

Start-up as a new mechanism for achieving economic development and digitizing the national economy

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Abstract:

This research paper aims to address the importance of start-up in modern economies and the conditions for the success of this type of company in countries and in developing countries in particular, especially that this type of company depends to a large extent on the use of technology, creativity and innovation.

It concluded, that Algeria despite its short and young experience with these companies, has in recent years paid great attention to supporting and sponsoring these companies, especially in light of the Algerian authorities' desire to build an economic approach in line with the current circumstances

Keywords: start-up; Business Incubators; innovation; creativity; the digital economy; sustainable development.

1. Introduction:

The start-up has now become an essential component of the economy of any country, due to its ever-increasing role in the economic, social and technological fields, as well as its positive effects on growth and on the protection of the environment. economy against major trade shocks. This is what has prompted governments

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and international bodies to pay more attention to this type of institution.

Therefore, given the various difficulties faced by the nascent institution and the high rate of failure that afflicts these institutions, especially at the beginning of their establishment, it was necessary to create new mechanisms that work to support and take care of this type of institution, so most governments have resorted to the development of programs and procedures in order to improve the business climate, encourage creative initiatives and eliminate unemployment, in addition to urge young people to start their own innovative and creative businesses.

And Algeria, like other countries, has been increasingly interested in the start-up in recent years, because it is one of the solutions on which the Algerian authorities rely to advance and advance the national economy, especially in light of the rapid developments and innovations that the world is experiencing, where Algeria has begun to take steps towards providing the appropriate atmosphere for this type of institution, through the promulgation of certain laws and legislation and the establishment of certain bodies and institutions for these enterprises.

Problematic: In light of what has been mentioned, our research problematic can be framed around the main question as follows:

To what extent can the start-up contribute to the process of economic development and support the digital economy?

Hypotheses: In order to answer the problematic posed, some hypotheses can be formulated as follows:

✓ Start-ups are an essential element in the process of economic development of any economic fabric in the world.

✓ Algeria, like other countries, is working on the development of start-ups by developing methods and procedures for the benefit of these institutions at several levels.

Objective of the study: The aim of this research paper was to:

- Highlight the importance and role of start-ups in the Algerian economy.
- An attempt to analyze and read the reality of start-ups in Algeria.
- know the most important issues and perspectives for Algerian start-ups.

Study methodology:

Study Axes:

- ✓ **The first axis:** generalities about the start-up.
- ✓ **The second axis:** the reality of the start-up in Algeria.
- ✓ **The third axis:** the role and importance of the start-up in the national economy.

2. Generalities about the start-up:

2.1 Definition of start-up:

There is no complete consensus on a unified definition by specialists and academics of the concept of a start-up, and this term began to be used immediately after World War II, and With the beginning of the emergence of venture capital companies, this word is composed of two parts, the first part is start which means the idea of launching, and the second part is up which means the idea of strong or rapid growth, Hence, the word start-up can be translated from the literary point of view “with a company that starts with strong growth”, and in order to try to better understand the concept of a start-up company, it is possible to mention briefly some of the definitions that touched on this topic:

- **Definition of the French Larousse Dictionary, where a start-up is defined:** “Young innovative company, in the sector of new technologies”⁽¹⁾.

(1) Dictionnaire Larousse, disponible sur : <https://www.larousse.fr/>

- **As defined by Patrick Fridenson, a French economist, as:**
“structures with high potential growth using new technologies”⁽¹⁾.

- While the start-up is considered **by Paul Graham** in his famous article on growth as:

“A start-up is a company designed to grow fast.”

Through the previous definitions, you can see the start-up as an enterprise newly designed to grow strongly using new technology and technologies. These definitions are correct, but remain incomplete according to some specialists and entrepreneurs. Accordingly, **Eric Ries** suggested another definition of the emerging enterprise, where he defined it as:

“A start-up is a human institution with the mission of delivering a new product or service under conditions of extreme uncertainty”⁽²⁾.

In short, and to finish this problem related to the definition of a start-up, we can mention the definition presented by each of the **Steve Blank and Pedro Bados** considered that start-up is:

“A start-up is a temporary organization looking for a business model that can be industrialized, is profitable and allows growth”⁽³⁾

Through these definitions, we can conclude that a start-up does not take into account the size of the company or the activity to which it belongs, or the economy of the country, but is a person designing a new product or service using new technology in a state of great uncertainty. Its objective is to achieve robust growth.

(1) Francis Blanrue, , PROBLÉMATIQUE Existe-t-il un parcours idéal pour développer et réussir une startup en France, (2017), p15

(2) Eric RIES The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses New York Crown Publishing Group, (2011), p 27.

(3) Dorf Bob, Steve Blank, The Startup Owner's Manual (Le Manuel du Créateur de Startup), Éditions Diateino, (2013), p 25.

2.2 Characteristics of start-up: Despite the difference in defining a unified and legal concept of the start-up, there is a convergence between researchers regarding the features that characterize this company, namely:

✓ **Temporary:** The start-up is not intended to stay that way for life. Survival of the establishment forever is not an end in itself. On the contrary, the start-up is a particular stage, and the main objective of it is to emerge from the state of the emerging establishment into a large pioneering and advanced organization in its field or specialization, that is going from an idea (the original start-up) to a business or finding a new way to provide a service and create evaluate.

✓ **Find a business model:** Being a start-up means creating value for customers with a product or service that no one has done before. The challenge for a start-up is to find and build a business model that aligns with it and a business model that is not model on an existing structure, which is not necessarily obvious when the structure is launched.

✓ **Manufacturable / Repeatable:** This means that the start-up is looking for a model that is feasible on a larger scale once successful and that others can do elsewhere. The most eloquent example is that of Airbnb or Uber, which are deployed in the city by city according to their modus operandi (even if it is sometimes necessary to adapt to local particularities).

✓ **Scalable (quickly):** Another characteristic of a start-up is its scalability by having a business model that matches it, where the more customers, the higher the growth margins, and the fact that the model is replicable is what allows start-up to grow very quickly in a short time, compared to a company more traditional

✓ **The need for intensive and private financing:** Creating a start-up through a replicable and scalable economic model generally requires significant investments in terms of research and development,

purchase of equipment, supplies and devices, strategic development and communications...

Moreover, the expectations of his success are unknown compared to these ordinary companies, and this is due to the fact that he is working for the first time to create a new product or service which is not known in the market. And this is what makes the rate of risk in it being high, so obtaining financing from banks and traditional credit institutions is often excluded. Therefore, it resorts to seeking its own financing mechanisms. Usually, the start-up uses what is called venture capital funding which is defined as:

“Venture capital is funding provided, in the form of an equity investment, to young companies whose activity has strong development potential”.

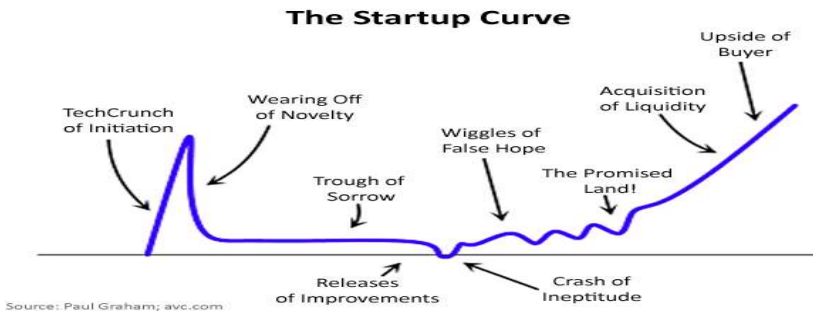
Where most of the countries adopt a method or technique of financing investment projects by companies called venture capital companies, and this financing concerns private and semi-private financing, with the aim of financing the first stages which depend usually technological preparations.

✓ **It has a new market:** the start-up is a new service or product that did not exist before, so the target group of consumers is unknown to it, and this is part of the challenges faced by these companies in giving an assessment of the market they want to target.

✓ **Use of new technologies and new technologies:** it must be emphasized that the start-up does not necessarily invest in the technological field, but rather resorts to the use of new techniques or new technologies in order to achieve its success.

2.3 Start-up Life Cycle: Through the definition presented above, we might imagine that what distinguishes start-ups is continuous growth, but the reality is otherwise. These institutions often stumble and go through difficult stages and severe fluctuations before they know their way to the top. This can be highlighted by the following curve designed by Graham Paul:

Figure 1: Start-up Growth Curve



Source:Paul Graham disponible sur le site :

startup+Life+Cycle%3AGraham+Paul&tbm=isch&ved=2ahUKEwjn vDDgLj5AhXxhM4BHRLXB2cQ2-cCegQIABAA&oq=Start-up.

From the figure above, it can be said that start-up go through five stages⁽¹⁾:

The first stage: It begins before the start of the start-up, where a person, or a group of individuals puts forward a prototype for a creative or new idea, and during this stage the research is conducted in-depth and study the idea well and study the market, behaviour and tastes of the target consumer to ensure the possibility of its implementation on the ground, its development and its continuity in the future. And finding out who is funding, and generally, self-funding is funding in the early stages, with the possibility of government assistance.

The second stage: the launch stage, at this stage the first generation of the product or service is launched, as it is unknown. Perhaps the most difficult thing that the contractor can face at this stage is to find someone who will adopt the idea on land and finance it, and the entrepreneur usually resorts to this stage and knows In the name of (Friends, Family, Fools) FFF. Friends and family are often

(1) Bouaachour Charifa, The Role of Business Incubators in Supporting and Developing Start-ups: A Case Study of Algeria, ,(2018), Al-Bashaer Economic Journal, Volume IV, Issue 2.

the first source that the contractor turns to for financing, or financing can be obtained by people willing to gamble with their money, especially in the beginning where the degree of risk is high, and at this stage the product needs a lot of promotion and the price is high, And the media begins to advertise the product.

The third stage: An early stage of take-off and growth, during which the product reaches its peak and there is high enthusiasm, then the offer spreads and the product reaches its peak. Other obstacles could push the curve back.

the fourth stage: slipping into the valley, and although the venture capitalists continue to finance the project, it continues to decline until it reaches a stage that can be called the Valley of Grief or the Valley of death, which leads to the project's exit from the market in the event of failure to rectify, especially since the rates of Growth at this stage is very low.

Fifth stage: Climbing the slope, the entrepreneur continues at this stage by introducing modifications to his product and launching improved versions, so that the start-up company begins to rise again thanks to the applied strategies and gain experience for the work team, and the second generation of the product is launched, its price is adjusted, and it is marketed on a larger scale.

Sixth stage: The stage of high growth, at this stage the product is finally developed and comes out of the trial and testing stage, and put it in the appropriate market, and the start-up company begins to grow continuously and takes the curve to rise, as it is possible that 20 to 30% of the target audience has adopted the new innovation, to start The stage of economies of scale and achieving huge profits.

3. Reality of start-up in Algeria:

1.3 Definition of a start-up according to Algerian law: In fact, there is no explicit definition of start- up by the Algerian

legislator, but there are some conditions that must be met by the company so that it can be said that it is a start-up, which is⁽¹⁾:

- ✓ To be an institution subject to Algerian law.
- ✓ The age of the institution should not exceed 08 years.
- ✓ The annual turnover should not exceed the amount determined by the National Committee.
- ✓ The capital of the institution must be owned by at least 50% by natural persons, approved investment funds or other institutions that have the mark of "start-up."
- ✓ The potential of the institution must be great.
- ✓ The number of workers should not exceed 250 workers.

2.3 Methods and procedures for consolidating and creating start-up:

Institutional and organizational framework for the start-up: In order to give a new impetus to start-up and make them the real locomotive for the advancement of economic development, Algeria has formed an institutional and organizational framework for this purpose through:

- **Establishing a special ministry for this type of institution, represented by:** the Ministry of Small Enterprises, start-up and the Knowledge Economy, which was established on January 02, 2020, and this ministry came from Algeria's desire to support the holders of projects and ideas to achieve them on the ground, given that human capital is what drives economic growth, as this ministry works to remove all obstacles This is to allow them to enter the world of

(1) Article 11 of Executive Decree 20-2054 of September 15, 2020, which includes the establishment of the National Committee for Granting the "Emerging Institution", "Innovative Project" and "Business Incubator" labels "And defining its tasks, formation and functioning, Official Gazette of the People's Democratic Republic of Algeria, Issue 55 issued on September 21, 2020

entrepreneurship and investment through tax facilities, in addition to establishing a fund that will be a source for improving the conditions of start-up and providing them with a suitable environment.

Where it has been entrusted with the following tasks⁽¹⁾:

-Preparation strategy and policies innovation knowledge economy, digital economy, and Promotion the development of start-up and support structures, their implementation and ensuring their follow-up.

-Preparation Plans, programs and projects related to the development of innovation, the knowledge economy and the digital economy and ensuring their consistency and initiating actions that contribute to the promotion of innovation.

-To support the spread of national economic operators active in the field of knowledge economy and start-up at the international level.

-The work to promote foreign investment in areas of interest to the knowledge economy and emerging institutions.

- A guarantee Vigilance in the field of innovation and technologies, especially digital ones.

-Suggestion every action or measure aimed at improving the competitiveness of emerging enterprises and supporting their development and sustainability.

• **Establishment of a national committee for Granting the “Start-up Institution”, “Innovative Project” and “Business Incubator” labels:** This committee was established by Executive Decree 20-2054 of September 15, 2020, which includes the establishment of the National Committee for granting the “Start-up Institution”, “Innovative Project” and “Business Incubator” labels”It is subordinate to the Minister in charge of Start-ups ,In addition, this

(1) Article 02-03-04 of the decree Executive No. 20-307 regulating the interests of the Minister delegated to the Prime Minister in charge of the knowledge economy and emerging enterprises, Official Gazette of the Republic of Algeria Issue 64 issued on October 28, 2020.

committee also works on contributing to and promoting innovative projects. It also participates in upgrading the ecosystems of start-up, This committee is chaired by the Minister in charge of Start-up Enterprises,

The framework related to financing start-up:

- **The National Fund for Financing Start-up:** The National Fund for Financing Start-up was actually launched on 10/03/2020 on the sidelines of the National Symposium for Start-up "Algeria Disrupt 2020". This fund is considered a new financing mechanism that will enable young entrepreneurs to avoid turning to banks in order to finance their projects and avoid all the obstacles and bureaucratic burden achieved through this method that enjoys the flexibility required by emerging institutions, and this fund is financed by the non-state. It remains open to the private sector as well as foreign companies wishing to contribute financially to it. Experts and specialists in Algeria and participants in the National Symposium for Emerging Enterprises affirmed that the establishment of this fund reflects the will of the state to create an economic fabric that generates wealth and jobs, based on the energy of innovation and entrepreneurship of the country's youth.

Support and Accompaniment framework:

- **Establishment of the National Agency for the Upgrading and Development of Technology Parks:** This agency was established by Executive Decree No. 04-91 of March 24, 2004, which includes the establishment of the agency and the determination of its organization and functioning. It is a public institution of an industrial and commercial nature and enjoys a legal personality and financial independence⁽¹⁾. Which was under the authority of the Ministry of

(1) Article 01 of Executive Decree No. 04-91 of March 24, 2004, which includes the establishment of the agency and determining its organization and functioning, Official Gazette of the Algerian Republic No. 19, issued on March 28, 2004.

Information and Communication Technology to be attached to the Ministry of Small Enterprises, start-up and the Knowledge Economy under Executive Decree No. 20-77 of March 28 2020, Where this agency is responsible for⁽¹⁾:

- put elements of a national strategy for the advancement and development of technology parks.

- Envision the development of technological parks directed at strengthening national energies in order to ensure the development of information and communication technology and to contribute to social and economic development.

- Acquisition of lands necessary to build, develop or expand technology parks within the framework of the laws and regulations in force on behalf of the state.

- Preparing annual and multi-year development programs for technology parks in relation to the various sectors concerned to ensure their follow-up and evaluation.

- Surveillance and security monitoring as well as the organization and implementation of mutual assistance between different stakeholders and operators of technology parks.

- Managing, implementing and monitoring the allocations allocated within the framework of investment programs for technology parks.

- **Dynamic digital ground:** With the aim of integrating all the youth forces in this initiative, the Ministry of Interior, Local Authorities and Urban Development launched a digital platform open to all owners of emerging enterprises wishing to engage in this participatory dynamic and contribute to the path of sustainable local development.

(1) Article 02 Executive Decree No. 20-77 of March 28, 2020, amending and supplementing Decree No. 04-91 of the Republic of Algeria No. 19, issued on 04/02/2020

This digital platform, available through the official website of the Ministry of Interior, is dedicated to receiving offers from young entrepreneurs by registering directly for their innovative projects based on digital technologies and smart solutions developed in areas related to the topics covered by the symposium.

In addition, the Ministry of the Interior aspires to make this platform a permanent reference for the sector, to be placed at the disposal of local communities, which allows to count all the ideas carrying smart, innovative solutions according to the specificities of different regions, and it constitutes a technical tool to link start-ups to the development goals set by the regional groups within the framework of Consolidation and synergy of initiatives.

- **Establishing business incubators in all wilayas:** Among the measures and measures that Algeria relies on in order to give a strong impetus to the emergence and success of start-up and innovative projects among young people is the attempt of the Ministry of Small Enterprises, Emerging Enterprises and the Knowledge Economy to establish at least one incubator in each state, especially since Algeria knows a shortage of such Structures and facilities (incubators, accelerators, and nurseries) compared to developed countries, where until 2019 there were only 17 institutional nurseries and 27 facilitation centers (Statistical Bulletin for Small and Medium Enterprises, 2019, p19), Plus it's since In 2009, only one public business incubator "techno-park" was launched⁽¹⁾, and this latter suffers from many shortcomings, especially with regard to its geographical location in the city of Sidi Abdallah and its distance from urban areas, in addition to its organization of a limited number of programs. Three branches were branched from this technical park or what is known as the business

(1) Fawzy Abdel Razzaq, The problem of business incubators between development and activation: a future vision, the state of business incubators in the Algerian economy, the Saudi International Conference for Entrepreneurship Associations and Centers, Saudi Arabia , 2014.

nursery in Annaba, Oran and Ouargla, and this illustrates the great lack of these structures, which are very necessary for the success of the start-up institution and the innovative project, especially in the early stages of the life cycle of this type of institution, and it is worth noting that in the year 2020 Algeria knew the launch of the first public accelerator for these institutions "Algeria Venture ", Two university incubators have also been launched for the benefit of start-up at the University of M'sila and the University of Ouargla, in order to value scientific research and various innovative works and materialize them by accompanying the holders of innovative projects to establish start-up institutions and small and medium companies.

- **Tax exemptions for start-up:** Among the measures and procedures recently launched by the Algerian authorities to encourage and motivate holders of innovative projects to embody their projects on the ground were those procedures related to the inclusion of incentives and tax exemptions for the benefit of emerging enterprises, as well as the facilities available to obtain real estate for the establishment of business incubators and accelerators, where the law stipulates Financial 2020 requires the owners of start-up companies to benefit from several tax exemptions, in order to expand their reach and encourage young people to invest in them. The start-up companies subject to the single element tax system are exempted from the single element tax and under the same conditions⁽¹⁾.

3.3 Conditions for the success of start-up in Algeria according to experts and specialists and the recommended suggestions:

Many see that Algeria's recent interest in start-up is a positive gesture by the authorities and their desire to build a real national economy based on the principle of enterprise and competitiveness. Accordingly, some Algerian economists believe that in order to

(1) From the Supplementary Finance Act of 2020, the Official Gazette of the Algerian Republic No. 33, issued on June 04, 2020.

expand the scope of the start-up in Algeria, attention must be paid to some aspects related to these institutions, especially those related to the legal and financial aspect:

Conditions for the success of start up in Algeria: According to the participants in the international virtual conference hosted by the University of M'sila, in which experts from four countries participated, those present confirmed the necessity of providing an appropriate environment for the success of start-up from the legal and financial standpoints:

-The need to improve the legal environment for entrepreneurship in Algeria, through the issuance of legal legislation that represents a legal package that includes the concept of emerging institutions, business incubators and business accelerators, and clarifies the legal form of them and the modalities of conducting the activity of start-up and the need to differentiate between them and small and medium enterprises, and the legal text must contain Methods of financing it, entering into its capital and contributions to local collection, and called on experts to provide legal legislation a license to open a current account in hard currency.

-The necessity of ensuring the importance of improving financial indicators to prevent financial crises that may lead to the extinction of start-up, by embodying the concepts of the financial health of the institution to clarify the vision of the institution at the administrative level, and focusing on the importance of diversifying between formal financing (incentives, exemptions) and informal financing Such as lifting the obstacles imposed on financing, while modernizing the financial system, in a way that enables it to move towards financing emerging institutions, despite the degree of risk associated with it.

- It is necessary to establish a culture of indirect participatory financing for start-up, such as check tools, as well as the introduction of several partners, but with the institution's ownership remaining for the project owner, with interest in Islamic finance and creating

financial products that conform to the teachings of Islamic law that contribute to financing start-up due to the reluctance of a class of entrepreneurs to Applying for financing due to usurious interest in traditional banks, while following the system of financing emerging and small projects in line with the nature of these institutions and benefiting from international experiences in order to be able to face the obstacles that limit their progress.

Suggestions recommended by some specialists in order to encourage and promote the emerging enterprise in Algeria: With regard to the system and coordination between the actors: We can include the following points:

- Encouraging and ensuring the development of an integrated system for emerging institutions, consisting of all actors or intervening parties of various categories.

- Upgrading the role of institutional incubators at the level of this integrated system: universities, specialized incubators, assistant brokers or facilitators, nurseries of start-ups, companies and public dealers, banks, research centers, training and collaborative work spaces.

- Establishing a national agency charged with coordinating this system, as well as promoting and accompanying start-ups and enterprise incubators.

- Developing the experience of contact points at the level of 48 states in order to ensure the role of facilitator and mediator between start-up on the one hand, and local communities on the other hand.

- Dissemination of institutional incubators, especially those affiliated with universities and local institutions.

- Encouraging start-up to gather in the form of local or national associations and to create networks of cooperation in order to unify their efforts.

- Facilitate the access of start-ups to public demand by adapting the book of conditions, which requires the necessity of resorting to

subordination with emerging institutions.

- Reactivating the provisions of Article 87 of Presidential Decree No. 15-247 of September 16, 2015 regulating public procurement and public utility authorizations for the purpose of supporting small and emerging enterprises.

- Urging the ministerial sectors, regional groups and economic institutions to promote partnership with start-up and young people with innovative projects.

- Taking incentive (tax) measures in order to urge public and private dealers to resort to innovative solutions offered by emerging institutions.

- Updating the code of public investment programs: municipal development plans, state and municipal budgets, through the inclusion of new innovative solutions.

Organizing training and training courses for the benefit of start-ups and incubators on topics related to the neighborhood public utilities.

- Reviving the role of institutional incubators in the field of training and accompanying emerging institutions.

- Creating an annual national competition for the “Best Start-up” with the aim of encouraging innovation in smart solutions with the aim of improving and modernizing the neighborhood public facilities.

- Valuing and benefiting from the experiences of the elite immigrant abroad in the field of accompanying and developing start-up.

- The inclusion of the “Start-up and Innovation” axis of bilateral and joint cooperation agreements and protocols (European Union, African Union, Union of Arab Maghreb States).

4. The role and importance of the emerging enterprise in the national economy:

Algeria’s desire to build an economic model outside the hydrocarbon sector and to bring about economic diversification

required it to mobilize all the capabilities, energies and competencies available to it in order to achieve this matter, and in this context Algeria works to provide support and attention to start-ups due to what these institutions offer of positive additions in the field of expanding the base of the national economy and achieving economic and social development. Perhaps the most prominent thing that these institutions can offer and contribute to the national economy is:

4.1 Creating new jobs: The start-up contributes to developing self-employment and encouraging investment, due to its use of small capital at the beginning of its activity, and therefore it works to reduce unemployment and reduce elite immigration, as it contributes to the culture of initiative and the development of individual initiative and creativity among Young.

The start-up works on developing innovators and entrepreneurs, as many international experiences have proven in this context that start-ups have contributed greatly to many inventions and innovations, as a result of the existence of an environment that helps this in these institutions, and therefore the start-up can be considered an important environment for building ,preserving intellectual capital, and limiting its migration as much as possible, on the one hand, and on the other hand, the start-up contributes to solving many of the problems that young people suffer from⁽¹⁾.

4.2 Achieving sustainable economic development: Since the achievement of sustainable development requires economic and social dimensions, the start-up with the specificity of their size and the remarkable role of their responsibility control their impact on society, the adoption by start-up of the concept of sustainable development is publicity for them, since it helps to strengthen them and enable them to survive and develop. For this reason, sustainable development

(1) Abdel Salam aagoun, Technological Incubators and their Impact on the Performance of Industrial Institutions, Journal of Economics and Human Development, Volume 9, Issue 2, 2018.

requires consideration of reformulating patterns and methods of production and consumption, and changing the relationship between societies and the natural environment, which requires a structural transformation in the economy. It is necessary to move to sectors that use the greatest amount of knowledge and innovation in order to meet the traditional challenges of economic and social development in a new way that takes into account environmental considerations.

4.4 Contribution to the digitization of the economy: Most economists and those interested in entrepreneurship see that among the most prominent roles of start-up is their contribution to providing a lot of technology and digitization to the economy through services, technologies, innovations and digital innovations that are in the sectors and the presence of these institutions, which facilitates the simplification of the daily lives of individuals and citizens, and simplify Transactions between dealers in all fields, which helps to achieve qualitative leaps in the economic and social field.

5. Conclusion:

In recent years, Algeria's interest in start-ups has increased with the aim of diversifying the national economy on the basis of knowledge, creativity and innovation. The changes that are taking place today in the world, especially in the economic field, require building a competitive economic fabric consisting of institutions that take creativity and innovation as a basic and strategic base.

And the start-up is considered a success factor in building a diversified and strong economy. Providing support and assistance to this type of institution can provide additions in developing the economy and removing it from dependence on one source of income, which is hydrocarbon to the multiplicity and diversity of sources, which contributes to raising productivity and competitiveness. These institutions can be considered as an important element in creating wealth and added value, in addition to their contribution to creating jobs and reducing unemployment. These institutions also work to

achieve sustainable development and reduce regional differences, which would help in achieving local development, many economists and those interested in the entrepreneurship sector also believe that these institutions can help in attracting private investments and the flow of foreign capital.

Algeria's experience in paying attention to emerging projects is a recent experience compared to developed countries, but it can be noted some of the technical, financial and legal measures and measures recently introduced by Algeria in order to build an economic model based on traditional companies and start-up, and all this to achieve economic growth in line with current requirements.

Some Algerian economists believe that in order to expand the scope of start-up in Algeria, some aspects related to these institutions should be taken care of, especially those related to the legal and financial aspect.

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