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The Algerian Investment Promotion Agency as a Legal Guarantee for Investors in Algeria

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Abstract. This research paper aims to clarify and clarify the legal framework of the Algerian Agency for Investment Promotion as the only legal body authorized to grant industrial or economic real estate directed to investment in accordance with the organs established by the legislator at the national and local levels, which is a new chapter in the liberalization of investment from the corridors of the administration and its bureaucracy that led to the flight of investors and their reluctance to invest in Algeria, or hindered the existing investments that their owners initiated to embody their investments on the ground, through extrapolation and analysis of texts and the provisions of Law 22/18 and law 23/17.

1. INTRODUCTION

Law No. 22-18 on investment brought about a fundamental change to all the legal provisions contained in previous investment laws. It was introduced with the aim of eliminating bureaucracy in administration, as well as the lack of transparency and equality in dealing with investors across various sectors—issues that had long constituted major obstacles to both national and foreign investment in Algeria.

Given the numerous barriers and difficulties that investors faced in implementing their projects on the ground, the Algerian legislator, through Law No. 22-18, enacted a series of legal provisions aimed at removing these obstacles and addressing the shortcomings found in previous investment-related laws. The main goal was to free the investment process from administrative control and to completely distance the administration from it.

This law and the subsequent legal texts reorganized the structures responsible for promoting and supporting investment, as well as the procedures for granting industrial (or, more broadly, economic) land directly to investors. They also emphasized the need to support all investors seeking to realize their projects in order to generate wealth and create both direct and indirect jobs.

Through this legislation, the legislator abolished the National Agency for Investment Promotion and replaced it with the National Investment Council and the Algerian Investment Promotion Agency. This research paper focuses on the latter agency, as it represents the sole authority empowered to grant industrial or economic land designated for investment, without any administrative intervention regardless of the authority or its role.

The study will examine the legal framework established by Law No. 22-18 concerning this agency, as well as Law No. 23-17 and its implementing executive decrees.

Chapter One: The Concept of the Algerian Investment Promotion Agency

In this chapter, we will discuss the definition of the Algerian Investment Promotion Agency and distinguish it from the former National Agency for Investment Promotion in the first section, followed by an examination of the organizational structure of the Algerian Investment Promotion Agency in the second section.

Section One: Definition of the Algerian Investment Promotion Agency and Its Distinction from the National Agency

The Algerian legislator organized the institutional framework for investment under Law No. 22-18, which established both the National Investment Council and the Algerian Investment Promotion Agency. The law introduced several changes to the agency, starting from its name to the reorganization of its affiliated bodies. These aspects will be addressed as follows:

Subsection One: Definition of the Agency

Article 2 of Executive Decree No. 22-298 provides the name and definition of the agency. It replaced the former designation “National Agency for Investment Promotion” with “Algerian Investment Promotion Agency”, referred to in the law simply as “the Agency” as its official designation. The law also specifies its type among the various investment-related institutions.

The Agency is defined as a *“public administrative institution endowed with legal personality and financial autonomy”*, placed under the direct authority of the Prime Minister. Its headquarters is established in Algiers, the capital.

By doing so, the legislator clearly determined its legal status and official headquarters to facilitate administrative and judicial dealings with it in case of disputes. Moreover, the legislator identified the competent judicial authority to handle any disputes and its jurisdictional scope, thereby closing the door to any interpretative ambiguity in this regard. (Koussam, 2022, p. 101).

Subsection Two: Distinction Between the Algerian Investment Promotion Agency and the Former National Agency

The difference between the former National Agency for Investment Development and the current Algerian Investment Promotion Agency lies in substance rather than form. The new Investment Law introduced an entirely new investment system. The addition of the word *“Algerian”* to the agency’s name was intended to make its identity clearly national—especially abroad—so that it would no longer appear as a generic or undefined national agency.

Moreover, the agency’s importance has significantly increased since it became directly subordinate to the Prime Minister’s Office, which is considered a positive development. Previously, the agency was under the authority of the Ministry of Industry, but it now operates with greater influence and effectiveness due to its direct supervision by the Prime Minister.

This new status ensures closer monitoring and stronger engagement with provincial governors (walis) and officials in the investment sector, as well as direct coordination with Algerian embassies abroad. This constitutes a highly significant step toward

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enhancing the attraction and development of both national and foreign investment.

Section Two: The Bodies of the Algerian Investment Promotion Agency

According to paragraph 3 of Article 18 of Law No. 22-18 and Article 18 of Executive Decree No. 22-298, several one-stop windows (*guichets uniques*) are established within the Algerian Investment Promotion Agency, as follows:

Subsection One: The One-Stop Window for Major Projects and Foreign Investments

The One-Stop Window for Major Projects and Foreign Investments is the only body with national jurisdiction in the field of major projects and foreign investments. It operates from a single location and includes the agency's officers as well as representatives of the following administrations:

- A representative of the Tax Administration
- A representative of the Customs Administration
- A representative of the National Center of the Commercial Register
- A representative of the Urban Planning Services
- A representative of the agencies responsible for land designated for investment
- A representative of the Environmental Services
- A representative of the bodies responsible for labor and employment
- A representative of the social security funds for both wage earners and non-wage earners

When necessary, it may also include representatives of other administrations and bodies related to investment and responsible for implementing procedures concerning:

- The realization of investment projects
- The issuance of decisions, authorizations, and all documents related to the activity of the investment project
- The acquisition of land designated for investment
- The monitoring of commitments undertaken by the investor.

Subsection Two: The Decentralized One-Stop Windows

The Decentralized One-Stop Windows serve as the exclusive contact points for investors at the local level. They are responsible for assisting and accompanying investors in completing the procedures related to investment, particularly for those investments that do not fall within the jurisdiction of the One-Stop Window for Major Projects and Foreign Investments.

The representatives of the various administrations and public bodies represented within these decentralized windows are entrusted with performing all tasks related to their respective duties, in accordance with the provisions of Article 26 of Executive Decree No. 22-298, as follows: (Koussam, 2022).

1- The representative of the Agency is responsible for registering the investments to be carried out and for issuing investment registration certificates. They are also tasked with the following:

- Processing all requests for amendments to the investment registration certificate.
- Providing services related to the establishment procedures of enterprises and the implementation of investment projects.
- Endorsing, during the session, the list of goods and services eligible for benefits, and, where applicable, the extract of the list constituting the in-kind contribution.
- Ensuring the processing of requests to amend the aforementioned lists.
- Authorizing the transfer or assignment of the investment and the transfer of related benefits.
- Initiating the withdrawal of benefits for investments falling within their jurisdiction, upon a proposal from the representative of the Tax Administration.
- Determining the duration of operational benefits through the evaluation grid.

2 - The representative of the Tax Administration is responsible for the following:

- Preparing the certificate of exemption from value-added tax (VAT) related to the acquisition of goods and services included in the list of items eligible for benefits.
- Preparing the minutes of the commencement of operations, in coordination with the territorially competent tax services.
- Sending formal notices to investors who fail to comply with the obligation to submit progress reports on their investment projects or to validate the minutes of commencement of operations issued to them.
- Preparing, every six (6) months, a comparative report between investments whose registration effects have expired and the minutes of commencement of operations that have been issued.

3 - The representative of the Customs Administration is specifically responsible for assisting investors in completing customs procedures related to the implementation and operation of their investments, as well as for processing requests to lift the non-transferability restrictions on goods acquired under preferential conditions.

4. The representative of the National Center of the Commercial Register (CNRC) is responsible for immediately issuing the certificate of name reservation and assisting the investor in completing the procedures related to registration in the commercial register.
5. The representative of the Urban Planning Services is tasked with assisting the investor in completing the procedures related to obtaining building permits and other authorizations concerning construction rights. They receive and process all files within their jurisdiction and ensure their follow-up until completion.
6. The representative of the Environmental Services assists the investor in obtaining the required environmental protection permits, receives all relevant files falling under their competence, and ensures their follow-up until completion.
7. The representatives of the Labor and Employment Services are responsible for informing investors about the laws and regulations related to labor and employment. They must issue, within the legal deadlines, work permits and any other relevant documents required by the applicable legislation and regulations. They are also tasked with collecting job offers submitted by investors and proposing suitable candidates for the available positions.
8. The representatives of the Social Security Agencies are responsible for immediately issuing employer certificates, updating and registering employees, modifying the number of employees, and issuing any other documents falling within their competence.

9. The representatives of the agencies responsible for granting land for investment purposes are specifically tasked with informing investors about the availability of land plots, and accompanying them to their parent administrations to complete the procedures related to the acquisition of land designated for investment.
10. The representatives of the services responsible for issuing decisions, authorizations, and documents related to the activity of the investment project—other than those mentioned in this article—shall each collect, within their area of competence, all applications related to such documents and authorizations, ensure their referral to the relevant authorities, and monitor their processing until a final decision is made.

They are also involved in sector-specific business support programs, such as supplier database linkage programs, business clustering programs, and employee recruitment programs.

Investment management and retention consist of services designed to assist the investor in defining the project during its establishment phase, as well as providing additional support during implementation, encouraging project expansion and reinvestment through continuous monitoring and follow-up.

In addition, the Algerian legislator has entrusted the Agency with further responsibilities within its dedicated one-stop window, in accordance with the provisions of Article 8 of Law No. 23-17 of November 15, 2023, which defines the conditions and procedures for granting economic land belonging to the private domain of the State for the realization of investment projects, as follows:

1. Deciding, in consultation with the relevant sectors, on the allocation and orientation of available land with a view to its development by the agencies mentioned in Article 7 above (the National Agency for Industrial Land, the National Agency for Tourism Land, and the National Agency for Urban Land).
2. Managing and promoting the portfolio of economic land belonging to the State for the purpose of granting it under concession.
3. Maintaining and updating a register of economic land that constitutes the land supply available for investment, including the characteristics of each property.
4. Ensuring the mandatory provision of all information regarding available land to investors through the digital platform for investors.
5. Acquiring, on behalf of the State, any privately owned land that is suitable for hosting an investment project.
6. Granting economic land belonging to the State's private domain to investors under a mutually agreed concession, which may later be converted into ownership.
7. Monitoring and supporting investors until the completion of their investment projects.
8. Contributing to the preparation of urban planning tools in order to express and determine the needs related to investment.

Section Three: The Digital Platform for Investors and the Registration Process

In the framework of improving the working conditions, monitoring, and management of investment files, the Algerian legislator established a digital platform as a means to facilitate investment registration procedures for investors. This will be discussed as follows:

Subsection One: Definition of the Digital Platform for Investors

According to Article 27 of Executive Decree No. 22-298, a digital platform dedicated to investors was created and placed under the management of the Algerian Investment Promotion Agency.

This platform provides all the necessary information, particularly concerning investment opportunities in Algeria, available land offers, incentives and benefits related to investment, as well as the procedures associated with these processes.

Thus, the digital platform for investors serves as an electronic tool designed to guide, support, and monitor investments from the moment of registration and throughout their operational phase.

According to the same article of the aforementioned Executive Decree, this digital platform also ensures the elimination of the physical (paper-based) nature of all procedures, allowing the completion of all investment-related processes entirely online.

Moreover, the platform enables the adaptation of the procedures to be followed according to the type of investment and the nature of the requests submitted.

In addition, the legislator has interconnected this platform with the information systems of the various bodies and administrations related to investment activities.

According to Article 28 of Executive Decree No. 22-298, the Digital Platform for Investors aims to achieve the following objectives:

- Oversee, simplify, and facilitate the process of establishing enterprises and investments.
- Improve communication between investors and the economic administration.
- Ensure transparency in the procedures to be carried out, as well as in the methods of reviewing and processing investors' files.
- Accelerate the processing and examination of investors' files by the competent administrations.
- Enable investors to monitor the progress of their files remotely.
- Enhance public service quality in terms of timeliness, staff efficiency, and the overall quality of services provided.
- Improve the performance of public institutions, making them more accessible and easier to reach for investors.
- Organize effective cooperation among the administrative departments involved in investment activities.
- Allow direct and immediate exchange between the officials of the relevant administrations and institutions.

Section Two: The Procedure for Registration on the Digital Platform for Investors

According to Executive Decree No. 22-298, registration on the Digital Platform for Investors involves the following procedures and stages:

First: The Implementation Stage

This stage consists of the following steps:

1. Creation:

   Within the registration process on the digital platform, the "creation" stage involves the following actions:

- Submitting an investment registration request, prepared in accordance with the model established by the applicable regulations.
- Providing a list of goods and services that directly contribute to the realization of the investment, prepared according to the model specified by the relevant regulations.
- Submitting the investor's identification card or a power of attorney for his or her representative.

- Providing a technical and economic feasibility study for structured investments.

2. Expansion or Rehabilitation

This process is carried out as follows:

- An investment registration request, prepared according to the model established by the applicable regulations.
- A list of goods and services directly involved in the realization of the investment, prepared in accordance with the model prescribed by the applicable regulations.
- The investor's identification document or a power of attorney for his or her representative.
- Copies of the commercial register extract.
- The tax identification number (TIN).
- The fiscal balance sheet for the most recently closed financial year.

3. Transfer of Activity from Abroad

This is carried out based on the following requirements:

- An investment registration request, prepared according to the model established by the applicable regulations.
- A list of goods and services directly contributing to the realization of the investment, prepared according to the model prescribed by the relevant regulations.
- A copy of the articles of association of both the foreign company being transferred and the company established under Algerian law for that purpose.
- A technical data sheet for the investment to be transferred.
- An evaluation report of the share portfolio, prepared by a court-appointed auditor from the territorially competent court, issued no later than six (6) months prior to the date of the registration request.
- A certificate of renewal of equipment goods, issued by an authorized inspection and control body, in accordance with the applicable regulations.

Second: The Operation Stage

This stage begins under the following conditions:

- A request for verification of entry into operation, prepared according to the model established by the applicable regulations.
- A statement of acquisitions of goods and services, containing the following information:
- The dates and numbers of customs declarations, in the case of importation.
- References to VAT exemption authorizations for the acquired goods.
- A list of acquisitions with and without taxes, as included in the list of goods and services benefiting or not benefiting from tax advantages.
- Authorizations or licenses for investments related to regulated activities.
- A document justifying the number of jobs created.
- A copy of the most recently closed fiscal year balance sheet, in the case of expansion or rehabilitation investments.

Third: Modification

- A modification request shall be prepared according to the model established by the applicable regulations and submitted before the completion of the implementation phase.
- The request for amendment of the registration certificate must be accompanied by supporting documents relevant to the proposed modifications.

Fourth: Extension of Deadlines

The deadlines for the completion of the investment, as specified in the registration certificate, may be extended under the following conditions:

1. A first extension of twelve (12) months may be granted if the progress of the investment exceeds twenty percent (20%) of the investment amount indicated in the registration certificate.
2. A second exceptional extension of an additional twelve (12) months may be granted in cases where the progress rate exceeds fifty percent (50%).

The request for an extension of the completion period shall be submitted by the investor at least three (3) months before the expiry of the original deadline, and no later than three (3) months after its expiry.

In the event of an extension, the three (3) months granted after the completion period shall be included in the calculation of the twelve (12) months specific to the extension period.

Furthermore, Article 12 of Law No. 23-17 stipulates the obligation for every natural or legal person—whether national or foreign, resident or non-resident within the meaning of the Investment Law—to register their request exclusively through this digital platform. This platform thus constitutes the sole and mandatory channel for submitting investment applications, thereby abolishing all previous methods formerly used for filing investment requests.

Section Two: The Functions of the Algerian Investment Promotion Agency under Investment Law No. 22-18

The Algerian legislator has entrusted the Algerian Investment Promotion Agency (AIPA) with broader powers and responsibilities under Investment Law No. 22-18, in recognition of its vital importance and role in improving the investment climate. The agency's missions and prerogatives will be examined through the following two subsections:

First Requirement: The Functions Stipulated in Article 18 of Investment Law No. 22-18

According to paragraph 2 of Article 18 of Law No. 22-18, the Agency, in coordination with the relevant administrations and bodies, is entrusted with the following tasks:

The Tasks of the Algerian Investment Promotion Agency under Article 18 of Investment Law No. 22-18

- Promoting and enhancing investment in Algeria as well as abroad, and strengthening the country's attractiveness in coordination with Algerian diplomatic and consular representations abroad.
- Informing and raising awareness among business communities.
- Managing the digital platform for investors.

- Registering and processing investment files.
- Assisting investors in completing procedures related to their investments.
- Managing incentives, including those related to the portfolio of projects declared or registered prior to the promulgation of this law.
- Monitoring the progress of investment projects.

From this text, it is clear that the Algerian legislator has entrusted the Algerian Investment Promotion Agency (AIPA) with a set of tasks carried out in coordination with the relevant administrations and bodies. These tasks can be summarized as follows:

First: The Task of Investment Promotion – Building the Country's Image

The Algerian Investment Promotion Agency works to promote and enhance investment both domestically and internationally, while strengthening Algeria's attractiveness through communication with Algerian diplomatic and consular representations abroad.

The purpose of image-building activities is to raise the awareness of potential investors about the strengths and advantages of the host country and to promote it as an appealing investment destination.

Investment promotion and image-building represent one of the agency's core missions, which involves highlighting Algeria's investment appeal to foreign investors and providing them with information about the Algerian economy. This enables them to direct their funds and projects towards Algeria.

Promotion, as a concept, refers to:

"A set of organized efforts aimed at establishing mutually beneficial relationships among stakeholders, building confidence in available opportunities and existing legislation, fostering belief in the incentives granted, and strengthening trust in the attractiveness of the business environment and local assets."

The promotion and image-building process is carried out through general marketing activities—such as websites, online services (for instance, the former agency's official website or its current page *Algeria Invest*), television, printed materials, and promotional brochures—and through public relations events, such as roadshows, forums, and both outbound and inbound business missions.

These combined efforts aim to introduce the host country as an investment destination, creating positive perceptions among investors and encouraging them to choose Algeria as a preferred investment location.

Second: The Task of Investment Generation

Investment generation involves direct outreach to potential investors in order to gather information and initiate projects within the host country's economy.

This communication is carried out through various state representatives, such as the Head of State, ministers, or ambassadors, with the goal of encouraging and attracting investors to explore investment opportunities in Algeria.

Third: The Task of Investment Management and Retention

The Agency also works to manage and retain investments by assisting investors in defining their projects—providing information about local suppliers and clients, arranging business meetings, field visits, and receptions—and by facilitating administrative procedures, such as support in obtaining visit visas, tax registration, and other necessary formalities. It further helps investors access financing and offers aftercare services, including systematic troubleshooting, operation of a complaints office, intervention mechanisms, and dispute mitigation.

Fourth: Advocacy for Public Policy Reform

Advocacy in the field of public policy reform is considered a "horizontal" and conditional function, as its main purpose is to contribute to the establishment and strengthening of a national investment policy framework. This is achieved by collecting feedback from investors regarding the investment climate in the host country and identifying obstacles that may hinder investment activities, with the aim of submitting these concerns to higher authorities to improve investment policies.

Following the issuance of Executive Decree No. 22-298, these missions were further elaborated and classified into the following categories:

1. In the Field of Information

- Ensuring reception and information services for investors across all areas necessary for investment.
- Collecting, processing, and publishing documents and materials that help provide better understanding of the laws and regulations related to investment, using all appropriate means.
- Establishing information systems that allow investors to access all necessary data for the preparation of their projects.
- Creating databases on business opportunities, resources, and potential capacities at the local level.
- Developing, in coordination with the relevant administrations and bodies, a database on available land designated for investment purposes.

2. In the Field of Facilitation

- Developing and managing the digital platform for investors.
- Assessing the investment climate and proposing measures to update and improve it.
- Providing all necessary information, particularly regarding investment opportunities in Algeria, available land, incentives and advantages related to investment, as well as the procedures associated with them.

3. In the Field of Investment Promotion

- Initiating all activities, in cooperation with public and private bodies in Algeria and abroad, aimed at promoting investment in Algeria.
- Preparing and proposing a national and local investment promotion plan, and designing and implementing capital mobilization operations required for its achievement.
- Ensuring the establishment of business relations and facilitating communication among investors, while enhancing business and partnership opportunities.
- Establishing and developing cooperative relations with similar foreign institutions.

4. In the Field of Investor Support

- Organizing a guidance and support service for investors.
- Establishing an investment assistance service, resorting to external expertise when necessary.
- Accompanying investors in their dealings with other administrations.

5. In the Field of Incentive Management

- Preparing investment registration certificates and making amendments thereto when necessary.
- Identifying structuring projects based on the criteria and rules defined by the applicable regulations, and concluding agreements provided for in Article 31 of Law No. 22-18.
- Verifying eligibility for incentives with respect to registered investments, and assessing the lists of goods and services eligible for the advantages granted to investors.
- Issuing decisions for the withdrawal of benefits when applicable.
- Drafting reports certifying the entry into the exploitation phase and determining the duration of the operational advantages granted to the investment.
- Managing, in accordance with current regulations, the transfer or disposal operations of goods and services that have benefited from incentives.
- Preparing value-added tax (VAT) exemption certificates.

6. In the Field of Monitoring and Follow-up

- Ensuring, in coordination with the concerned administrations and bodies, the compliance of investors with their commitments.
- Processing complaints and petitions submitted by investors.
- Developing a monitoring, listening, and follow-up service in favor of registered investments. (Koussam, 2022)

This law entrusted the management of incentives granted to investors with specific responsibilities as outlined above.

Section Two: Management of Incentives and Advantages Granted to Investors

The legislator has established more stimulating systems for investors, with the objective of attracting investment and improving the investment climate. The responsibility for managing these incentive systems has been entrusted to the Algerian Investment Promotion Agency, which classified them into three main regimes as follows:

Subsection One: The Sectoral and Regional Regime

When an investor registers their investment project with the Algerian Investment Promotion Agency, they become eligible for the advantages granted during the implementation of the project. This regime includes incentives during the implementation phase and advantages during the operational phase.

First: The Content of the Sectoral Regime

According to Article 26 of Law No. 22-18, investment projects carried out in the following priority sectors are eligible for the sectoral incentive regime:
mining and quarrying; agriculture, aquaculture, and fisheries; industry, agro-industry, pharmaceutical and petrochemical industries; services and tourism; new and renewable energies; knowledge economy and information and communication technologies.

The list of economic activities not eligible for the advantages provided under the sectoral regime was defined by Executive Decree No. 22-300 of September 8, 2022, through its Annex II, according to the classification of economic activities subject to registration in the commercial register. The following are examples of activities excluded from these advantages:

- Extraction and preparation of various mineral products, except the extraction of all mining products other than aggregates, and the extraction of precious stones (such as diamonds), as well as metal processing.
- Extraction and preparation of sand and alluvial minerals, except sand and silica extracted for glassmaking, foundry molds, abrasive materials, and other industrial applications.
- Industrial production of non-refractory clay products (manufacture of bricks and industrial tiles), except red clay products (non-refractory ridge tiles), and other non-refractory clay building materials (such as bricks, floor tiles, paving stones, and other structural materials).
- Industrial production of non-sanitary ceramic products for industry and construction, except ceramic tools for chemical and technical use, provided that at least 30% of production is exported.
- Pharmaceutical establishments operating on the basis of marketing authorizations for pharmaceutical products.
- Pharmaceutical establishments operating on the basis of approval for medical devices.
- Establishment and operation of voice-over-Internet (VoIP) services. (Kendouz, 2023, p. 758).
- Activity of mobile phone credit recharge.
  Assembly, maintenance, and repair of wired and wireless communication equipment requiring the allocation or designation of specific frequency bands.
  Assembly, maintenance, and repair of other wired and wireless communication equipment.
  Real estate brokerage.
  Repair, assembly, and maintenance of all telecommunication equipment.
  Assembly, maintenance, and repair of prepaid and postpaid cards (SIM cards).
- It is noteworthy that the new Investment Law introduced a new concept referred to as the “sectoral system,” which expanded the number of priority sectors for investment to six (06), unlike the previous Law No. 16-09, which focused on only three (03) sectors.

Second: Incentives Granted Under the Sectoral System:

Investments eligible for the sectoral system, in addition to the tax, parafiscal, and customs incentives provided for under the general law, also benefit from the following advantages as stipulated in Article 27 of Law No. 22-18:

1. During the Implementation Phase:

1. Exemption from customs duties on imported goods that are directly involved in the realization of the investment.
2. Exemption from value-added tax (VAT) on imported or locally purchased goods and services that are directly used in the realization of the investment.
3. Exemption from payment of transfer duties and the real estate investment tax on all real estate acquisitions carried out within the framework of the concerned investment.
4. Exemption from registration fees on incorporation acts of companies and capital increases.
5. Exemption from registration fees, the real estate investment tax, and national property fees related to concession rights over constructed and non-constructed real estate intended for the realization of investment projects.

6. Exemption from the property tax on real estate holdings involved in the investment for a period of ten (10) years, starting from the date of acquisition.

It is noted that, under the implementation phase, the Algerian legislator has abolished the incentive previously provided for in Article 12 of repealed Law No. 19-06, which was included among the common benefits granted to all eligible investments. Specifically, paragraph (e) stipulated a 90% reduction in the amount of the annual rental fee determined by the State Property Services during the investment implementation period.

2. During the Operating Phase:

Starting from the date of commencement of operations, and for a period ranging between three (3) and five (5) years, investments benefit from the following advantages:

1. Exemption from corporate income tax.
2. Exemption from the professional activity tax.

It is therefore evident that the legislator has also abandoned the 50% reduction incentive on the amount of the annual rental fee determined by the State Property Services, which was mentioned in Article 12 of repealed Law No. 19-06. (Kendouz, 2023).

Section Two: The Regional System

The legislator has granted numerous incentives and exemptions to investment projects carried out in regions that the State considers of special importance. This section will first address the content of the benefits granted under this system, followed by the advantages available to investments implemented within the framework of the Regional System.

1. Content of the Benefits Granted to Investments under the Regional System

According to Article 28 of Law No. 22-18, investments eligible to benefit from the *Regional System* include those carried out in:

- Areas located in the High Plateaus, the South, and the Far South;
- Areas whose development requires specific support from the State;
- Areas possessing resources with potential for valorization.

The list of locations falling within the regions accorded special importance by the State shall be determined by regulation.

He lists of these locations have been specified in Annexes 1, 2, and 3 of Executive Decree No. 22-301. This list is broader compared to that contained in Law No. 16-09, which focused solely on the southern regions, the High Plateaus, and the areas requiring special State support for their development, without providing details on the nature of these regions — unlike Law No. 22-18, which clarified this aspect in greater detail. (Kendouz, 2023, p. 761)

Second: Incentives Granted under the Regional System:

According to Article 29 of Law No. 22-18, in addition to the fiscal, parafiscal, and customs incentives provided for in the general legislation, investments eligible for the benefits of the *"Regional System"*, whose activities carried out therein are not excluded from the incentives specified in this article, may benefit from the following advantages:

- During the implementation phase: from the incentives specified in Article 27 of this law.
- During the operational phase: for a period ranging from five (5) to ten (10) years, starting from the date of commencement of operations:

1. Exemption from corporate income tax.
2. Exemption from the professional activity tax.

The list of activities not eligible for the benefits provided under the *"Regional System"* shall be determined by regulation.

Section Three: Structured Investments

Investments eligible for the *Structured Investment System* may benefit from incentives during two stages — the implementation phase and the operational phase.

First: The Concept of Structured Investments

Under the meaning of Law No. 22-18, *structured investments* are those with a high capacity for wealth creation and job generation, capable of enhancing the attractiveness of the territory and acting as a driving force for economic activity in the pursuit of sustainable economic, social, and regional development. They particularly contribute to import substitution, export diversification, integration into global and regional value chains, and the acquisition of technology and know-how.

As for the eligibility criteria for structured investments, they include:

- A minimum of 500 direct jobs created, and
- A total investment amount equal to or exceeding ten (10) billion Algerian dinars. (Kendouz, 2023, p. 762)

Second: Incentives Granted under the Structured Investment System

In addition to the fiscal, parafiscal, and customs incentives provided for in the general legislation, investments eligible under the *Structured Investment System* may benefit from the following advantages:

1. Implementation Phase:

From the incentives stipulated in Article 27 of this law.

The incentives granted during the implementation phase, as provided for in this article, may be transferred to the contracting parties engaged by the beneficiary investor to carry out the investment project, on behalf of the latter.

2. Operational Phase:

Starting from the date of commencement of operations, and for a period ranging from five (5) to ten (10) years, structured investments benefit from:

1. Exemption from corporate income tax.
2. Exemption from the professional activity tax.

The granting of incentives during the operational phase is subject to a request from the investor, and to the preparation of an official report of commencement of operations by the Algerian Investment Promotion Agency (AIPA).

The duration of the granted benefits during the operational phase is determined based on a specific evaluation grid for each incentive system, after the expiration of the minimum period set forth in the commencement report — except for investments located in the Great South region, which are treated as a special case.

Structured investments may also benefit from state support through partial or total coverage of development and basic infrastructure works necessary for their realization.

The term *basic infrastructure works* refers to projects related to network connections (such as utilities) and road access up to the boundaries of the investment project area.

The investor must submit to the Agency a request for state participation in the infrastructure works, accompanied by a detailed descriptive and cost estimate of the planned works.

The extent of the state's contribution is determined in an agreement drawn up between the investor and the Agency (acting on behalf of the State), subject to government approval.

These contributions are recorded as state capital expenditures under the relevant ministry or ministries.

Section Three: Duties Assigned under Law No. 23/17 and its Implementing Decrees

This section addresses the functions entrusted to the Algerian Investment Promotion Agency (AIPA) under Law No. 23/17 and its executive decrees.

First: Duties Assigned under Law No. 23/17

According to the provisions of Law No. 23/17, the Algerian Investment Promotion Agency, in consultation with the walis (governors), is tasked with identifying investments eligible for access to economic land, taking into account the specific nature of activities developed or to be developed at the national and local levels within the framework of established objectives.

The Agency must prepare a quarterly activity report, in addition to the annual report submitted to the Prime Minister or Head of Government, as applicable.

Furthermore, the law requires the Agency to allocate economic land, belonging to the private domain of the State and placed under its management, exclusively to investment projects, and to recover any land whose use has been diverted from its intended purpose.

The Agency also processes applications for the granting of economic land submitted via the digital platform for investors, in accordance with the provisions of this law.

Additionally, Law No. 23/17 grants the Agency the authority to exercise, on behalf of the State, the right of pre-emption over real estate transferred by beneficiaries of economic land, as well as over any other property belonging to a natural or legal person under private law, eligible to host an investment project and located within designated investment zones or developed areas.

This power is reaffirmed in Article 17 of Executive Decree No. 23/486, which also specifies the conditions for exercising this right.

Section Two: Tasks Assigned to the Agency under the Executive Decrees of Law No. 23/17

According to Executive Decree No. 23/486, dated 28 December 2023, defining the components of economic land belonging to the private domain of the State intended for the realization of investment projects and eligible for the granting of concession, and particularly Chapter II thereof entitled *"Conditions and Procedures for the Acquisition by the Algerian Investment Promotion Agency of Privately Owned Economic Land"*, the Algerian legislator entrusted the Algerian Investment Promotion Agency (AIPA), under Article 13 of this Decree, with the task of acquiring privately owned economic land on behalf of the State when State-owned economic land is not available, in accordance with Article 8 of Law No. 23/17 mentioned above.

Such acquisition shall be made for a price equivalent to the commercial value of the property, as determined by the territorially competent State Property Administration. The acquisition operation shall be formalized by an administrative contract drawn up by the same competent department, and the property thus acquired shall be integrated into the private domain of the State, provided that the necessary budgetary allocations for the acquisition are available prior to the operation.

Among the other duties assigned to the Agency under Executive Decree No. 23/486 is the mandatory obligation to make available to investors, through the digital platform managed by the Agency, all information relating to real estate properties eligible for concession, including precise details such as their exact location, surface area, and status with regard to urban planning instruments. The Agency is required to regularly update this information whenever necessary.

Furthermore, the Agency is obliged to allocate the economic land belonging to the private domain of the State—for which it has been delegated management under Law No. 23/17—exclusively to investment projects, and to return any economic land whose purpose has been altered, either under urban planning regulations or for any other reason, to the territorially competent State Property Administration.

Referring to the provisions of Executive Decree No. 23/487, dated 28 December 2023, which defines the conditions and procedures for granting a concession convertible into ownership of economic land belonging to the private domain of the State and intended for the realization of investment projects, the legislator also entrusted the Algerian Investment Promotion Agency with the task of periodically consolidating, together with the State Property Services, a list of real estate properties forming the real estate supply for investment purposes, based on a dedicated database established within the Agency in accordance with applicable regulations.

The legislator granted the Agency a maximum period of 30 days to publish this list. Requests for the granting of economic land, submitted through the digital investor platform, must be processed and replied to within 15 days from the expiration of the publication period.

Under this Executive Decree, the Agency also serves as the grievance authority for any applicant who believes they have been unfairly treated. Such an applicant may submit a complaint to the Agency by any means, within the time limits provided for in Presidential Decree No. 22/296 of 4 September 2022, which sets the composition and functioning of the National High Committee for Investment-Related Appeals, starting from the date of notification of the decision concerning their concession application.

The Agency is also responsible for implementing the conversion of a concession into ownership within a period not exceeding three (3) months from the date of receipt of the request submitted by the concession beneficiary, after the actual completion of the project, in compliance with the terms and conditions of the specifications, and upon obtaining the conformity certificate and legal verification of the project's operational commencement by the competent authorities. The lifting of any mortgage encumbering the real right resulting from the concession grant must also be completed prior to transfer.

Subsequently, the territorially competent State Property Administration prepares the ownership transfer deed upon the Agency's request, through its One-Stop Shop, within a period not exceeding 15 days from the date of receipt of the complete file.

According to this same Executive Decree, the Agency also has the authority to terminate a concession unilaterally, at any time and on its own initiative, through its One-Stop Shop, if the concessionaire fails to comply with the provisions of the Decree or the terms of the specifications document. Should the beneficiary remain in breach after being served with two formal notices, the Agency shall terminate the concession contract by unilateral decision. Based on this termination decision, duly notified by the Agency via its One-Stop Shop, the territorially competent State Property Administration shall then draw up the contract of termination of the concession.

2. CONCLUSION

From the foregoing, it is evident that the Algerian legislator has acted wisely by enacting Law No. 22/18 on investment and its subsequent implementing regulations, particularly through the establishment of the Algerian Investment Promotion Agency and its various affiliated bodies. The purpose behind these reforms is to liberate investment from the constraints of administrative bureaucracy, which had long been a major factor in discouraging investors and driving them away due to the numerous obstacles and difficulties they faced for various reasons.

However, despite these legislative and institutional efforts, the Agency still has significant work ahead to fully achieve the goal of freeing investment activities and restoring investor confidence, especially among those who have long suffered from administrative dominance and procedural barriers.

Accordingly, the following recommendations are proposed:

- The issuance of explicit legal provisions prohibiting any administrative authority, regardless of its nature or hierarchical level, from interfering in the implementation of investment projects, leaving such authority solely to the Algerian Investment Promotion Agency.
- The adoption of legal texts specifying the conditions and standards that must be met by officials representing public administrations within the Agency's One-Stop Shop, to ensure that the Agency operates with the highest standards of integrity, transparency, and fairness in its dealings with investors.

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