national economic sovereignty.

### **3- Investor Obligations**

Under Article 15 of Law N°.22-18, investors are subject to a set of legal and regulatory obligations designed to ensure that investment activity is carried out in accordance with public order, sustainable development requirements, and sound economic governance.

These obligations include compliance with the legislation in force and observance of generally applicable standards, particularly those relating to environmental protection, public health, competition, and labour. The investor is also required to ensure transparency in accounting, tax and financial information.

In addition, the investor must cooperate with the competent administrative authorities by providing all information necessary for monitoring the investment project and assessing compliance with the applicable investment legislation.

This duty of disclosure reflects the supervisory role of the administration and reinforces the principles of transparency and accountability within the investment framework.<sup>1</sup>

In general, he is required to:

- Comply with the laws in force;
- Respect generally applicable standards, particularly:
  - Environmental protection standards;
  - Public health protection standards;
  - Competition standards;
  - Labour standards;
- Ensure transparency of accounting, tax and financial information;
- Comply with the administration by providing all necessary information required by the administration in order to monitor the investor and assess his compliance with investment laws.

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1- Abid, A., Follow-up of investments in Algerian law: How effective is the new Law No. 22-18? *Revue Algérienne des Sciences Juridiques et Politiques*, 34(4), 2024, pp.38-54.

#### **4- Guarantees Granted to Investors**

Alongside contractual guarantees that may be incorporated into investment agreements concluded between the State and the investor, such as economic equilibrium or rebalancing clauses, and treaty-based guarantees provided under international agreements for the protection and promotion of investment, including protection against non-commercial risks, Law N°22-18 establishes a number of statutory guarantees for investors.<sup>1</sup>

These legislative guarantees are designed to strengthen investor confidence, enhance legal security, and promote the attractiveness of the Algerian investment environment. They form part of the broader policy objective of encouraging both domestic and foreign investment, as outlined below:

##### **A- Access to Land Belonging to the Private Domain of the State**

One of the guarantees granted to investors under Law N°22-18 is the possibility of obtaining land belonging to the State's private domain for the implementation of investment projects. Article 6 of the law provides for this guarantee, which is now governed in detail by Law N°23-17 of November 15<sup>th</sup>, 2023, relating to the conditions and procedures for granting economic land belonging to the State's private domain and intended for investment projects.

Under this framework, investors may access land information through the competent land-management bodies, depending on the nature of the project. These may include the National Agency for Industrial Land,<sup>2</sup> the National Agency for Tourist Land,<sup>3</sup> or the National Agency for Urban Land,<sup>4</sup> as the case may be. The same information is also made available through the investor digital platform.<sup>5</sup>

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1- Ernst & Young. (2022, September 26). *Algeria issues governing decrees related to new Investment Law*. EY Global Tax News.

2- Executive Decree N°23-488 of December 28<sup>th</sup>, 2023 establishes, organizes, and determines the operating procedures of the National Agency for Industrial Land.

3- Executive Decree N°23-488 of December 28<sup>th</sup>, 2023 establishes, organizes, and determines the operating procedures of the National Agency for Tourist Land.

4- Executive Decree N°23-488 of December 28<sup>th</sup>, 2023 establishes, organizes, and determines the operating procedures of the National Agency for Urban Land

5- Ibid.

This mechanism seeks to enhance transparency in access to investment land, reduce administrative complexity, and facilitate the legal procedures required for the realization of investment projects.

For an investor to be granted access to land forming part of the State's private domain, certain essential conditions must be satisfied. The project must demonstrate seriousness and genuine economic feasibility, and it must be compatible with urban planning and land-use regulations.

The investor is also required to comply with the prescribed implementation deadlines and to ensure the effective use of the allocated land for the intended investment purpose. In addition, the project must observe the applicable legal and technical standards, particularly those relating to environmental protection.

Finally, the land must be free from legal impediments that would prevent its allocation to investment purposes, such as protected agricultural status, waqf/endowment status, or any other legal classification restricting its use or transfer.

The allocation of land to investors may be carried out through a concession agreement or through an administrative contract containing specific terms and conditions. In both cases, the legal arrangement generally ensures that the allocated land remains subject to State supervision and control.

The authority competent to grant such land may be the Algerian Investment Promotion Agency, the bodies responsible for investment land, or the competent local authorities, particularly the governor (Wali).

This guarantee under Law N°22-18 serves a dual purpose. On the one hand, it facilitates investors' access to the land necessary for the realization of their projects. On the other hand, it preserves State ownership of strategic investment land and strengthens public oversight over both the land and the investment project. In this way, the law seeks to strike a balance between promoting investment and safeguarding State property.

### **B- Exemption from Foreign Trade Formalities and Bank Domiciliation**

This guarantee concerns the relaxation of certain administrative and banking requirements normally applicable to foreign trade operations. Foreign

trade formalities generally include the ordinary procedures governing imports and exports, such as licences, authorizations, and quantitative restrictions. These procedures are often complex and time-consuming.<sup>1</sup>

Bank domiciliation, by contrast, refers to the prior registration of a financial transaction with an authorized bank through the opening of a banking file or account before the investment operation is carried out.

Article 7 of Law N<sup>o</sup>.22-18 grants an exemption from foreign trade formalities and bank domiciliation in favour of specific categories of contributions and goods, namely:<sup>2</sup>

- Foreign in-kind contributions made exclusively within the framework of the transfer of activities from abroad; and
- New goods forming part of foreign in-kind contributions.

This mechanism facilitates the implementation of investment projects by reducing administrative burdens and accelerating import and export operations connected to the investment. It also gives investors greater flexibility by exempting them from bank domiciliation requirements in the relevant transactions. In this sense, the guarantee contributes to improving the attractiveness of the Algerian investment framework and encouraging foreign investment.

### **C- The Guarantee of Transfer Abroad**

The guarantee of transfer abroad is one of the key protections granted to investors. It means that the State must allow the investor to transfer funds outside the national territory freely, at the applicable exchange rate, and without imposing arbitrary restrictions or obstructive measures on such transfers.<sup>3</sup>

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1- People's Democratic Republic of Algeria, Ministry of Foreign Affairs and National Community Abroad. (2022). *Investment legal framework: Law No. 22-18 relating to investment*

2- Algerian Investment Promotion Agency. (n.d.). *Foreign investment in Algeria*.

3- Ernst & Young. (2022, September 26). *Algeria issues governing decrees related to new Investment Law*. EY Global Tax News.

Article 8 of Law N°.22-18 expressly establishes this guarantee by recognizing the investor's right to transfer several categories of funds, including:

- The invested capital and the income generated from it;
- Investments made through cash contributions imported through the banking system;
- Reinvested amounts consisting of transferable profits and dividends, in accordance with the legislation in force;
- In-kind contributions of foreign origin, provided that they are duly assessed according to the rules applicable to companies;
- The real net proceeds arising from the transfer or liquidation of foreign investments, even where such proceeds exceed the amount of the capital initially invested in Algeria.

This guarantee strengthens investor confidence by ensuring the free repatriation of capital, returns, dividends, and liquidation proceeds, while remaining subject to the applicable banking, exchange-control, and corporate-law requirements.

It should be emphasized that the guarantee of capital transfer is not an unrestricted right. Its exercise remains subject to the applicable foreign-exchange rules, the obligation to declare transferred funds to the competent Algerian authorities, and the requirement to establish the lawful origin of those funds. Thus, the guarantee operates within a regulated framework designed to reconcile investor protection with financial transparency and State control over capital movements.

Executive Decree N°.22-300 specifies the minimum requirement for benefiting from the guarantee of transfer abroad. This requirement is assessed by reference to the proportion of financing originating from foreign sources and borne by the investor in relation to the total cost of the investment. The decree sets this threshold at **25% of the total investment amount**. Where this minimum level of foreign-origin financing is not met, the investment loses the right to benefit from the guarantee of transfer.<sup>1</sup>

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1- Article 8 of Executive Decree N°.22-300.

By guaranteeing the transfer abroad of the investor's initial capital, the profits generated by the investment project, and the proceeds arising from its liquidation or assignment, the State provides a concrete and significant legal protection. This guarantee strengthens investor confidence, reinforces economic security, reduces the risks associated with investment, and contributes to improving the overall attractiveness of the Algerian investment climate.<sup>1</sup>

#### **D- Protection of Intellectual Property Rights**

Article 9 of Law N°.22-18 establishes the protection of intellectual property rights as one of the guarantees granted to investors, while referring the details of such protection to the legislation in force.

This guarantee means that the State is required to ensure legal protection for the different categories of intellectual property, including industrial property and literary and artistic property. It therefore covers patents, trademarks, industrial drawings and designs, copyright, and related rights.

The purpose of this protection is to allow investors to benefit exclusively from the exploitation of their innovations, inventions and creative works. It also requires the legal system to protect those rights against infringement, including through criminal sanctions where appropriate, and through the availability of effective legal and judicial remedies.

By securing intellectual property rights, the State contributes to creating a safer and more attractive investment environment, particularly for projects based on technology, innovation, know-how, branding and creative production. This guarantee therefore strengthens economic security and encourages investors to undertake projects in Algeria with greater confidence.

#### **E- Protection of Investment against Requisition**

Article 10 of Law N°.22-18 establishes a guarantee protecting investments against requisition by the administration. Under this provision, requisition may not be imposed except within a limited legal framework and in

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1- Mecherouk, S. H., & Houalef, A. (2025). *Obstacles of applying legal stability principle for investment in Algerian law*. *Akademik Tarih ve Düşünce Dergisi / Academic Journal of History and Idea*, 12(3), 1081–1095. <https://dergipark.org.tr/en/download/article-file/5085736>

accordance with the conditions prescribed by law. Where requisition occurs, the investor must receive fair and equitable compensation.

Requisition is an exceptional administrative measure used by the State in extraordinary situations, such as emergencies, economic or public-health crises, or circumstances relating to national defence. It may involve the temporary use of property or the mobilization of services belonging to natural or legal persons.<sup>1</sup>

This guarantee therefore limits the administration's power to interfere with investment assets. It obliges the State to treat requisition as an exceptional measure, to confine it to narrowly justified cases, and to ensure that any investor affected by such measure is compensated fairly and equitably. In this way, the law seeks to balance public necessity with the protection of investors' property rights and economic security.<sup>2</sup>

The State's commitment to safeguarding investment projects against requisition reinforces the principle of legal certainty for investors and reduces the risks that may arise from the exercise of sovereign powers in matters of public security or national defence.

This guarantee goes beyond the traditional protection of property rights. It protects not only ownership of the investment assets, but also the economic operation and productive use of the investment project itself. In this sense, it provides investors with broader protection against administrative interference that could affect the substance, continuity, or economic value of their investment.

#### **F- The Investor's Right to Administrative and Judicial Remedies**

Law N°.22-18 guarantees investors the right to seek protection of their rights through administrative and judicial remedies. This includes the right to submit appeals before the High National Commission for Investment-Related

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1- Grönvik Möller, E. (2017). *Currency transfer provisions and balance of payment derogations: An understated importance for a sustainable financial architecture?* [Master's thesis, Uppsala University, Department of Law]. DiVA. <https://www.diva-portal.org/smash/get/diva2:1171372/FULLTEXT01.pdf>

2- United Nations Conference on Trade and Development. (2000). *Transfer of funds*. UNCTAD Series on Issues in International Investment Agreements. United Nations.

Appeals, as well as the right to bring the matter before the competent courts where necessary.

This guarantee, established under Articles 11 and 12 of Law N°.22-18, strengthens legal security by ensuring that investors have access to formal mechanisms for challenging administrative decisions and protecting their rights within the investment framework.

### **G- Protection against Future Amendment or Repeal of Law N°.22-18**

Article 13 of Law N°.22-18 establishes a legislative-stability guarantee for investors. Under this provision, investments carried out under Law N°.22-18 remain protected from the effects of any future amendment or repeal of that law.

Such future changes do not automatically apply to investments already completed under the existing regime. They may apply only where the investor expressly requests their application before the Algerian Investment Promotion Agency, and only when the new legal framework is more favourable to the investor.<sup>1</sup>

This guarantee strengthens legal certainty by protecting investors against adverse legislative changes, while also allowing them to benefit from future reforms where those reforms provide more advantageous conditions.

### **H. Possibility of Transfer or Assignment of Goods and Services Benefiting from Investment Advantages**

Article 14 of Law N°.22-18 allows investors, under the applicable legal conditions, to dispose of goods and services that have benefited from investment advantages. Such disposal may take the form of either assignment or transfer.

Executive Decree N°.22-298 further clarifies the institutional mechanism governing this process. Article 4, paragraph 5, which concerns the Agency's functions in the management of investment advantages, entrusts the Algerian Investment Promotion Agency with a supervisory role over the assignment and transfer of goods and services benefiting from such advantages.

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1- Newcombe, A., & Paradell, L., *Law and practice of investment treaties: Standards of treatment*. Kluwer Law International, 2009.

In this respect, the Agency examines the requests submitted by investors, decides whether to grant the required authorization, and supervises the subsequent disposal operation. This mechanism seeks to reconcile the investor's ability to manage and reorganize investment assets with the State's need to ensure that goods and services benefiting from public advantages are not transferred or assigned outside the legally authorized framework.

### **Second: The Material Scope of Application of Investment Law: Investment Activities Covered by the Law**

This section examines the material scope of Law No. 22-18 by identifying the types of investments covered by its provisions and distinguishing them from those excluded from its application.

The purpose of this analysis is to determine which investment projects are eligible for the advantages and incentive schemes established by the law, and which projects are expressly or implicitly excluded from its scope and, consequently, cannot benefit from those advantages or incentives.

#### **1- Investments Falling within the Scope of Law N°.22-18**

The Algerian State gives priority to investment activities that are capable of generating wealth and contributing to sustainable development. In this regard, Articles 4 and 5 of Law N°.22-18 define the categories of investment covered by the law with relative precision.

The law covers several forms of investment, including the establishment of new investment projects, the extension, rehabilitation or renewal of existing investments, the contribution of cash or in-kind assets to the capital of an enterprise, and the transfer of activities from abroad. It also provides legislative definitions for the various forms of investment projects falling within its scope.<sup>1</sup>

Article 4 is structured around three main categories of eligible investments. The first concerns new investment projects, as well as operations aimed at extending, rehabilitating or renewing existing projects. The second category concerns investments made through cash or in-kind contributions to the capital of an enterprise.

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1- Baker McKenzie, op.cit. p.1.

The third concerns the transfer of activities from abroad. These categories reflect the legislator's intention to limit the benefits of the investment regime to projects that create economic value, generate wealth, and support sustainable development.

Article 4 of Law N<sup>o</sup>.22-18 defines the categories of investments falling within the scope of the investment regime. It provides that the law applies to investments realized through one of the following forms:

- The acquisition of tangible or intangible assets directly connected with the production of goods and services, whether for the creation of new activities, the expansion of production capacity, or the rehabilitation of production equipment;
- Participation in the capital of an enterprise through cash or in-kind contributions;
- The relocation or transfer of activities from abroad.

This provision shows that the law adopts a broad but structured conception of investment, covering both asset-based investment, capital participation, and the transfer of productive activities into Algeria.

Article 5 explains the meaning of the first category of investments referred to in Article 4 and provides definitions for the forms of investment covered by it.

### **A- Creation Investment**

A **creation investment** refers to the establishment of a completely new investment project, where no previous productive activity, operational structure, or technical capital existed.

This involves the acquisition of new tangible or intangible assets required to launch an economic activity, whether for the production of goods or the provision of services. In this sense, creation investment represents the starting point of a new productive unit, contributing to the expansion of economic activity, job creation, and the development of new production capacities.<sup>1</sup>

In legal terms, it may be described as **any investment aimed at creating technical capital from scratch by acquiring assets for the purpose of**

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1- Bouadi, K., op.cit, pp.39-40.

**establishing an activity or producing goods and/or services.** This form of investment therefore concerns the creation of a new productive base rather than the development or modification of an existing one.<sup>1</sup>

### **B- Expansion Investment**

Expansion investment refers to an investment operation designed to increase the productive capacity of an existing project. This may be achieved by introducing a new product, expanding the range of goods or services offered, or strengthening the project's competitiveness.

In legal terms, it covers *any investment intended to raise the capacity to produce goods and/or services through the acquisition of new means of production that are added to those already in place.* Thus, unlike creation investment, expansion investment presupposes the existence of a prior activity and seeks to develop or enlarge it.

### **C- Rehabilitation Investment**

Rehabilitation investment refers to an investment operation intended to restore, modernize, or upgrade an existing project. Its purpose is generally to improve the performance of an activity, overcome technological obsolescence, or revive an economic activity that has ceased to operate.

Legally, it covers *any investment consisting in the acquisition of goods and/or services aimed at bringing existing machinery, equipment, or facilities into conformity, either to address technological delay or to remedy depreciation caused by age, where such deficiencies affect productivity.* It may also include investments intended to relaunch an activity that has been suspended for at least three years.

This type of investment therefore differs from creation and expansion investment, as it focuses not on establishing or enlarging a project, but on restoring its productive efficiency and ensuring its economic continuity.<sup>2</sup>

### **- Investment through Contribution to the Capital of an Enterprise**

This form of investment concerns persons who have capital or assets but do not directly undertake an investment project themselves. Instead, they

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1- Sebiat Karima and Boukirat Abdelkader, Op.cit., pp. 806–807.

2- KPMG Algérie. (2026). *Guide investir en Algérie 2026*. KPMG Algérie.

participate in the capital of a commercial company by making either a cash contribution or an in-kind contribution.<sup>1</sup>

Cash contributions consist of monetary amounts paid into the company's capital, whereas in-kind contributions may consist of assets other than money, such as equipment, property, machinery, technology, or other economically valuable assets. Through this mechanism, the investor participates in the enterprise and contributes to its financing, while acquiring rights connected to that participation.

### **E- Investment through the Transfer of Activities from Abroad**

This form of investment consists of relocating all or part of an economic activity from a foreign country to Algeria. It is carried out by an enterprise governed by foreign law, which transfers its activities, production processes, assets, or operational functions to the Algerian territory.<sup>2</sup>

In legal terms, it refers to **an operation whereby a foreign-law enterprise transfers all or part of its activities from abroad to Algeria**. This category is particularly significant because it encourages the relocation of productive activities into Algeria, promotes technology and know-how transfer, and contributes to the development of the national economy.

### **2- Investments Excluded from the Scope of Law N°.22-18**

The Algerian legislator has excluded certain economic activities from the application of Law N°.22-18, primarily by relying on the criterion of productive contribution. In other words, activities that do not generate productive value or do not fall within the development-oriented objectives of the investment regime may be excluded from the benefits of the law.

In addition, sectors governed by special legislation remain subject to their own legal frameworks. Where a specific sector is regulated by special rules that limit or displace the application of Law N°.22-18, those special provisions prevail over the general investment regime.

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1- Bouadi, K., op.Cit., p.39.

2- *United Nations Conference on Trade and Development. (2022). Algeria: Publishes a new Investment Code. UNCTAD Investment Policy Monitor.*

In legal terms, **relocation investment** refers to an operation through which an enterprise governed by foreign law transfers all or part of its activities from abroad to Algeria.

This transfer may concern production units, services, industrial processes, equipment, technology, or managerial know-how. Unlike a simple financial contribution, relocation investment involves the physical or operational movement of an existing activity into the Algerian economic space.

Its importance lies in the fact that it helps attract productive activities that were previously carried out outside the country, thereby strengthening the national productive base.<sup>1</sup>

It may also contribute to the transfer of technology, professional expertise, technical skills, and modern methods of management and production. From an economic perspective, this type of investment can support job creation, improve local industrial capacity, encourage integration with domestic enterprises, and reduce dependence on imported goods and services.

For this reason, relocation investment is considered an important mechanism for promoting economic diversification, increasing competitiveness, and supporting Algeria's broader development objectives.

### **A- Non-Productive Commercial Activities**

Certain commercial activities are excluded from the scope of the advantages provided by Law N°22-18 because they do not create added value, generate wealth, or contribute effectively to sustainable development.

These activities are considered ordinary commercial operations and do not possess the economic significance required to benefit from the incentive regime established by the investment law.

This category includes activities that are not based on production, but rather on commercial profit derived from resale, intermediation, or trading operations. Examples include wholesale trade, retail trade, brokerage activities, and the purchase of goods for resale.

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1- Abdelmoumen Abid, Op.cit, pp. 38-39.

Since such activities do not involve the creation of productive capacity or direct contribution to economic development, they are generally excluded from the investment incentives provided by Law N°.22-18.

### **B- Sectors Regulated by Special Legislation**

A further category excluded from the general scope of Law N°.22-18 consists of sectors governed by special legislation. These are generally sensitive sectors closely linked to the State's economic sovereignty, strategic interests, or public policy considerations.<sup>1</sup>

Because of their importance, the State maintains direct oversight over these sectors and regulates them through specific legal frameworks rather than through the general investment regime.<sup>2</sup> As a result, they are removed, wholly or partially, from the application of the ordinary rules of investment law and remain subject to the special provisions governing each sector. These activities may be set out as follows:

The sectors governed by special legislation include, in particular:

- **The hydrocarbons sector**, whose activities are regulated by a specific hydrocarbons legal framework;<sup>3</sup>
- **The mining sector**, which is subject to the special legislation governing mining activities;<sup>4</sup>
- **The banking sector**, which falls under the legal and regulatory framework applicable to banking and credit institutions;
- **The insurance sector**, which is governed by the special legislation regulating insurance activities.

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1- Law No. 22-18 of 24 July 2022 relating to investment, *Official Gazette of the Algerian Republic*, No. 50, 28 July 2022.

2- Executive Decree No. 22-300 of 8 September 2022 determining the lists of activities, goods and services not eligible for advantages, and minimum thresholds for the transfer guarantee, *Official Gazette* No. 60, 18 September 2022.

3- Hydrocarbon activities are governed by Law No. 19-13 of 11 December 2019.

4- The mining sector was historically governed by **Law No. 14-05 of 24 February 2014**.

These sectors are therefore not governed solely by the general investment regime, but remain subject to sector-specific rules because of their strategic, financial, or sovereign importance.

#### **Section Four: Incentive Schemes and Eligibility Requirements for Investment Advantages**

As part of Algeria's policy to promote investment and encourage investors, Law N°.22-18 establishes a legal framework based on incentives and preferential treatment. This framework pursues two principal objectives.

The first is to identify the priority areas and criteria that qualify investment projects for support, by defining the sectors, locations, and types of projects considered most important for economic development.

The second is to provide investors with a set of advantages, privileges, and exemptions designed to facilitate the realization of investment projects and improve the overall investment climate in Algeria.

##### **First: Investment Incentive Schemes**

Article 24 of Law N°.22-18 establishes three main incentive schemes through which eligible investment projects may benefit from advantages and exemptions. These schemes are:<sup>1</sup>

- **The sector-based incentive scheme**, which targets priority sectors;
- **The zone-based incentive scheme**, which concerns investments carried out in specific geographical areas;
- **The structuring-investment scheme**, which applies to major investment projects with significant economic impact.

##### **1- The Sector-Based Incentive Scheme**

This section concerns investment projects that may qualify for the sector-based incentive scheme. These are projects expressly identified by the Algerian legislator as priority investments because of their strategic importance and their alignment with the objectives of Algeria's investment policy.

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1-People's Democratic Republic of Algeria. (2022). *Law No. 22-18 of 24 July 2022 relating to investment*. Official Gazette of the Algerian Republic, No. 50, 28 July 2022.

- Baker McKenzie. (2022). *A new set of laws in Algeria to attract foreign investors*.

Accordingly, the sector-based scheme applies to investments carried out in the priority fields of activity listed by law, namely:<sup>1</sup>

The sector-based incentive scheme applies to investments carried out in the following priority sectors:

- a-** Mining and quarrying;
- b-** Agriculture, aquaculture, and maritime fishing;
- c-** Industrial activities, including agri-food industries, pharmaceutical industries, and petrochemicals;
- d-** Services and tourism;
- e-** New and renewable energy sectors; The knowledge economy and information and communication technologies.

### **Advantages Granted under the Sector-Based Incentive Scheme**

Investments falling within the priority sectors benefit from a range of general incentives of a fiscal, para-fiscal and customs nature. Article 27 of Law No.22-18 further specifies the advantages granted to such investments, which may be classified according to the different stages of the investment process.<sup>2</sup>

#### **A- Advantages during the Investment Implementation Stage**

At the stage of project implementation, investments benefiting from the sector-based scheme are granted several exemptions designed to reduce the financial burden of establishing the project and to facilitate its realization. These include:

- Exemption from value-added tax on imported or locally acquired goods and services that are directly used in the realization of the investment project;
- Exemption from transfer duties for consideration and from the land-publicity tax in respect of real estate acquisitions made within the framework of the sector-based investment scheme;

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**1-** Algerian Investment Promotion Agency. (n.d.). *Régimes d'incitation et conditions d'éligibilité aux avantages*.

- Abid, A., op.cit.

**2-** Investments falling within the priority sectors benefit from a range of general incentives of a fiscal, para-fiscal and customs nature. Article 27 of Law No. 22-18.

- Exemption from registration duties relating to company incorporation deeds and capital increases;
- Exemption from registration duties, land-publicity tax, and State property charges connected with concession rights over built or unbuilt real estate allocated to investment projects under the sector-based scheme;
- Exemption from property tax on real estate assets used for the investment project for a period of ten years, calculated from the date of acquisition.

These advantages aim to lower the initial cost of investment, encourage the establishment of projects in priority sectors, and create a more favourable legal and financial environment for productive investment.

### **B- Advantages during the Operational Phase of the Investment Project**

At the operational stage, investment projects benefiting from the sector-based incentive scheme are granted tax exemptions for a period of **three to five years**, starting from the date on which the project enters into operation.

These exemptions concern:

- **Corporate income tax**; and
- **The tax on professional activity**.

This incentive is intended to reduce the tax burden during the early years of exploitation, support the financial stability of the project, and encourage investment in priority sectors.

## **2- The Zone-Based Incentive Scheme**

### **Definition:**

The zone-based incentive scheme applies to investments carried out in areas considered by the Algerian State to be priorities within its investment policy. These areas are selected because of their role in achieving sustainable development and ensuring a more balanced distribution of investment across the national territory.

Article 28 of Law N<sup>o</sup>.22-18 identifies the general basis of this scheme, while Executive Decree N<sup>o</sup>.22-301 later organized its application. Notably, Article 2 of that decree uses the term “municipalities” instead of “zones,” thereby giving the scheme a more precise territorial basis.

The decree also allows the list of localities belonging to zones granted special importance by the State to be updated whenever necessary. Such updating is carried out upon the proposal of the ministers concerned.

Although the provision does not expressly identify those ministers, they would generally include, by implication, the minister responsible for investment, the Minister of the Interior, and any other minister whose sector is affected by the investment policy in question.

The territorial areas eligible under the zone-based incentive scheme include three main categories:

- Municipalities located in the High Plateaus, the South, and the Great South;<sup>1</sup>
- Municipalities whose level of development requires special State support and accompanying measures;<sup>2</sup>
- Municipalities with natural resources that may be economically developed, valorised, or exploited for investment purposes.<sup>3</sup>

These categories reflect the legislator's intention to direct investment toward regions requiring development support, territorial balance, or better use of available natural resources.

### **Advantages Granted under the Zone-Based Incentive Scheme**

Investments carried out in zones of special importance benefit from a range of general incentives of a fiscal, parafiscal, and customs nature. Article 29 of Law N<sup>o</sup>.22-18 further establishes specific advantages for investments falling under this scheme.

These advantages are structured according to the different stages of the investment process and may be presented as follows:

#### **A- Advantages during the Investment Implementation Stage**

At the stage of project realization, investments benefiting from the zone-based incentive scheme enjoy the same substantial exemptions from duties and taxes as those granted under Article 27 to investments falling within the sector-based scheme.

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1- See Annex N<sup>o</sup>.01 to the Aforementioned Executive Decree N<sup>o</sup>.22-301.

2- Ibid.

3- See Annex Three to the Aforementioned Executive Decree N<sup>o</sup>.22-301.

These exemptions concern the following:

- Exemption from value-added tax on goods and services, whether imported or locally acquired, provided that they are directly used in the realization of the investment project;
- Exemption from transfer duties for consideration and from the land-publicity tax in respect of real estate acquisitions made within the framework of the investment;
- Exemption from registration duties relating to company incorporation deeds and capital increases;
- Exemption from registration duties, land-publicity tax, and State property charges connected with concession rights over built and unbuilt real estate allocated to the realization of investment projects;
- Exemption from property tax on real estate assets forming part of the investment for a period of ten years, calculated from the date of acquisition.

These exemptions are intended to reduce the initial cost of investment and facilitate the establishment of projects in zones granted special importance by the State.

### **B. Advantages during the Operational Phase of the Investment Project**

During the operational stage, investment projects benefiting from the zone-based incentive scheme are granted tax exemptions for a period of **five to ten years**, starting from the date on which the project enters into operation.

These exemptions cover:

- **Corporate income tax**; and
- **The tax on professional activity**.

This longer exemption period reflects the special importance granted to investments carried out in priority zones, particularly those requiring State support, territorial development, or the valorisation of local resources.

### **3- The Structuring-Investment Incentive Scheme**

**Definition:** Structuring investments are major investment projects that have a significant economic and developmental impact. They are characterized by their strong capacity to generate wealth, create employment, and contribute to the attractiveness and competitiveness of the territory in which they are established.

These investments are also expected to act as a catalyst for broader economic activity and to support sustainable development in its economic, social, and territorial dimensions.<sup>1</sup> For this reason, they may qualify for the specific advantages granted under the structuring-investment incentive scheme.<sup>2</sup>

### **Eligibility Conditions for Classification as a Structuring Investment**

The Algerian legislator has laid down specific and stringent conditions for determining whether an investment project may qualify as a structuring investment. This is justified by the significant advantages granted under this scheme and by the need to reserve them for projects with substantial economic impact.

To qualify, the investment must make a meaningful contribution to one or more strategic objectives, particularly import substitution, export diversification, integration into regional or global value chains, technology acquisition, or the improvement of economic performance.<sup>3</sup>

In addition, the project must meet two quantitative thresholds: it must create at least **500 direct jobs**,<sup>4</sup> and the total investment amount must exceed **10 billion Algerian dinars**.<sup>5</sup> These requirements show that the structuring-investment scheme is intended for large-scale projects capable of producing significant effects on employment, competitiveness, and sustainable economic development.

### **Advantages Granted under the Structuring-Investment Scheme**

Investments classified under the structuring-investment scheme benefit from a range of general incentives of a fiscal, parafiscal, and customs nature. In addition, Article 31 of Law N°.22-18 provides for specific advantages granted to this category of investment.

These advantages are organized according to the different stages of the investment process and may be presented as follows:

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- 1- Article 15 of Executive Decree N°.22-302.
  - 2- Article 30 of the aforementioned Law N°.22-18.
  - 3- Article 15 of Decree N°.22-302.
  - 4- Article 16 of Decree N°.22-302, *Ibid.*
  - 5- *Ibid.*

### **A- Advantages during the Investment Implementation Stage**

At the stage of project realization, investments benefiting from the structuring-investment scheme are granted the same substantial exemptions from duties and taxes as those provided under Article 27 for investments falling within the sector-based and zone-based schemes.

A distinctive feature of the structuring-investment scheme is that it is the only regime allowing the transfer of investment advantages and privileges to the contracting parties of the beneficiary investor.

This applies where those parties are responsible for carrying out the investment works or operations on behalf of the investor. This mechanism facilitates the execution of large-scale projects by extending the benefit of incentives to the entities directly involved in their implementation.

These exemptions include the following:

- Exemption from value-added tax on goods and services, whether imported or acquired locally, provided that they are directly used in the realization of the investment project;
- Exemption from transfer duties for consideration and from land-publicity tax in respect of real estate acquisitions made within the framework of the investment;
- Exemption from registration duties relating to company incorporation deeds and capital increases;
- Exemption from registration duties, land-publicity tax, and State property charges connected with concession rights over built or unbuilt real estate allocated to the realization of the investment project;
- Exemption from property tax on real estate assets forming part of the investment for a period of ten years, starting from the date of acquisition.

These exemptions are intended to reduce the financial burden of implementing large-scale structuring investments and to facilitate the realization of projects with significant economic and developmental impact.

### **B- Advantages during the Operational Phase of the Investment Project**

At the operational stage, investment projects benefiting from the structuring-investment scheme enjoy exemptions for a period of **five to ten years**, calculated from the date on which the project enters into operation.

These exemptions apply to:

- Corporate income tax;
- The tax on professional activity.

### **C- Advantages Relating to the Follow-up and Support of Structuring Investment Projects**

Structuring investments are distinguished from the other incentive schemes by their eligibility for direct State support and accompaniment. This form of support may include the State's partial or full financial contribution to the development works required for the infrastructure necessary to implement the project.

Such infrastructure support may cover, in particular, the connection of the project site to public utility networks and the construction or opening of access roads up to the perimeter of the investment project.<sup>1</sup>

This advantage is subject to a prior agreement concluded between the investor benefiting from the structuring-investment scheme and the Algerian Investment Promotion Agency, after authorization by the Government.<sup>2</sup> It reflects the strategic importance of structuring investments and the State's willingness to facilitate their realization because of their expected economic, social and territorial impact.

#### **Second: Eligibility Requirements for Investment Advantages**

The conditions for benefiting from investment advantages are governed by Articles 25, 26, and 27 of Law N°.22-18, together with Executive Decree N°.22-300 of September 8<sup>th</sup>, 2022, which specifies the lists of activities, goods, and services excluded from the benefit of investment advantages.<sup>3</sup>

Accordingly, this section examines two essential issues: first, the meaning of activities, goods, and services that are directly connected with the realization of an investment project; and second, the priority sectors within which such

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1- Article 17, paragraph 2, of Executive Decree N°.22-302.

2- The last paragraph of Article 31 of the aforementioned Executive Decree No.22-301; Articles 15 to 19 of the above-mentioned Executive Decree N°.22-302 were devoted to clarifying the modalities of its implementation.

3- Articles 25, 26, and 27 of Law No.22-18

goods and services may qualify for the advantages granted under the investment incentive schemes.

### **1- Activities Included in the Realization of an Investment**

Article 2 of Executive Decree N°.22-300 defines the goods and services that are considered to fall within the framework of realizing an investment project. This definition is important because only goods and services directly connected with the investment may qualify the investor for the advantages provided under the applicable incentive regime.

Accordingly, the decree identifies the relevant goods and services as follows:

#### **Goods:**

Goods are understood as any assets intended for durable use in the creation, development, or rehabilitation of economic activities aimed at producing goods or commercial services.

Article 4 adopts a broad conception of goods, covering movable and immovable assets, as well as tangible and intangible assets, whether they are acquired by the investor or newly created within the framework of the investment project.

#### **Services:**

Services refer to all services connected with the acquisition or creation of goods intended for economic activities involving the production of goods or commercial services. In this sense, only services that are directly linked to the realization of the investment project may qualify for the relevant investment advantages.

### **2- Activities Excluded from Investment Advantages**

Executive Decree N°.22-300 specifies the activities, goods and services that are excluded from benefiting from investment advantages. These exclusions are set out mainly in Articles 3, 4, 5 and 6 of the decree.

It should be noted that these exclusions concern the **sector-based incentive scheme** and the **zone-based incentive scheme**, while projects classified as **structuring investments** are not subject to the same exclusions. The excluded activities are identified as follows:

The activities, goods and services excluded from investment advantages may be summarized as follows:

- Activities listed in **Annexes 1 and 2** to Executive Decree N°.22-300, which set out, respectively, the goods, services and activities excluded from the advantages of the **zone-based scheme** and those excluded from the advantages of the **sector-based scheme**;<sup>1</sup>
- Activities subject to a tax regime other than the **real tax regime**;<sup>2</sup>
- Activities that are not legally required to be registered in the **Commercial Register**;<sup>3</sup>
- Activities governed by special legislation that limits or displaces the application of Law N°.22-18, including hydrocarbons, mining, banking and insurance;
- Activities expressly excluded from tax advantages by specific legislative or regulatory provisions;
- Activities that already benefit from their own special incentive regimes;
- Goods governed by the financial accounting system, except those recorded under fixed-asset accounts, since fixed assets are not excluded from eligibility for advantages;<sup>4</sup>
- Fixed-asset goods specifically listed in **Annex 3** to Executive Decree N°.22-300;
- Used equipment goods.<sup>5</sup>

These exclusions reflect the legislator's intention to reserve investment advantages for productive projects that fall within the priority objectives of Law N°.22-18, while excluding activities or assets that are either already specially regulated, insufficiently productive, or covered by separate incentive frameworks.

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1- Article 3 of the aforementioned Executive Decree N°.22-300.

2- Ibid.

3- Ibid.

4- The expression "**fixed-asset accounts**", as used in Article 5 of the same Executive Decree, refers to the accounting category of fixed assets. It covers goods, equipment, and other assets recorded in the investment project's accounts as long-term or permanent assets, intended to be used continuously in the project's economic activity over an extended period.

5- Article 5 of the same Executive Decree N°.22-300.

## **Unit Two: The Legal Regime Governing the Institutions Responsible for Investment in Algeria**

Chapter Three of Law N°.22-18, entitled “**The Institutional Framework for Investment,**” establishes the institutional structure governing investment in Algeria. Article 16 identifies the principal investment bodies as the **National Investment Council** and the **Algerian Investment Promotion Agency**.

These two institutions constitute the central bodies entrusted with the formulation, coordination and implementation of Algeria’s national investment policy. Alongside them, the legal framework also provides for a number of complementary bodies.

Some of these bodies operate independently from the principal institutions, such as the **High National Commission for Investment-Related Appeals**.<sup>1</sup> Others are functionally attached to the main investment institutions, including the **One-Stop Shop for Major Projects and Foreign Investments**, the **decentralized one-stop shops**, and the **investor digital platform**.

Together, these bodies form the institutional architecture through which investment policy is organized, implemented, monitored and facilitated under Law N°.22-18.<sup>2</sup>

### **Section One: The High National Commission for Investment-Related Appeals**

**Definition:** The High National Commission for Investment-Related Appeals is a supreme administrative body created under Article 11 of Law N°.22-18.<sup>3</sup> Its function is to examine and decide upon appeals lodged by investors who claim to have suffered prejudice or unfair treatment in the application of the investment law.

Article 11 further provides that the Commission’s composition, organization, functioning, and implementing procedures are to be determined by regulatory text. This was carried out through **Presidential Decree N°.22-296 of September 4<sup>th</sup>, 2022**, which replaced the former framework by

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**1-** Presidential Decree N°.22-296 of September 4<sup>th</sup>, 2022 determines the composition and functioning of the High Commission for Appeals relating to Investment.

**2-** Article 2 of Executive Decree N°.22-296.

**3-** Article 2 of Executive Decree N°.22-296.

repealing **Executive Decree N°.19-166 of May 29<sup>th</sup>, 2019** concerning the Appeals Committee competent in matters of investment promotion.

The legal definition of the Commission employs the phrase “**investors who consider that they have suffered prejudice**” to describe investors whose investment-related requests have been rejected or adversely affected.

However, this wording may be criticized for its lack of precision. The term used may carry more than one legal meaning under civil law. On the one hand, it may refer to **lesion in real estate matters**,<sup>1</sup> as contemplated by Article 358 of the Civil Code.

On the other hand, it may denote an imbalance between the obligations of contracting parties, within the meaning of Article 90.<sup>2</sup>

In our view, the second meaning appears to be closer to the intention of Article 2 mentioned above, since the provision seems to refer to investors who have suffered unfair or unequal treatment in the processing of their investment applications, rather than to lesion in the technical civil-law sense.

### **Composition of the National Commission for Investment-Related Appeals**

The composition of the National Commission for Investment-Related Appeals reveals the legislator’s intention to give this body a distinctive institutional character combining sovereign authority, judicial expertise and supervisory control. Its members are appointed by presidential decree for a three-year term, renewable once.<sup>3</sup>

**The Commission** is chaired by a representative of the Presidency of the Republic. It also includes a judge from the Supreme Court and a judge from the Council of State, both proposed by the High Council of the Judiciary. This composition reflects the quasi-judicial nature of the Commission and the mixed character of the disputes submitted to it.

Indeed, the Commission reviews the legality of decisions issued by investment bodies against investors. Such decisions are administrative in nature, which justifies the presence of a judge from the Council of State.

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1- Article 358 of the Civil Code, issued pursuant to Ordinance N°.75-58 of 26 September 1975, as amended and supplemented.

2- Article 90 of N°.75-58.

3- According to Article 3 of Executive Decree N°.22-296.

At the same time, these disputes concern investment projects pursued for profit by investors who may possess commercial status, which explains the participation of a judge from the Supreme Court. The involvement of both judicial orders is therefore consistent with the Commission's role in ensuring the proper application of the law in matters that may involve both administrative and commercial dimensions.

The Commission further includes a judge from the Court of Accounts, proposed by the Council of Judges of that Court. This participation is justified by the Court of Accounts' role in exercising quasi-judicial oversight over public funds and the proper application of public-accounting rules, particularly where investment decisions may involve public advantages, incentives or State resources.<sup>1</sup>

Finally, the Commission includes three independent economic and financial experts appointed by the President of the Republic. Their presence reinforces the technical and economic capacity of the Commission, especially in assessing investment-related disputes that require financial, economic or technical expertise. The Commission may also call upon any person whose special competence may assist it in carrying out its functions.

### **Organization and Operation of the High Commission for Investment-Related Appeals**

The High Commission for Investment-Related Appeals is organized around two main components. The first is its deliberative body, represented by the members forming the Commission itself. The second is its administrative support structure, represented by the Secretariat of the Commission.

At its first meeting, the Commission adopts its internal rules of procedure, which govern its working methods and organizational arrangements. Its deliberations are valid only if the required quorum is met, namely the presence of an absolute majority of its members, corresponding to at least two-thirds of the Commission.

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1- Kern, C. (2015). Transfer of funds. In M. Bungenberg, J. Griebel, S. Hobe, & A. Reinisch (Eds.), *International investment law: A handbook* (pp. 870–886). Nomos/Hart. **Relevant pages:** pp. 870–886. This chapter specifically addresses transfer-of-funds clauses in international investment law.

Decisions are adopted by majority vote. Where votes are equally divided, the chairperson's vote is decisive.<sup>1</sup>

### **Procedures before the High Commission for Investment-Related Appeals**

The procedure for bringing appeals before the High Commission for Investment-Related Appeals is governed by Articles 6 and following of Presidential Decree N°.22-296. These provisions determine both the grounds on which an investor may lodge an appeal and the procedural requirements that must be observed.

An appeal may be submitted to the Commission in the following cases:

#### **1- Withdrawal of investment advantages**

Where an investor has already been granted certain investment advantages and those advantages are subsequently withdrawn, the investor may challenge the withdrawal before the Commission.

#### **2- Refusal to grant investment advantages**

An appeal may also be lodged where the investor applies to benefit from investment advantages and the competent authority refuses the request.

#### **3- Refusal to issue investment-related documents or decisions**

The investor may further appeal against the refusal of the competent bodies to issue documents, decisions, or administrative authorizations necessary for the realization or continuation of the investment project.

#### **4- Prior administrative complaint**

Before referring the matter to the Commission, the investor must first submit a **prior administrative complaint** before the Algerian Investment Promotion Agency. This complaint may be submitted by any legally accepted means and must be filed within **one month** from the date on which the contested decision is notified to the investor. The Director of the Agency is then required to decide on the complaint within **fifteen days** from the date of its receipt.

The appeal submitted before the Commission must satisfy certain formal requirements. It must be lodged individually and must bear the signature of the applicant or the duly authorized representative.

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1- Article 12 of the aforementioned Executive Decree N°.22-296.

It must also contain the mandatory identification details required by law, including the applicant's name, surname, address, and legal capacity, or those of the authorized representative acting on his behalf.

In addition, the appeal must clearly set out, in writing, the relevant facts and the legal grounds relied upon in support of the claim.

The appeal may be submitted directly to the Algerian Investment Promotion Agency or through the investor digital platform.

Once the appeal is referred to it, the Commission must convene and issue its decision within a period not exceeding **one month** from the date of referral. In the course of examining the appeal, it may summon representatives of the bodies and administrations concerned by the contested decision, as well as the investor, in order to hear their statements and obtain any necessary clarifications.

The Commission transmits a copy of the appeal file to the administration concerned, which is required to submit its response within a maximum period of **ten days**. The Commission then reviews all relevant documents and evidence before adopting its decision.

The decision must be notified to the parties concerned, by any appropriate means, within a maximum period of **eight days**. Once issued, the Commission's decisions are enforceable.

In addition to its adjudicatory function, the Commission is required to submit a report to the President of the Republic every six months. This report sets out its activities, the difficulties encountered in practice, and the proposed solutions or guidelines for addressing them.

## **Section Two: The National Investment Council**

The **National Investment Council (CNI)** is one of the main institutional bodies responsible for guiding investment policy in Algeria. Under **Law No. 22-18 of 24 July 2022**, it is listed among the organs in charge of investment, alongside the Algerian Investment Promotion Agency.<sup>1</sup>

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**1-** Law No. 22-18 of 24 July 2022 relating to investment, Official Journal of the Algerian Republic, No. 50, 28 July 2022, p. 8, arts. 16-17.

Its principal role is to propose the State's investment strategy, ensure the overall coherence of investment policy, and evaluate its implementation. It must also prepare an annual evaluation report submitted to the President of the Republic. **Executive Decree No. 22-297 of 8 September 2022** further regulates its composition and functioning, placing it under the authority of the Prime Minister or Head of Government. More recently, **Executive Decree No. 26-152 of 14 April 2026** amended certain provisions relating to its composition and secretariat.

**Definition:** The National Investment Council is a national institutional body responsible for investment promotion in Algeria. Originally established under Ordinance N°.01-03 on investment development, and further regulated by Article 1 of Executive Decree N°.22-297,<sup>1</sup> the Council plays a strategic role in shaping the national investment policy.<sup>2</sup>

Its main functions consist in proposing the State's investment strategy, ensuring the overall consistency and coherence of that strategy, and monitoring and evaluating its implementation. The Council is also responsible for preparing an evaluative report on the state of investment in Algeria, which is submitted to the President of the Republic.<sup>3</sup>

## **Composition of the National Investment Council**

### **1- Chairmanship of the Council**

The National Investment Council is placed under the authority of the Prime Minister or the Head of Government,<sup>4</sup> who chairs it. This institutional positioning reflects the strategic importance attached by Algeria to investment.

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- Executive Decree No. 22-297 of 8 September 2022, fixing the composition and functioning of the National Investment Council, Official Journal, No. 60, 18 September 2022, p. 5, arts. 1-5.

- **Executive Decree No. 26-152 of 14 April 2026**, amending Executive Decree No. 22-297, *Official Journal*, No. 31, 28 April 2026, p. 4, art. 1.

- Repealed the provisions of Executive Decree N°.06-355 of October 9<sup>th</sup>, 2006 relating to the powers of the National Investment Council.

2- Article 17 of the aforementioned Law N°.22-18.

3- Article 18 of the aforementioned Law N°.22-18.

4- Article 3 of the aforementioned Presidential Decree N°.22-296.

It also confirms that investment policy is not treated as a matter belonging to one specific sector, but as a cross-cutting national priority requiring coordination at the highest level of the executive authority.

The Prime Minister's chairmanship gives the Council a central and strategic character. It also enables coordination between the various ministerial departments whose competences are connected to investment, economic development, finance, industry, trade, land, infrastructure and other related fields.

## **2- Members of the Council**

Article 3 identifies the members of the National Investment Council. The Council brings together a broad range of Government members, particularly ministers heading sectors directly connected with investment. In general, it is composed of twelve ministers, including the Prime Minister.

The composition of the Council is not accidental. It reflects an institutional logic based on concentrating the main economic, financial and administrative decision-making centres of the State within a single body. This structure is intended to ensure effective inter-ministerial coordination in the formulation of the national investment strategy, as well as horizontal oversight from economic, financial and legal perspectives.

The members of the National Investment Council may be divided into three categories: permanent core members, observer members, and invited members. These categories may be presented as follows:

### **Members of the National Investment Council**

Article 3 defines the composition of the National Investment Council by bringing together a wide range of Government members, particularly ministers responsible for sectors directly connected with investment. In general, the Council consists of twelve ministers, including the Prime Minister, which reflects the central importance attached to this institution within Algeria's investment governance framework.

The choice of members is based on a clear institutional rationale. The Council is designed to concentrate the principal economic and financial decision-making centres of the State within a single strategic body. This structure aims to ensure effective inter-ministerial coordination in the

formulation of national investment policy, while also allowing financial, economic and legal oversight to be exercised in a coordinated and complementary manner.

At the same time, the broad composition of the Council reflects the cross-sectoral nature of investment policy, which requires the involvement of several ministerial departments rather than a single administrative authority.

The membership of the National Investment Council may be divided into three categories: **permanent core members, observer members, and invited members**, as explained below.

### **Permanent Core Members**

#### **1- The Minister responsible for the Interior and Local Authorities**

The Minister responsible for the Interior and Local Authorities plays a central role in the investment process because of his authority over local administration. Through the supervision and coordination of local authorities, this minister contributes to maintaining public order, ensuring territorial stability, and facilitating the local implementation of national investment policy.

His role is particularly important in relation to administrative authorizations, including building permits, operating permits, and certificates of conformity.

He also contributes to facilitating access to investment land and ensuring that central decisions are effectively implemented at the local level. In this respect, his participation in the Council helps reduce administrative obstacles and limit bureaucratic delays affecting investors.

#### **2- The Minister responsible for Finance**

The Minister responsible for Finance is a key member of the National Investment Council because investment policy is closely linked to public finance, taxation, incentives, and the State treasury.

Since many investment advantages take the form of tax, parafiscal, customs, or financial benefits, the presence of this minister ensures that investment decisions remain consistent with fiscal policy and public-budget considerations.

Accordingly, the Minister responsible for Finance plays an essential role in ensuring that investment incentives remain effective, transparent, and consistent with Algeria's broader economic and financial objectives. Executive Decree No. 22-297 includes the Minister of Finance among the members of the National Investment Council.

### **3- The Minister responsible for Energy and Mines**

The inclusion of the Minister responsible for Energy and Mines reflects the strategic importance of these sectors in the Algerian economy. Energy and mining remain priority fields for national development and investment policy, both because of their economic weight and because of their connection to State sovereignty, natural resources, and industrial growth.

### **4- The Minister responsible for Industry**

The industrial sector occupies a central position within investment policy. The Minister responsible for Industry contributes to assessing the economic feasibility of industrial projects and their consistency with the State's industrial strategy.

His presence within the Council is therefore necessary to ensure that investment projects support industrial development, productive capacity, competitiveness, and economic diversification.

This role is particularly important for assessing whether investment projects contribute to strengthening productive capacity, developing industrial sectors, improving competitiveness, encouraging technological modernization, and supporting economic diversification. Accordingly, the Minister responsible for Industry serves as a key institutional actor in linking investment policy with Algeria's broader industrial development strategy.

### **5- The Minister responsible for Investment**

The Minister responsible for Investment has a fundamental role within the National Investment Council, since he heads the ministerial sector directly responsible for investment policy.

His presence is therefore essential and permanent. He is responsible for submitting investment files, assessment reports, and proposals relating to incentives, and he exercises general supervision over the investment sector.

The Minister responsible for Investment is expressly listed among the members of the Council, and the decree also originally entrusted him with the Council's secretariat, including preparing agendas, notifying recommendations, and providing investment-related information and reports.

#### **6- The Minister responsible for Trade**

The Minister responsible for Trade is directly concerned with investment because investment projects affect market organization, supply, competition, imports, exports, and commercial balance. His role is to assess the impact of investment projects on the national market and to ensure their consistency with the State's commercial policy and external trade balance.

#### **7. The Minister responsible for Agriculture**

Agriculture is a major investment sector, whether in relation to agricultural production or agri-food industries. It is also closely linked to sustainable development and food security.

The Minister responsible for Agriculture therefore participates in evaluating agricultural investment projects, assessing the use of agricultural land and resources, and ensuring that such investments are consistent with the State's policy on agricultural development and food security.

#### **8- The Minister responsible for Tourism**

Tourism represents an important non-hydrocarbon sector and a promising field for investment in Algeria. The Minister responsible for Tourism contributes to evaluating tourism projects, verifying their conformity with tourism development plans, and assessing their potential to attract investors and generate foreign-currency revenues. His presence reflects the State's intention to diversify the economy through tourism investment.

#### **9- The Minister responsible for Labour and Employment**

Investment policy is closely connected to employment policy, since investment projects are expected to create jobs, especially those benefiting from incentive schemes. This is particularly true for structuring investments, where job creation is one of the qualifying criteria. The Minister responsible for Labour and Employment assesses the expected employment impact of investment projects and monitors compliance with labour legislation and national employment policies.

## **10- The Minister responsible for the Environment**

Large investment projects, particularly industrial projects, may have significant environmental effects. The presence of the Minister responsible for the Environment ensures that environmental protection and sustainable development are integrated into investment decision-making. His role is to assess the environmental impact of projects and to verify their compliance with environmental standards and sustainability requirements.

## **11- The Minister responsible for Small and Medium-Sized Enterprises**

Investment policy is not limited to major projects or foreign investment. It also includes the development of small and medium-sized enterprises, which form an essential part of the national economic fabric.

The participation of the Minister responsible for Small and Medium-Sized Enterprises allows the Council to assess the impact of investment projects on local enterprises, support their integration into the economy, and strengthen domestic productive capacity. This contributes to building a balanced investment policy based not only on attracting foreign capital, but also on supporting national enterprises and the local economy.

## **Observer Members**

Observer members attend the work of the National Investment Council without taking part in the vote on the Council's opinions or recommendations.

## **1- The Director General of the Algerian Investment Promotion Agency**

The Director General of the Algerian Investment Promotion Agency occupies an important position within the Council because of his executive and technical role in the investment system. He contributes to the Council's work by presenting investment projects, technical assessments, and economic studies.

He also ensures follow-up on the implementation of the Council's decisions, thereby creating an institutional link between investors, the Agency, and the National Investment Council. In this sense, his role is both operational and coordinating.

Article 7 of Executive Decree N°.22-298 further provides that the Director General of the Agency assumes the General Secretariat of the Council. This Secretariat constitutes the administrative support structure of the Council and

includes the administrative staff responsible for preparing, organizing, and following up its work.

## **2- The Chairperson of the Board of Directors of the Algerian Investment Promotion Agency**

The Chairperson of the Board of Directors of the Algerian Investment Promotion Agency also participates as an observer member. His presence helps ensure coherence between the strategic orientations of the National Investment Council and the institutional work of the Agency.<sup>1</sup>

His role is mainly one of guidance and coordination. He may provide opinions on major decisions submitted to the Council, especially those requiring consistency between investment policy, institutional implementation, and the Agency's practical missions.

### **Invited Members**

Invited members do not participate in voting and do not take part in the formal adoption of Council decisions. Their role is consultative. They may be called upon to provide technical, economic, legal, financial, or sectoral expertise whenever the Council requires specialized input.

This category includes any person whose competence or experience in the field of investment may assist the Council in examining the matters submitted to it.

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1- It should be noted that Articles 3 and 5 of Executive Decree N°22-297, concerning the composition and functioning of the National Investment Council, were amended by Executive Decree N°26-153 of April 4<sup>th</sup>, 2026. Under this amendment, the Chairperson of the Board of Directors of the Algerian Investment Promotion Agency attends meetings of the National Investment Council in the capacity of an observer. The amendment also entrusts the Director General of the Algerian Investment Promotion Agency with the Secretariat of the National Investment Council.

This reform has a significant institutional effect. On the one hand, it strengthens coordination between the National Investment Council and the Algerian Investment Promotion Agency. On the other hand, it contributes to consolidating and harmonizing the institutional framework governing investment in Algeria, by reinforcing the functional link between the principal bodies responsible for investment policy and its implementation.

## **Organization and Operation of the National Investment Council**

The National Investment Council meets at the invitation of its chairperson at least twice a year, namely once every semester. It may also be convened whenever necessary. Its meetings are held on the basis of an agenda prepared in advance by the chairperson, in coordination with the ministers concerned.

The Council's deliberations result in opinions and recommendations concerning investment policy and the matters submitted to it.

The Council is supported by a Secretariat, entrusted to the minister responsible for investment. In this capacity, the minister prepares and organizes the agenda of Council meetings, ensures the availability of the information, studies and reports required for the Council to carry out its functions, and communicates the Council's opinions and recommendations to its members and to the relevant administrative authorities.

## **Section Three: The Algerian Investment Promotion Agency**

### **Definition**

The Algerian Investment Promotion Agency was originally created under Article 6 of Ordinance N°.01-03 on investment development. Law N°.22-18 later reorganized its institutional identity, as Article 18 changed its designation from the **National Agency for Investment Development** to the **Algerian Investment Promotion Agency**.

The Agency is a public administrative institution headquartered in Algiers. It has legal personality and financial autonomy, and is placed under the supervision of the Prime Minister or the Head of Government. This institutional status reflects its central role in implementing national investment policy and facilitating investment procedures.

### **Missions of the Agency**

The Agency's missions are set out in Article 18 of Law N°.22-18 and detailed in Article 4 of Executive Decree N°.22-298 of 8 September 2022, which governs its organization and functioning.

In general, the Agency's role consists in ensuring coordination between the various administrations, institutions and bodies involved in the investment process. It operates as an institutional interface between investors and public

authorities, with the aim of simplifying procedures, improving administrative efficiency, and supporting the realization of investment projects. These missions may be examined according to the following fields:

### **1- The Agency's Information-Related Missions**

In the field of information, the Algerian Investment Promotion Agency is entrusted with ensuring reception, guidance, and information services for investors through the competent investment-related services. It also plays an awareness-raising<sup>1</sup> role by communicating with media outlets and information platforms in order to promote investment opportunities and clarify the applicable legal framework.

To perform this mission, the Agency collects, produces, simplifies, explains, and disseminates information concerning investment legislation, regulations, procedures, and required documents. It also develops information systems designed to give investors access to the data necessary for preparing and structuring their investment projects.

In this regard, the Agency establishes databases and information banks in coordination with the relevant administrations and public bodies. These databases provide investors with information on business opportunities, available resources, economic potential, and investment land, thereby strengthening transparency and facilitating investment decision-making.<sup>2</sup>

### **2- The Agency's Missions in Simplifying Procedures**

In the field of procedural simplification, the Algerian Investment Promotion Agency supervises and manages the investor digital platform,<sup>3</sup> which is designed to facilitate interaction between investors and the competent public authorities.

Through this platform and its related services, the Agency provides investors with essential information, including available investment opportunities, incentive schemes, granted advantages, and all relevant data that may help identify investment prospects in Algeria.

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1- Article 18 of the aforementioned Law N°.22-18.

2- Article 4, paragraph 1, of the aforementioned Executive Decree N°.22-298.

3- Article 18, paragraph 3, of the aforementioned Law N°.22-298.

The Agency also contributes to assessing the investment climate with a view to improving it, reducing administrative complexity, and making investment procedures more accessible and transparent.<sup>1</sup>

### **3- The Agency's Missions in Investment Promotion**

The Algerian Investment Promotion Agency is entrusted with promoting and valorising investment both within Algeria and abroad. At the national level, it prepares and proposes plans for the promotion of national and local investment, and contributes to designing mechanisms for mobilizing the capital required for their implementation.

The Agency also works to establish business relations and facilitate contacts between investors, with the aim of encouraging partnerships, creating business opportunities, and strengthening the national investment ecosystem.

At the international level, the Agency's promotional role is supported by Algeria's diplomatic and consular representations abroad.<sup>2</sup> These representations contribute to building and developing cooperation with equivalent foreign institutions,<sup>3</sup> thereby enhancing Algeria's visibility as an investment destination and facilitating contacts with potential foreign investors.

### **4- The Agency's Missions in Accompaniment and Supporting Investors**

The Algerian Investment Promotion Agency plays a key role in accompanying investors throughout the investment process, starting from the registration of the project. In this context, it receives a fee for the examination and processing of investment files.<sup>4</sup>

The Agency provides investors with guidance, advisory services, and technical expertise. Where the nature of the project requires specialized knowledge, it may also seek external expertise.

Its support function is not limited to internal processing within the Agency. It also extends to assisting investors in their dealings with other public bodies and administrative authorities, thereby facilitating procedures and

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1- Article 4, paragraph 2, of the aforementioned Executive Decree N°22-298.

2- Article 18, paragraph 1, of the aforementioned Law N°22-298.

3- Article 4, paragraph 3, of the aforementioned Executive Decree N°22-298.

4- Article 18 of the aforementioned Law N°22-18.

helping overcome administrative obstacles during the realization of investment projects.<sup>1</sup>

### **5- The Agency's Missions in Managing Investment Advantages**

In the field of managing investment advantages, the Algerian Investment Promotion Agency is entrusted with administering the benefits granted to encourage investment. This includes, in particular, the advantages relating to the portfolio of projects that were registered or declared before the entry into force of Law No. 22-18.

To perform this mission, the Agency issues investment registration certificates and amends them where required. It also identifies projects that qualify as structuring investments and takes the legal measures applicable to them.

The Agency further examines and endorses the lists of goods and services submitted by investors where such goods and services are eligible for investment advantages. Where the legal conditions are no longer met, it may also proceed with the withdrawal of advantages.

In addition, the Agency prepares official records confirming the project's entry into the operational phase and determining the duration of the advantages granted. It also supervises the assignment and transfer of goods and services that have benefited from investment advantages, and issues certificates of exemption from value-added tax.<sup>2</sup>

### **6- The Agency's Missions in Monitoring Investment Projects**

In the field of project monitoring, the Algerian Investment Promotion Agency supports investors in completing the procedures required for the realization of their investment projects.<sup>3</sup> It also follows the progress of registered projects and monitors their implementation status.

To achieve this, the Agency coordinates with the relevant administrations and public bodies, verifies the extent to which investors comply with their declared commitments, and receives and processes investors' complaints.

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1- Article 4, paragraph 4, of the aforementioned Executive Decree N°22-298.

2- Article 4, paragraph 5, of the aforementioned Executive Decree N°22-298.

3- Article 18 of the aforementioned Law N°22-18.

More broadly, this mission reflects the Agency's role as a follow-up and support mechanism for registered investments, through services based on monitoring, responsiveness, consultation, and continuous accompaniment throughout the investment process.<sup>1</sup>

### **7- The Agency's Missions in the Field of Economic Land**

Following the amendment<sup>2</sup> to Executive Decree N°.22-297, the Algerian Investment Promotion Agency was granted specific responsibilities in relation to economic land, as set out in the final paragraph of Article 4.

These responsibilities include the management and promotion of the economic-land portfolio. In this capacity, the Agency determines how available land should be directed and allocated for development by the competent land agencies, namely those responsible for industrial, tourist, and urban land.

The Agency is also required to ensure that all relevant information concerning available economic land is published on the investor digital platform. This contributes to greater transparency, facilitates access to land for investors, and supports the effective realization of investment projects.

The Agency's missions in the field of economic land also include maintaining and updating the register of economic land that may be used to constitute the land offer allocated for investment purposes.

It is also responsible for identifying investment projects eligible to benefit from economic land, whether at the national or local level. In this respect, the Agency plays a central role in linking investment projects with available land resources.

Furthermore, the Agency may grant economic land through a concession agreement concluded by mutual agreement. This concession may be converted into an assignment upon the request of the concession holder, with the Agency responsible for carrying out the conversion procedure.

The Agency is also empowered to issue authorizations connected with the realization of investment projects. In addition, it contributes to the planning

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1- Article 4, paragraph 6, of the same Decree.

2- Decree N°.26-153 of April 4<sup>th</sup>, 2026 concerning the reorganization of the Algerian Agency for Investment Promotion.

process by identifying and submitting economic-land needs during the preparation of urban-planning instruments.

The Agency may acquire, on behalf of the State, privately owned real estate suitable for investment projects and may exercise the State's right of pre-emption over such property. This function strengthens the State's ability to mobilize land resources for investment while preserving public control over strategic economic land.

Finally, acquiring, for the account of the State, privately owned immovable property suitable for the realization of investment projects, and exercising the State's right of pre-emption in respect of such property.

### **8- Establishment and Supervision of the One-Stop Shops**

The Algerian Investment Promotion Agency is also responsible for establishing and supervising the One-Stop Shop for Major Projects and Foreign Investments, as well as the decentralized one-stop shops. These structures are designed to simplify procedures, centralize administrative services, and facilitate the processing of investment files.

### **Organization and Operation of the Algerian Investment Promotion Agency**

The organizational structure of the Algerian Investment Promotion Agency shows that it operates through two main components: a functional decision-making body and an administrative structure.

The functional body is headed by the Director General of the Agency and supported by the Board of Directors. The administrative structure consists of the Agency's personnel and services, who operate under the authority of the Director General.

This structure reflects a dual organization: strategic and managerial functions are exercised by the Director General and the Board of Directors, while day-to-day administrative implementation is carried out by the Agency's staff.

#### **1- The Director General of the Algerian Investment Promotion Agency**

The Director General is the principal authority responsible for the administrative and financial management of the Algerian Investment

Promotion Agency. He exercises appointment powers within the Agency and acts as the hierarchical superior of all its staff.

The positions of the Agency's personnel are determined by a joint decision of the supervisory authority, the minister responsible for finance, and the authority responsible for the public service. The staff members benefit from the compensation regime applicable to the services of the Prime Minister or the Head of Government, depending on the case.<sup>1</sup>

The Director General also manages the Agency's internal services, acts in its name, and represents it before judicial authorities and in civil-law transactions.<sup>2</sup>

In addition, he is responsible for preparing the reports that the Agency must submit under the applicable legal framework. These reports are of two main types.<sup>3</sup>

The Director General is responsible for preparing two periodic reports:

**A- Semi-annual activity report**

The first report is submitted every six months to the supervisory authority and to the Board of Directors of the Agency. It covers all activities undertaken by the Agency during the relevant period and serves as a tool for institutional monitoring and administrative accountability.

**B- Semi-annual investment-promotion and FDI report**

The second report is also prepared every six months, in coordination with the services of the Ministry of Foreign Affairs and consular representatives. It is submitted to the National Investment Council and focuses on the Agency's activities in promoting investment, particularly abroad. It also includes data on foreign direct investment inflows recorded during the period covered by the report.

The Director General acts as the authorizing officer of the Algerian Investment Promotion Agency.<sup>4</sup> In this capacity, he is responsible for preparing

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1- Article 6 of the same Decree.

2- Article 13 of the aforementioned Executive Decree N°.22-298.

3- Article 14 of the same Decree.

4- Article 15 of Decree N°.22-297 corresponds to Article 13 of the aforementioned Executive Decree N°.26-153.

the Agency's budget and for concluding public procurement contracts, agreements, and conventions on its behalf. He may also delegate his signature where necessary.

He is further responsible for proposing the internal organization of the Agency and its one-stop shops,<sup>1</sup> and for taking all measures required to ensure their proper functioning.

In carrying out his duties, the Director General may rely on various forms of technical and administrative support,<sup>2</sup> including working groups or reflection groups established according to need, external experts, directors of studies, directors, deputy directors, and heads of studies.

Finally, the Director General assumes the Secretariat of the National Investment Council. This function was expressly confirmed by the most recent amendments, particularly Article 7 of Decree N°.26-252 and Article 5 of the aforementioned Decree N°.26-153.

## **2- The Board of Directors**

The Board of Directors of the Algerian Investment Promotion Agency is characterized by a multi-sectoral composition<sup>3</sup> designed to enhance efficiency and ensure coordination between the administrative, legal, financial and commercial dimensions of investment governance.

This composition was reinforced by the 2026 amendment, with the aim of enabling investment projects to be examined in a more comprehensive, streamlined and effective manner. The reform expanded the sectoral representation within the Board, strengthened its technical capacity, and ensured a closer connection between investment policy and Algeria's strategic and productive sectors.

Accordingly, the Board's composition reflects the legislator's intention to make investment decision-making more coordinated, specialized and

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1- Article 15 of the same Decree N°.26-153.

2- Articles 16 and 17 of the aforementioned Decree N°.22-297 correspond to Article 15 of Decree N°.26-153.

3- Article 7 of the aforementioned Executive Decree N°.22-298, which was superseded by Article 7 of the aforementioned Executive Decree N°.26-153.

responsive to national economic priorities. The Board of Directors is composed as follows:

The Board of Directors of the Algerian Investment Promotion Agency includes representatives of several ministerial sectors whose powers are directly connected to investment. This composition reflects the multi-sectoral nature of investment governance and the need to ensure coordination between strategic, administrative, financial, technical and territorial dimensions.

The **representative of the Prime Minister or Head of Government** chairs the Board. His role is to ensure unified administrative leadership, supervise the Agency's general orientation, oversee the implementation of its decisions and recommendations, and represent it in its relations with third parties.

The **representative of the Minister responsible for Foreign Affairs** contributes to the Agency's international dimension. His participation is particularly relevant to foreign investment, international economic relations, the external promotion of Algeria as an investment destination, and the connection between the Agency's activities and international investment agreements.

The **representative of the Minister responsible for Local Authorities** ensures coordination with local administration, especially wilayas and municipalities. His presence is important because many investment difficulties arise at the local level, particularly in relation to administrative procedures, land allocation, permits, and the implementation of central decisions on the ground.

The **representative of the Minister responsible for Finance** reflects the financial and fiscal dimension of investment policy. Since investment incentives often involve tax, customs, parafiscal or financial advantages, his role is to ensure that such advantages are granted in a manner consistent with public-finance requirements and without prejudice to the Treasury.

The **representative of the Minister responsible for Hydrocarbons** is justified by the strategic and sovereign importance of the hydrocarbons sector in the Algerian economy. His contribution is particularly relevant to projects

involving oil, gas and petrochemical activities, especially in assessing their feasibility and their consistency with national energy policy.

The **representative of the Minister responsible for Mines** supports the State's policy of diversifying investment beyond hydrocarbons. The mining sector is a promising area for investment, particularly in relation to mineral extraction and processing. His participation facilitates the assessment of mining and transformation projects and improves coordination regarding licences for the exploitation of mineral resources and raw materials.

The **representative of the Minister responsible for Industry** is essential because industry lies at the heart of productive investment. His role is to assess industrial projects, evaluate their national economic impact, and ensure their compatibility with Algeria's policy of industrial integration and productive diversification.

The **representative of the Minister responsible for Agriculture** contributes to the assessment of agricultural and agri-food projects. His presence is justified by the close connection between agricultural investment, rural development, food security and the rational use of agricultural land.

The **representative of the Minister responsible for Energy** plays a cross-cutting role. Energy is not only an investment sector in itself, but also a basic condition for the success of other investment projects. His role is to assess project needs in electricity, gas, renewable energy and other energy resources, and to help organize supply and rational consumption.

The **representative of the Minister responsible for Urban Planning** ensures that investment projects are compatible with urban-planning instruments and land-use schemes. He also contributes to facilitating urban-planning authorizations and integrating investment projects into the urban fabric.

The **representative of the Minister responsible for Architecture** complements the role of the urban-planning sector. His contribution lies in the technical and architectural assessment of projects, ensuring the safety, quality and conformity of investment facilities and infrastructure.

The **representative of the Minister responsible for Water Resources** is important because water is a vital element for many investment activities.

His role is to assess the water needs of projects, evaluate their impact on national water resources, and contribute to examining investment projects related to water infrastructure, such as dams.

The **representative of the Minister responsible for Trade** contributes to the Board's work in matters relating to market organization, foreign trade, commercial balance and protection of the national market.

Finally, the Board may invite **any person whose expertise or contribution is considered necessary for its work**. However, from a drafting perspective, the wording used for the National Investment Council appears more precise, as it refers to seeking assistance, where necessary, from any person because of his or her competence and experience in the field of investment. It would therefore be preferable to replace the word "*necessary*" in Article 7 of Decree N<sup>o</sup>.22-298 with "*important*" or "*useful*," since the decisive criterion should be the relevance of the person's expertise or competence, rather than the person's individual status.

Following the amendment introduced by Executive Decree N<sup>o</sup>.26-153, several observations may be made regarding the new composition of the Board of Directors.

**First**, the Algerian legislator removed the representative of the ministry responsible for investment, a choice that does not appear to have an obvious justification, given the central role of that ministry in investment policy. The same applies to the removal of the representative of the Bank of Algeria, despite the importance of monetary, banking and financial considerations in the investment process.

**Second**, the amendment reflects a shift in legislative orientation from a primarily financial approach to investment toward a more specialized, sector-based approach. The new composition gives greater weight to productive and strategic sectors directly connected to the realization of investment projects.

**Third**, the reform strengthens the technical character of the Algerian Investment Promotion Agency by incorporating sector-specific expertise into its governing structure. This allows investment projects to be examined from more practical and specialized perspectives.

**Finally**, the amendment demonstrates a clear and operational commitment to sustainable development. By integrating sectors such as energy, water resources, urban planning, agriculture and food security, the legislator seeks to align investment governance with broader development objectives. This orientation is intended to improve the Agency's effectiveness in supporting, guiding and facilitating investment in Algeria.

### **Term of Office and Renewal of the Members of the Agency's Board of Directors**

Members of the Board of Directors of the Algerian Investment Promotion Agency are appointed from among officials holding at least the rank of director within the central administration. Their appointment is made by decision of the supervisory authority, based on proposals submitted by the institutions or departments to which they belong.

Their term of office is fixed at three years and is renewable. However, the text does not specify a maximum number of renewals, which means that renewal may, in principle, occur more than once unless restricted by another applicable provision.

Where a member is appointed by reason of the office or function, he holds, his membership ends automatically upon termination of that function. In such a case, a replacement is appointed according to the same procedure, and the new member completes the remainder of the ongoing term.<sup>1</sup>

### **Operation of the Board of Directors of the Agency**

#### **1- Sessions of the Board of Directors**

The Board of Directors of the Algerian Investment Promotion Agency holds two types of sessions: ordinary sessions and extraordinary sessions.

This distinction ensures that the Agency has a regular framework for managing its ordinary administrative and financial affairs, while also allowing

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1- Article 8 of the aforementioned Executive Decree N°.22-28 corresponds to Article 6 of Decree N°.26-153.

flexibility to address urgent or exceptional matters relating to investment promotion and agency operations.<sup>1</sup>

**Ordinary sessions** are now held once every month<sup>2</sup> at the invitation of the Chairperson of the Board of Directors. This represents a shift from the earlier framework, under which the Board met only twice a year. The increased frequency of meetings reflects an intention to strengthen the Board's operational role and improve the follow-up of investment-related matters.

From a drafting perspective, however, the use of the expression "**summons by its chairperson**" may be criticized. The term "**invitation**" would be more appropriate, as it better reflects the institutional nature of Board meetings. The invitation must be accompanied by the agenda and sent to the members at least seven days before the date of the ordinary session.<sup>3</sup>

**Extraordinary sessions** may be held whenever necessary. They may be convened either by the Chairperson of the Board of Directors or upon the proposal of two-thirds of the Board's members. The notice must include the agenda of the extraordinary session and must, in principle, be sent at least seven days before the date of the meeting. This period may be shortened where circumstances require, provided that it is not reduced to less than three days.

## **2- Deliberations of the Board of Directors**

The validity of the Board's deliberations is subject to the fulfilment of the legal quorum. The required quorum is the presence of at least two-thirds of the members.<sup>4</sup>

Where this quorum is not reached, the Board cannot validly deliberate, regardless of the number of members present. This marks a stricter approach than the one previously reflected in Article 12 of Decree N°.22-298, and aims to ensure that decisions of the Board are taken with sufficiently broad institutional participation.

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1- Decree No. 22-298, the convocation must specify the agenda and be sent at least fifteen days before the meeting, although this period may be reduced for extraordinary sessions, provided it is not less than eight days.

2- Article 8 of the aforementioned Executive Decree N°.26-153.

3- Article 8 of the same Decree N°.26-153.

4- Article 10 of the same Decree.

## **Matters Subject to Deliberation by the Board of Directors of the Algerian Investment Promotion Agency**

The Board of Directors of the Algerian Investment Promotion Agency deliberates on a range of organizational, financial, administrative and investment-related matters.<sup>1</sup> These include, in particular, the draft internal rules of procedure of the Agency, the approval of its internal organization, and the approval of its one-stop-shop structures.

The Board also deliberates on the Agency's programme of activities, especially its multi-year programme, as well as on the draft budget of the Agency. It further approves the annual activity report and the implementation of the budget.

In addition, the Board may decide on the acceptance of gifts and bequests within the limits prescribed by law. It is noteworthy that the amended wording refers to the "acceptance" of gifts and bequests, whereas the previous text merely referred to deliberation on them.

This may suggest that the Agency is expected to accept gifts and bequests that are not contrary to law, although such wording may raise questions regarding whether the Agency retains discretionary authority to refuse them.

The Board also examines any matter submitted to it by the Director General of the Agency.

Furthermore, the Board's deliberative competence extends to investment projects,<sup>2</sup> within the meaning of Law No. 22-18, where such projects require the allocation of economic land belonging to the State's private domain.

In this context, the Board is responsible for examining and evaluating investment projects submitted by the President of the Algerian Investment Promotion Agency, determining which projects have priority in benefiting from available land reserves, and considering the list of investment projects submitted by the President of the Agency without disclosure of the identity of their owners.

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1- Article 12 of the same Decree, which corresponds to Article 11 of the aforementioned Decree N°22-153.

2- This was introduced pursuant to the final paragraph of Article 11 of Executive Decree N°26-153.

This latter mechanism is intended to promote objectivity, transparency and impartiality in the allocation of economic land for investment purposes.

### **Decisions of the Board of Directors of the Agency**

The Board of Directors adopts its decisions by a majority of the votes cast by the members present. Where the votes are equally divided, the Chairperson's vote is decisive.

Under Article 10 of Executive Decree N°.26-153, the deliberations of the Board must be formally recorded in minutes signed by the members who attended the meeting. These minutes are entered in a special register, which is initialled and numbered by the Chairperson of the Board of Directors.

For purposes of institutional transparency and administrative follow-up, the minutes must be transmitted within eight days of the deliberation to all members of the Board of Directors and to the supervisory authority.

### **Section Three: The Investor Digital Platform**

The investor digital platform is one of the key instruments introduced within the institutional framework of investment in Algeria. It is provided for under Article 23 of Law N°.22-18 and Article 27 of Executive Decree N°.22-298. The platform is managed by the Algerian Investment Promotion Agency and serves as a practical tool for implementing the Agency's information-related missions.

It is an electronic platform designed to provide investors with the information necessary to prepare and carry out investment projects in Algeria. This includes information on priority investment sectors, available opportunities, investment land offers, incentive schemes, advantages and other data relevant to the investment process.

The platform operates through interoperability between information systems and databases belonging to the administrations and bodies involved in investment. This digital interconnection allows investors to access information more easily and facilitates online registration and procedural follow-up.

Article 39 of Executive Decree N°.26-153 further defines the platform as an electronic tool for guiding, accompanying and monitoring investments from the registration stage through to the operational phase. Its connection with the

information systems of investment-related authorities allows it to function as a centralized digital interface between investors and the administration.

Accordingly, the platform plays an important role from the initial stage of creating the investment project and continues throughout its implementation and exploitation. It contributes to simplifying procedures, improving administrative transparency, facilitating communication with investors, and enhancing the overall investment climate in Algeria.

### **Role and Purpose of the Investment Digital Platform**

Article 23 of Law N°.22-18 refers to the regulatory provisions governing the investor digital platform, particularly Articles 27 and following of Executive Decree N°.22-298, as reorganized by Article 40 of Executive Decree N°.26-153. These provisions clarify the functions of the platform and the objectives pursued through its creation.

The platform is designed to simplify and support the creation of enterprises and investment projects. It improves communication between investors and the public administrations involved in economic and investment procedures. It also accelerates the processing of investment files and allows investors to monitor their progress continuously and remotely.

In addition, the platform contributes to improving the internal performance of public services by making them more accessible to investors and by enhancing the quality of services provided remotely, particularly in relation to appointments, staff productivity, and service efficiency.

The platform also strengthens coordination between the competent administrations by allowing direct and immediate exchange of information between their officials. Furthermore, it serves as a tool for registering applications relating to economic land intended for the realization of investment projects.

These objectives can be summarized as follows:

- Handling and simplifying the process of creating enterprises and investment projects;
- Improving communication between the investor and the administrations concerned with economic matters;

- Accelerating the processing of files by the competent administration and allowing continuous monitoring of their progress;
- Enabling investors to follow up their files remotely;
- Improving the internal performance of public services and making them more accessible to investors;
- Improving the quality of remote services in terms of appointments, staff efficiency, and the quality of services provided;
- Activating cooperation between the services of the administrations concerned by enabling direct and immediate exchange between their officials;
- Registering applications for the benefit of economic land allocated for the realization of investment projects.

#### **Section Four: The One-Stop Shops**

##### **Definition**

One-stop shops are institutional mechanisms established by the Algerian Investment Promotion Agency under Article 18, paragraph 6, of Law N°22-18. They give practical effect to the Agency's mission of simplifying investment procedures.

Their purpose is to gather, in a single place and through a unified administrative channel, representatives of the various public services, bodies, and institutions involved in investment. This enables investors to obtain the administrative assistance, authorizations, information, and procedural support needed for their projects without having to deal separately with multiple administrations.

##### **Types of One-Stop Shops**

One-stop shops may be organized either at the national level or at the decentralized level. They are divided into two main categories:

##### **1. The One-Stop Shop for Major Projects and Foreign Investments**

The One-Stop Shop for Major Projects and Foreign Investments is the single national-level point of contact for investors<sup>1</sup> whose projects fall within its jurisdiction. It is responsible for carrying out, coordinating and facilitating

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1- Article 19 of Law N°22-18, and Article 18 of the aforementioned Executive Decree N°22-28.

all procedures necessary for the realization, support and follow-up of major investment projects and foreign investments.

Its competence covers all structuring investments, whether undertaken by national or foreign investors. It also extends to foreign investments in general, regardless of their size, value or strategic importance.

The classification of an investment as a major or structuring investment is determined in accordance with Executive Decree N°22-302, which defines the eligibility criteria for structuring investments, the procedures for benefiting from exploitation-related advantages, and the applicable evaluation grids. Institutionally, this one-stop shop operates under the authority of its director.<sup>1</sup>

## **2- The Decentralized One-Stop Shops**

The decentralized one-stop shops serve as the single point of contact for local investors.<sup>2</sup> Their competence covers investment projects that do not fall within the jurisdiction of the national One-Stop Shop for Major Projects and Foreign Investments.

They are established whenever circumstances require, on the proposal of the Director General of the Algerian Investment Promotion Agency, after consultation with the Agency's Board of Directors and approval by the supervisory authority.

Their main functions are to receive investors, register investment projects, and facilitate the follow-up of investment procedures. They also accompany investors in their dealings with the relevant administrative services and public bodies. Institutionally, each decentralized one-stop shop is placed under the authority of its director.

### **Composition of the One-Stop Shops**

Both the national one-stop shop and the decentralized one-stop shops are designed to bring together, within a single administrative space, representatives of the public bodies and administrations directly involved in investment procedures. These representatives are responsible for handling

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1- Article 23 of the same Decree.

2- Article 19 of Law N°22-18, and Article 18 of Executive Decree N°22-298, which corresponds to Article 17 of the aforementioned Executive Decree N°26-153.

matters relating to the issuance of decisions, permits and authorizations, as well as procedures connected with access to investment land.

The purpose of this institutional arrangement is to simplify the realization of investment projects, centralize administrative interaction with investors, and ensure follow-up on the obligations undertaken by investors during the implementation of their projects.

The composition of the one-stop shops was initially determined by Article 20 of Executive Decree N°22-298. It was later affected by the amendments introduced under Executive Decree N°26-153, which brought several important changes.

The most notable change is the removal of the representative of the bodies responsible for investment land, a modification that reflects the reorganization of the institutional framework governing economic land.

Accordingly, the representatives or officers assigned to the one-stop shops are as follows:

### **1- Officers of the Agency**

The officers of the Algerian Investment Promotion Agency act on behalf of the Agency within the one-stop shops, particularly in relation to investment registration and the notification of investment registration certificates.

In this capacity, they are entrusted with several procedural and administrative functions. They process applications for the amendment of investment registration certificates and facilitate the incorporation of enterprises as well as the realization of investment projects.

They also endorse the lists of goods and services eligible for investment advantages, together with the lists of in-kind contributions, and examine any requests for their amendment. In addition, they are empowered to authorize the assignment of investments and the transfer of related advantages.

Where the legal conditions are no longer satisfied, they may proceed with the withdrawal of advantages on the basis of proposals submitted by the representative of the Tax Administration. They also determine the duration of exploitation-stage advantages by applying the relevant evaluation grid.

In addition to carrying out all procedures relating to the granting of economic land.<sup>1</sup>

## **2- Representative of the Tax Administration**

The representative of the Tax Administration plays an important role within the one-stop shops, particularly in relation to tax registration, monitoring of advantages, and follow-up on the implementation of investment projects.

**First**, this representative is responsible for carrying out, directly at the level of the one-stop shop, the procedures for opening the investor's tax file, granting the tax identification number, and immediately signing and issuing the relevant documents. This function was introduced by Decree N°.26-153 and did not exist under the previous regulatory framework.

**Second**, the representative must endorse, every six months, the statement showing the progress of the investment project, on the basis of invoices and documents relating to the acquisition of goods. This is also a newly introduced function under Article 27 of Decree N°.26-153.

The representative is further responsible for preparing, signing and issuing authorizations for acquisitions exempt from value-added tax, in accordance with the legal regime governing investment advantages.

**In addition**, the representative prepares the report confirming the project's entry into the operational phase, in coordination with the competent tax services. Where investors fail to submit the project-progress statement or fail to proceed with the formal confirmation of entry into operation, the representative may issue formal notices to them.

**Finally**, every six months, the representative prepares a comparative statement between investments whose registration effects have expired and the reports confirming entry into operation that have been received. This mechanism strengthens administrative follow-up and ensures closer monitoring of the effective implementation of investment projects.

## **3- Representative of the Customs Administration**

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1- This was added pursuant to Article 27, paragraph 1, of the aforementioned Executive Decree N°.26-153.

The Customs Administration is represented permanently at the One-Stop Shop for Major Projects and Foreign Investments. At the decentralized one-stop shops, however, its representation is now non-permanent, whereas it had previously been permanent.

The customs representative assists investors in completing customs-related procedures. This includes informing them of the applicable customs legislation and regulations, explaining the practical procedures available through the customs information system, and ensuring close follow-up of investment files through that system.

The representative also contributes to the monitoring of the investment during its implementation and exploitation phases. In particular, he processes customs-related requests, including applications to lift the restriction on the transferability of goods acquired under preferential conditions, and ensures the proper administrative follow-up of such matters.

#### **4- Representative of the National Centre of the Commercial Register**

The representative of the National Centre of the Commercial Register performs the functions relating to the legal identification and registration of enterprises. He is responsible for immediately issuing certificates confirming the non-prior use of a proposed company name and for accelerating the remaining procedures required for registration in the Commercial Register.

He also signs and issues company-name certificates, certificates of existence, extracts relating to registration, amendment and cancellation in the Commercial Register, and documents relating to registration in the register of pledges. In addition, he ensures the publication of such information in the Official Bulletin for Legal Announcements, the filing and publication of corporate accounts, and the receipt of the declaration concerning the beneficial owner, thereby contributing to the legal publicity and formal recognition of investment-related enterprises.

#### **5- Representative of the Urban Planning Services**

The representative of the urban planning services within the one-stop shops plays an important role in facilitating procedures connected with urban planning and construction authorizations. His functions include assisting investors in preparing the required files, obtaining urban planning permits,

particularly building permits, and following up the files falling within his area of competence.

He is also responsible for informing investors of the applicable legislation and regulations governing urban planning and construction, as well as notifying them of any reservations or conditions that may affect their projects. In addition, he facilitates the issuance of urban planning instruments, signs them, and formally delivers them to investors.

As part of his reporting obligations, he must submit a semi-annual report to the supervisory authorities setting out the urban planning documents issued to investors.

### **6- Representative of the Environmental Services**

The representative of the environmental services is responsible for facilitating the procedures required to obtain environmental authorizations, particularly permits relating to the operation of classified establishments. He receives environmental files and ensures their follow-up.

His intervention is based on the examination of risk studies and environmental impact assessments. In carrying out this mission, he coordinates with the other competent authorities and ensures that they respect the legally prescribed deadlines for issuing their opinions.

He also signs and issues approval decisions concerning authorizations for the operation of classified establishments. His role ensures that investment projects are implemented in accordance with environmental protection requirements and sustainable-development standards.

### **7- Representatives of Labour, Employment, and Social Security Bodies**

Executive Decree N°26-153 distinguishes between several representatives involved in labour, employment, and social security matters within the one-stop shops.

**First**, the representatives of the bodies responsible for labour, employment, and social security, acting on behalf of the central services, are entrusted with issuing and signing prior authorizations required for work permits. Their competence also extends to any exceptional document or authorization connected with labour and employment matters, in accordance with the applicable legal framework.

**Second**, representatives of the National Employment Agency are responsible for receiving and processing job offers submitted by investors, directing jobseekers toward available positions, and identifying workers' training needs in coordination with investors and the relevant sectors. Their role therefore links investment projects to employment policy and workforce development.

**Third**, representatives of social security bodies are responsible for issuing and signing affiliation certificates, update certificates, and certificates relating to changes in the number of employees. They also inform and guide investors regarding available payment methods and, where necessary, the possibility of subscribing to a payment schedule. This role facilitates investors' compliance with social security obligations and supports the formalization of employment within investment projects.

#### **8- Representatives of Banks and Financial Institutions**

Representatives of banks and financial institutions are responsible for informing investors about the procedures and mechanisms available for financing investment projects. Their presence within the one-stop shop is based on agreements concluded between those institutions and the Algerian Investment Promotion Agency. This arrangement aims to facilitate access to financing information and strengthen the link between investors and the financial sector.

#### **9- Representatives of the Algerian Electricity and Gas Distribution Company**

The representatives of the Algerian Electricity and Gas Distribution Company are responsible for carrying out the procedures required to connect investment projects to electricity and gas networks. They also provide technical advice within their field of competence, particularly in relation to connection requirements, energy supply, and the feasibility of servicing the project site.

#### **10- Civil Protection Representatives**

Civil Protection services, through their representatives, issue opinions on applications for administrative authorizations, especially building permits and operating permits. They also contribute to the assessment of risk studies and environmental impact studies. Their role includes providing technical opinions

and studies relating to the protection of persons, property, and the environment.

### **11- Representatives of the Administration Responsible for Energy**

Representatives of the energy administration assess the energy needs of investment projects and facilitate their connection to the relevant energy networks. They also provide specialized advice within their field of competence, particularly where the project requires specific energy supply conditions or technical coordination.<sup>1</sup>

### **12- Representatives of Other Administrations or Bodies Connected with Investment**

The one-stop shop may also include representatives of any administration or public body whose intervention is necessary for granting decisions, permits, authorizations, or access to investment land. Their role is to facilitate the realization of investment projects and ensure the follow-up of obligations undertaken by investors.

### **13- Representatives of Banks and Financial Institutions**

Banks and financial institutions also contribute by informing investors of the procedures applicable to project financing. Their representation within the one-stop shop is organized through agreements concluded with the Algerian Investment Promotion Agency.

### **14- Representative of the Bodies Responsible for Investment Land**

The representative of the bodies responsible for land allocated to investment informs investors about available land reserves and assists them in completing the procedures required to obtain investment land.

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1- Article 21 of the aforementioned Law N°22-18.

**Conclusion:**

In view of the foregoing, it may be concluded that the Algerian legislator has, through successive legislative reforms, endeavoured to build a flexible and investment-friendly legal framework. This approach demonstrates a clear intention to modernize the rules governing investment, streamline administrative procedures, and align national legislation with the demands of economic development.

This evolution also reflects a gradual shift from a highly controlled and state-centered economic model toward a system that gives greater importance to freedom of investment, transparency, equality of treatment, legal guarantees, and administrative facilitation. By adopting new investment laws and accompanying

By revising the legal regime applicable to investment and reinforcing the institutions responsible for its promotion and supervision, the legislator seeks to establish a more transparent, coherent, and effective investment environment.

This framework is based on a set of guiding principles, selective incentive mechanisms, simplified procedures, and legal guarantees aimed at enhancing investor confidence.

Such guarantees are essential, since investment decisions are influenced not only by the availability of economic opportunities, but also by the degree of legal certainty, institutional stability, and protection afforded to investors' rights. In this respect, the Algerian investment regime seeks to reassure both domestic and foreign investors by offering a safer legal environment and by removing or reducing the procedural and legal obstacles that may delay or hinder the implementation of investment projects.

Ultimately, these reforms aim to create a secure and reliable investment climate capable of attracting productive investments and supporting sustainable economic growth.

By directing incentives toward priority sectors, less-developed regions, and projects with structural impact, the Algerian legislator seeks to transform investment into a means of economic diversification, job creation, regional balance, and technological advancement. Accordingly, investment law is not

merely a set of regulatory rules, but also a strategic instrument of national economic policy and long-term development.

All by implementing decrees, the legislator has attempted to simplify procedures, strengthen investor protection, reorganize the competent institutions, and create mechanisms capable of supporting both national and foreign investment.

These reforms also reveal the State's intention to make investment a key instrument for economic diversification, industrial development, job creation, technology transfer, and the improvement of national competitiveness.

However, the effectiveness of this framework ultimately depends not only on the quality of the legal texts themselves, but also on their practical implementation, the stability of administrative practice, and the ability of public institutions to provide investors with clarity, speed, and legal certainty.

To sum up, the study of investment law becomes particularly important in fields that are directly connected to strategic economic sectors, such as **energy and mining**. These sectors occupy a central place in national economic policy because they are closely linked to sovereignty over natural resources, public revenue, industrial development, and long-term economic security.

The energy sector, in particular, is one of the most investment-intensive areas, since its development depends on large-scale projects, substantial financial resources, advanced technological capacities, specialized technical expertise, and a stable legal and institutional framework.

Exploration, production, transport, refining, electricity generation, renewable energy projects, and related infrastructure all require long-term planning and significant capital commitments. For this reason, investors need clear rules governing authorization procedures, contractual arrangements, fiscal incentives, environmental obligations, dispute settlement, and guarantees against arbitrary changes.

Similarly, the mining sector requires a legal framework capable of balancing the attraction of investment with the protection of national resources and environmental interests.

Mining projects often involve geological research, extraction operations, infrastructure development, and long-term exploitation rights, which make

legal certainty essential for both the State and investors. Therefore, investment law plays a decisive role in organizing the relationship between public authorities and private operators, ensuring transparency, protecting investors' rights, and directing investment toward national development objectives.

In this context, the effectiveness of investment regulation is not measured only by the incentives it offers, but also by its ability to provide stability, predictability, and confidence in sectors that are vital to Algeria's economic future.

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