Management & Economics Research Journal

ISSN 2710-8856

ISSN 2676-184X

University of Djelfa - Algeria

https://www.asjp.cerist.dz/en/PresentationRevue/615

Vol. 06 No 01 (2024). P. 615-641

# Towards Achieving Economic Takeoff under the New Investment Law (Law No. 22-18)

Tarek Makhlouf

Tarek.makhlouf@univ-tebessa.dz

Maitre de conference "A" at echahid echikh larbi tebessi University Tebessa, (Algeria)

Received:30/01/2024 Accepted :24/02/2024

*Abstract*

This research paper aims to interpret the new Algerian state's aspiration to achieve a steady economic takeoff. This aspiration is reflected in the enactment of the new investment law by the Algerian legislator, Law No. 22-18, dated July 28, 2022, concerning investment.

Through this law, the Algerian legislator has introduced various guarantees and incentives that are a translation of successful international experiences in the investment sector, particularly foreign investment. This is due to the reluctance previously witnessed in this sector under all former investment legislations. To realize its desire for economic takeoff, the legislator, via the new investment law, has created a set of newly introduced legal and institutional mechanisms, particularly to provide a conducive climate for investment and thereby achieve economic takeoff.

**Keyword**: Investment, Legal Mechanisms, Institutional Mechanisms, Economic Takeoff.

## 1. INTRODUCTION

Algeria has introduced numerous legislations in the field of investment, all aiming to boost the national economy and achieve sustainable economic development. These legislations focused on attracting foreign investments, creating job opportunities, and diversifying national income sources. However, these objectives have not been fully realized due to the legislations' inability to provide an environment conducive to attracting investments, especially foreign ones.

In light of this, the Algerian state, eager to achieve the desired economic upturn, issued a new investment law. This law aims to establish a different investment environment than before, characterized by trust and transparency in the relationship between the investor and state institutions. It also aims to create new investment guarantees and incentives to reinforce this direction. Moreover, the law focuses on developing administrative institutions overseeing investments by expanding and regulating their roles in this domain.

As Algeria rapidly embraces digitization across all sectors, the legislator, through the same law, has endeavored to digitize the investment sector by establishing a digital platform to support various investment processes.

This study aims to explore the various mechanisms introduced by Law No. 22-18 concerning investment, which seeks to achieve an economic takeoff. To understand these mechanisms, we pose the following question:

- To what extent can the new investment legislation realistically achieve an economic upturn, and do the mechanisms it includes realize this goal?

To answer this, the study is divided into two main axes: the first covers legal mechanisms, and the second institutional mechanisms for economic takeoff.

**Axis One: Legislative Mechanisms**

The Algerian state's desire to achieve economic takeoff is evident in many aspects, most notably through its various legislations, particularly those related to the economic aspect. Specifically, the new Investment Law, enacted under Law No. 22-18,(Law, 2020.) reflects this. It adopts a set of legal mechanisms, some previously stipulated in earlier investment legislations and others introduced for the first time in this law. These aim to provide a healthy environment for successful investment and thus steadily progress towards economic takeoff. These mechanisms will be discussed as follows:

**Section One: Establishing Principles Governing Investment**

The economic policy of the Algerian state is clearly reflected in Law No. 22-18, which aims to achieve the desired economic upturn. This requires a departure from previous economic policies. The aforementioned law represents a qualitative leap in many of its stages, most importantly in establishing a set of principles upon which every investment process should be based – a novelty compared to previous investment legislations. The legislator has enshrined two fundamental principles for investment: the principle of investment freedom and the principle of transparency and equality in dealing with investments, which will be discussed in the following subsections:

**Subsection One: The Principle of Investment Freedom**

The principle of investment freedom is a fundamental requirement for successful economic takeoff. Before its stipulation in Law No. 22-18, it was entrenched by the constitutional founder in both the 2016 (16-01, 2016)and 2020 amendments(Article 20-442, 2020)

Investment freedom implies that every natural or legal person, whether national or foreign, residing inside or outside Algeria, who wishes to invest, is free to choose their investment within the framework of the prevailing legislation and regulations.(Article 3/2 of Law No. 22-18)

Based on the legislative definition of the principle of investment freedom mentioned above, we can identify two key elements upon which this principle is based: the investor and the freedom of investment. These elements will be discussed in the following:

**First:The Investor**

According to Article 3/2 of Law No. 22-18, the principle of investment freedom fundamentally relies on the element of the investor. The legislator defines the investor as any natural or legal person, whether national or foreign, residing or not residing in Algeria. This is further confirmed in Article 5/2 of the same law, which states that an investor is any natural or legal person, whether national or foreign, residing or not residing in Algeria as defined by the specific foreign exchange regulations, who undertakes an investment in accordance with the law.

From the above definition, it can be said that the entities concerned with investment can be natural or legal persons. This includes banks, financial institutions, insurance companies, and enterprises, whether they are startups, small, or medium-sized, as well as various types of commercial companies. Furthermore, the investor, as clarified, can be either a national, i.e., holding Algerian nationality, or a foreigner.

Regarding the investor's residency status, the Algerian legislator refers to the specific foreign exchange regulations. A resident in Algeria can be a natural or legal person, provided that the principal center of their economic activity is in Algeria. Conversely, a non-resident in Algeria can also be a natural or legal person, but their primary economic activity center is outside Algeria.(Article 2/1, 2007)

**Second: The Freedom of Investment**

The legislator emphasizes that anyone wishing to invest is free to choose their investment. This implies granting investors the liberty to operate freely within the scope of their investment and restricting administrative bodies from hindering their projects, either by intervening to stop them or by imposing unlawful conditions.(Amokran, 2023)

Investment freedom entails allowing the investor to choose the type of investment activity, its location, the amount of funds to be invested, and the liberty to own and manage more than one project.(Abed, 2023)

While the legislator affirms the principle of investment freedom, it is conditioned by the need to respect the prevailing legislation and regulations. This means that the freedom granted to the investor is not absolute but is limited by a set of formal and substantive conditions required for the acceptance of the investment project. The idea of investment freedom is only reinforced within this framework.

**Subsection Two: The Principle of Transparency and Equality in Dealing with Investments :**

The legislator explicitly states this principle in Law No. 22-18, affirming that it aims to establish transparency and equality in dealing with investments. (Law A. 3.)

Transparency, in this context, refers to the access, flow, and ease of exchanging information, regardless of whether it is political, economic, social, or cultural, as per the requirements of democratic societies. (Azzam, 2016)

Regarding the relationship between transparency and investment, various studies and experiences have shown that the principle of transparency, as defined above, is essential for economic takeoff, as it fosters an atmosphere of trust and assurance between the economic operator and the administration. (Bakka, 2021)

As for the principle of equality, it has gained global recognition and holds a high legislative status in various types of international and national legislations, across political, economic, cultural, and other fields.

In the realm of investment, besides what the Algerian legislator stipulated in Article 03/03 of the aforementioned law, the legislative establishment of the principle of equality in dealing with investments can also be derived from the first article of the same law. This article states that the provisions of this law aim to define the rules governing investment, clarify investors' rights and obligations, and the incentive systems applied to their investments, whether these investors are natural or legal persons, national or foreign, residing in or outside Algeria.

The principle of equality in dealing with investments necessitates treating all investors equally regarding rights, obligations, and various incentive systems related to investment. This excludes all extraordinary and discriminatory measures against all investors, especially foreigners, as any breach of this principle tends to favor nationals. (Hsaini, 2017)

**Section Two: The Legal System for Investment Guarantees and Related Incentives** :

To achieve the economic upturn it aspires to, the Algerian state has accelerated the provision of a dynamic investment climate, particularly for foreign investments. This intent is manifested in the new Investment Law No. 22-18, initially through the unprecedented stipulation of investment principles, especially the previously mentioned principle of transparency.

These reforms have strengthened investment guarantees and encouraging incentive systems. Having discussed the principles governing investment, the following subsections will address the legal systems governing its guarantees and incentives:

**Subsection One: The Legal System for Investment Guarantees :**

The legal system for investment guarantees, as introduced by the Algerian legislator, includes legal tools and means that ensure the investor's rights and protect their investment project from various risks. These guarantees instill confidence and reassurance in the investor, encouraging them to embark on their investment project in a particular country. Therefore, investment guarantees can be considered the safety valve for investors. (Ameghran)

To enhance these security measures, the Algerian legislator introduced a set of comprehensive guarantees, creating an exceptional investment climate. These guarantees can be identified by examining Articles 6 to 13 of Law No. 22-18 and are categorized into legal, financial, and judicial guarantees, which are addressed as follows:

**First: Legal Guarantees:**

To achieve the desired economic takeoff, the Algerian legislator has established a series of legal guarantees stipulated in the new Investment Law, summarized as follows:

**1.Benefiting from National Private Properties :**

As part of the legal guarantees provided to investors, the legislator allows them to benefit from lands belonging to the national private properties for their investment projects. (Law A. 6.)

Providing investment properties (allocated, 2021) offers the investor sufficient guarantees to exploit and invest their funds in various economic fields, especially those unrelated to the hydrocarbons sector. Additionally, providing land specifically for investment encourages and expands the scope and scale of investment. (Soueilam, 2009)

The Algerian legislator has defined the conditions and procedures for granting privileges on lands belonging to the state's private properties for implementing investment projects, as specified in Order No. 08-04. (08-04, 2008)

**2.Exemption from Foreign Trade Procedures and Banking Domiciliation**

To simplify the complex procedures for investors importing goods required for their investment projects or exporting other goods, the Algerian legislator has exempted investors from foreign trade procedures and the banking domiciliation of in-kind foreign contributions that are exclusively part of transferring activities from abroad or new goods included in the in-kind foreign quotas. (Article07)

In light of this, the following points will discuss the exemption from foreign trade procedures and the exemption from banking domiciliation:

**A- Exemption from Foreign Trade Procedures:**

If Algerian legislation exempts investors from foreign trade procedures, does this exemption apply to all such procedures or only some of them? On one hand, and on the other, what does the legislator mean by these procedures?

Since foreign trade procedures are closely linked to import and export operations, it is necessary to examine the legislation regulating these processes.

Referring to Order No. 03-04 concerning the import and export of goods, as amended and supplemented, we can identify some procedures that may be exempt for the investor, (Order 03/04, 2003) such as:

**A.1Exemption from Import and Export Licensing :**

To control import and export operations, it is necessary to obtain a license. As a guarantee to encourage investmen (Article06) t, this procedure can be exempted for the investor, avoiding the complex process of obtaining import or export licenses, thereby saving time and effort in realizing investment projects. (arezil, 2022)

**A.2 Exemption from Customs Duties :**

The Algerian legislator has allowed certain types of investments in the completion phase to be exempt from customs duties on imported equipment directly involved in the investment. Additionally, there is the possibility of exemption from the value-added tax on imported goods and services or those acquired locally, provided they are also required for the investment (Article 27/1).

**B. Exemption from Banking Domiciliation Procedure :**

Order No. 07-01 concerning current operations with foreign countries requires every importer or exporter to register the concerned commercial operation with a designated intermediary (Regulation), which may be a bank or financial institution, to monitor the movement of foreign currencies into or out of the Algerian market. Given the complexity of this process, the Algerian legislator has exempted investors from this procedure as a guarantee and incentive to venture into foreign markets.

**3. Protection of Intellectual Property Rights of the Investor:**

The updates in the Investment Law No. 22-18 reflect the Algerian legislator's urgent desire to achieve the aspired economic upturn. This stage introduces a guarantee not previously addressed in investment legislations: the necessity to protect the intellectual property of the investor. This type of right has been discussed in terms of protection within the Algerian Constitution, most recently in the 2020 (Article74/3, 2020) constitutional amendment, in addition to specific legislations for intellectual property rights protection. (Order No.03-05, 2003)

Some argue that the rationale behind the legislator's intervention in intellectual property rights protection (Article09) through the Investment Law is considering these rights as legal guarantees for the investor, due to their importance in the market and the potential infringement or piracy that may occur. (Arezil)

**4.Ensuring Legal Security for the Investor :**

The Investment Law No. 22 - 18 was not the first legislation to address this type of guarantee. Previous investment legislations have recognized it. (Article22) The reason for establishing this guarantee is due to criticisms the Algerian state faced regarding investment laws being unstable and frequently amended, negatively impacting the investment climate, which requires legislative stability and consistency. For this reason, the Algerian legislator in the new Investment Law ensured that any future revisions or cancellations of this law would not affect investments made under it unless explicitly requested by the investor.

**Second: Financial Guarantees:**

The Algerian legislator did not limit itself to establishing legal guarantees but also ensured financial rights for the investor, considered one of the most crucial aspects of investment.

To this end, the Algerian investment legislator created two types of financial guarantees: the guarantee of transferring the invested capital and its returns, and compensation for expropriation. (Articles8/1) These will be discussed as follows:

**1. Guarantee of Transferring the Invested Capital and its Returns:**

The Algerian legislator stipulated that certain investments could benefit from a guarantee of transferring the related capital and its returns.

This guarantee allows the investor to transfer capital from abroad to Algeria for establishing investment projects and to transfer the returns generated from Algeria abroad, provided that the capital was previously imported using a foreign currency valued by the Bank of Algeria. (Amokran, previous article)

**2.Guarantee of Compensation for Expropriation :**

The Algerian legislator has often varied in employing terminologies related to systems associated with property expropriation for public benefit. While the term "expropriation" was used in the Legislative Decree No. 13-12 concerning investment promotion (Article40), it was later replaced by "seizure" in Law No. 16-09. However, in Law No. 22 – 18, the term (Article16) "expropriation" was used again, stating that the realized investment cannot be expropriated by the administration (Article10). If the administration resorts to this measure, it must ensure fair and equitable compensation for the investor, according to applicable legislation. (Article02)

In any case, the administration may undertake expropriation to acquire properties and services in exceptional situations to ensure the continuity of public services. Consequently, the administration may resort to the expropriation of property related to the investment, which could lead to the termination of the investment altogether. As a guarantee for this procedure, the administration must provide fair and equitable compensation to the investor.

**Third: Judicial Guarantees :**

Legal and financial guarantees alone may not be sufficient to attract investment and thus achieve economic takeoff. This is because investments often originate from contracts between investors and the state, potentially leading to disputes and consequently causing investment disturbances or even halts. Therefore, it was imperative for the legislator to provide additional guarantees of a judicial nature to address disputes that may arise in this context.

Judicial guarantees aimed at resolving disputes between the investor and the state vary depending on the entity responsible for settling these disputes. They can be represented by the Supreme National Committee related to Investment, specialized courts, or international arbitration. The various entities representing these judicial guarantees will be discussed as follows:

**1.The Supreme National Committee for Investment-Related Appeals:**

Established by Article 11/1 of Law No. 22 - 18, this committee is tasked with resolving appeals filed by investors who feel they have been wronged in the application of Law No. 22 – 18 especially in cases of withdrawal or refusal to grant benefits, or refusal to issue decisions, documents, and licenses by the relevant administrations and bodies. An investor can submit their appeal to the committee within fifteen (15) days from the date of being notified of the decision by the Algerian Agency for Investment Promotion (Article 6/1), provided they have previously lodged a complaint against the same decision with the issuing entity within one month of receiving it, under penalty of the appeal being inadmissible. (Article6/4)

The composition of the Supreme National Committee for Investment-Related Appeals, (Article7/1) as specified by Presidential Decree No. 22- 296, includes: (Article3)

- A representative of the Presidency as the chair.
- A judge from the Supreme Court and a judge from the State Council proposed by the Higher Judicial Council.
- Three independent economic and financial experts appointed by the

President of the Republic. The committee may also seek assistance from any person with special expertise to aid its members. (Article3/5)

**2.Judicial Entities :**

In addition to the appeal that investors, who feel aggrieved by the application of Law No. 22-18, can raise before the aforementioned committee, the Algerian legislator has also allowed these investors to file a legal appeal before competent judicial entities. (Article11/3)

The concept of competent judicial entities relates to the national judiciary, as it is the primary authority responsible for resolving disputes arising from the application of Law No. 22 -18, which may occur between foreign investors and the state (Algeria). (Article12)

**3.Arbitration :**

The jurisdiction of the national judiciary in investment-related disputes may give way to conciliation, mediation, or arbitration in cases where there are bilateral or multilateral agreements ratified by the host state (Algeria), or when there is an agreement between the investor and the National Agency for Investment Development, acting on behalf of the state, allowing the parties to resort to arbitration. (article)

It is important to note that the parties to investment contracts often prefer arbitration for dispute resolution due to the following reasons: (Kalou)

- International commercial arbitration is characterized by the speed of its procedures, which accelerates decision-making.
- 

It is also distinguished by the confidentiality of its procedures, preserving the element of trust inherent in international contracts and the sensitivity associated with this type of contract.

- The formation of contracts involves the principle of the autonomy of will, which reflects in investment contracts in choosing the type of arbitration, location, timing of contract creation, and the choice of applicable law.

- Additionally, arbitration is distinguished by the expertise required of arbitrators.

All these justifications and more make international commercial arbitration a significant legal guarantee that instills comfort and confidence in the parties to investment contracts, creating a conducive climate for investment and thereby expanding its scope and potential for achieving the desired economic takeoff.

**Subsection Two: The Legal System for Investment Incentives :**

In its repeated attempts to attract investments, especially foreign ones, for economic takeoff, the Algerian legislator did not stop at providing the aforementioned guarantees. Through the new Investment Law (Law No. 22 – 18), it also aimed to provide a range of significant incentive systems designed to encourage investment, particularly in under-invested regions and sectors.

The Algerian investment legislator stipulated investment incentive systems in Article 24 of the aforementioned law, listing three systems:

- The Sector System.
- The Regional System.
- The Structured Investments System.

These systems will be discussed as follows:

**First: The Sector System :**

In this incentive system, the Algerian legislator paid special attention to certain sectors considered as priority areas (Article24/2) . This is due to their representation of economic alternatives to the hydrocarbons sector and their relevance to various aspects of the state's overall economic development.

These sectors include: (Article26)

- Mining and quarries.
- Agriculture, aquaculture, and marine fishing.
- Industry, food industry, pharmaceutical industry, and petrochemicals.
- Services and tourism.
- New and renewable energies.
- Knowledge economy and information and communication technologies.

In addition to the financial guarantees established, the Algerian legislator has endorsed a series of incentives aimed at enhancing investment flows across various sectors. (Article27/1) These incentives are categorized into two types: one set during the investment execution phase and the other during the operational phase.

For the investment execution phase, (Article 27/2) the Algerian legislator has allowed investors to benefit from the following incentives:

- Exemption of imported or local goods, directly involved in the investment, from customs duties and value-added tax (VAT).
- Exemption of all real estate acquisitions related to the investment from property transfer rights and land registration fees.
- Exemption of all incorporation rights of companies and capital increases from registration fees. This exemption also applies to the same rights and land registration fees, as well as to the amounts of national property, for all built and unbuilt properties intended for investment projects.
- A ten-year exemption from property tax for real estate included in the investment framework, starting from the acquisition date.

Regarding the operational phase, investors will benefit from the following incentive system:

- Exemption from corporate profit tax.
- Exemption from the professional activity tax.

The duration of these exemptions ranges from three to five years, commencing from the start date of the operation.

**Second: The Regional System :**

The Zone System is a stimulating mechanism dedicated to areas that the Algerian state deems of special importance (Article24/3). This focus on specific areas is a key outcome of Algeria's new state policy, driven by the need to address the imbalance in development across various regions nationwide. This led to the highest echelons of the state coining the term "shadow areas" for these regions. (Hadoush, 2021)To invigorate investment in locations that fall under the Zone System (Article28), the legislator has surrounded investors in these areas with enticing incentive schemes. These are divided into two types, similar to the Sector System: one during the project execution phase and the other during its operational phase. (Article29/2)

The incentive schemes stipulated for the project execution phase are the same as those established and adopted for investment projects under the Sector System. (Articles29/form3to5)

As for the incentives legislated for the operational phase, (Article29) they are also aligned with the incentive system of the Sector System. However, the duration of these incentives is extended from five (05) to ten (10) years, starting from the date of commencement of operations.

**Third: The Structured Investments System :**

This system, known as the incentive system for structured investments, (Article24)refers to investments with a high capacity to create wealth, generate employment opportunities, enhance regional attractiveness, and act as a driving force for economic activity to achieve sustainable development in economic, social, or regional fields. Besides aiming to achieve these goals, (Article15/7) structured investments are also expected to contribute to the following: (Article15/2to5)

- Import substitution.
- Diversification of exports and integration into global and regional value chains.
- Acquisition of technology.

Recognizing the objectives of structured investments, the legislator has specially provided significant incentive systems for them, in addition to tax and customs incentives (Article31) . These incentives are divided into two types, similar to the previous systems: one during the investment realization phase and the other during the operational phase (31/2Article) In the first phase, the same incentive system as in the Sector System is applied. (Article31/2) In the second phase, the same incentive systems as in the previous two systems are applied, with the duration matching that of the Regional System projects. (Article31/4 )

It is noteworthy that this system has an additional feature compared to the Sector and Regional Systems: the possibility of state support through partial or full coverage of various works required for implementing its projects, especially those related to planning and infrastructure. (Article31/7)

From studying the legal mechanisms for economic takeoff that the legislator aims to achieve through Law No. 22-18, it is evident that the Algerian state has a pressing desire to realize this through the establishment of new principles in investment and attracting capabilities and qualifications. This is also reflected in attempts to rebalance the economic disparities across different regions of the state, as evidenced by the diverse incentive systems discussed.

**Second Section: Institutional Mechanisms:**

For the comprehensive development of the economic takeoff project, it was essential for the state to establish specialized administrative institutions. These institutions are tasked with the proper implementation of the legislative mechanisms required for economic takeoff, previously studied.

The Algerian legislator adopted two institutions with the responsibility of accompanying and monitoring investments, from the approval stage of the investment project to its operational phase, ensuring the effective application of Law No. 22-18. These institutions are the National Investment Council and the Algerian Agency for Investment Promotion. (Article16) The institutional mechanisms required for economic takeoff will be studied under two main parts:

**Section One: The National Investment Council :**

To study the National Investment Council, it is necessary to explore its concept and then describe its assigned tasks in the following subsections:

**Subsection One: Concept of the National Investment Council :**

Defining the National Investment Council begins with a general definition and leads to an explanation of its composition as follows:

**First: Definition of the National Investment Council :**

The legislator did not provide a specific definition of this council but stated that it is an institutional mechanism tasked with proposing the state's investment strategy, ensuring its overall coherence, evaluating its implementation, and preparing an annual assessment report to be submitted to the President of the Republic. (Article17/12) The National Investment Council was initially established under the provisions of Order No. 01-03 related to investment development, (Order No 01/03, c, 2001) which was partially repealed. It was placed under the authority and presidency of the Prime Minister and was initially organized by Executive Decree No. 06-355 (06-355, 2006) When the new Investment Law (22-18) was enacted, the legislator maintained the Council, acknowledging its significance and role in overseeing and accompanying the investment process in Algeria. (Laachach)

**Second:Composition of the National Investment Council:**

The investment process requires the collaboration of multiple sectors within the state, leading the Algerian legislator to expand the membership of this body to include most ministerial sectors. Law No. 22-18 stipulates the composition of the National Investment Council, including ministers responsible for various sectors such as interior, finance, energy and mines, industry, investment, trade, tourism, labor and employment, environment, and small and medium industries. (Article3/2-12)

Additionally, the Council's composition includes the Chairman of the Board and the General Director of the Algerian Agency for Investment Promotion as observers in the Council's meetings (Article3/14) The legislator also allows the Council to seek assistance from any person with distinct competence or expertise in investment when necessary. (Article03/15)

**Subsection Two: Tasks of the National Investment Council :**

One of the most significant changes to Order 01-03 related to investment development is in the tasks assigned to the National Investment Council. Law No. 22-18 eliminated many of its previous tasks and responsibilities, retaining only its role in proposing investment development strategies.

Referring to Article 21 of Order 01-03 and Article 03 of Executive Decree No. 06-355, the Council's tasks were numerous and varied, mainly focusing on reviewing and approving the national investment promotion program, studying and approving the list of activities and goods exempted from benefits, determining regions eligible for special regimes, and evaluating the funding necessary for the national investment program, among other duties. (Article3)

Under the new Investment Law, these tasks and powers no longer exist for the National Investment Council. They have all been transferred to the other key institutional mechanism for economic takeoff, the Algerian Agency for Investment Promotion. The Council now focuses solely on formulating and coordinating the overall investment policy and evaluating its **implementation**. (Article17/1)

**Section Two: The Algerian Agency for Investment Promotion :**

This body can be considered the actual administrative arm for managing investments in Algeria, given its roles and various structures established by the legislator. To study the Algerian Agency for Investment Promotion, it is necessary to first explore its concept, then describe its tasks, and finally address its affiliated bodies, as follows:

**Subsection One: Concept of the Algerian Agency for Investment Promotion :**

Exploring the concept of this administrative body involves defining it and then describing its composition:

**First: Definition of the Algerian Agency for Investment Promotion :**

The Algerian legislator defines this agency as a public administrative institution with legal personality and financial independence, placed under the supervision of the Prime Minister (Article2/2). The agency is headquartered in Algiers (Article03) and has decentralized structures as prescribed by law. (Article3/2)

Based on the above definition, the Algerian Agency for Investment Promotion is considered an administrative entity. Consequently, it issues administrative decisions, making its disputes fall within the jurisdiction of administrative courts, in accordance with the organic criterion set forth in Article 800 of Law No. 08-09, (08-09)as amended and supplemented. Additionally, the agency enjoys financial independence, meaning its financial liability is separate from that of its representatives. This also grants the agency the right to litigate, whether as a plaintiff or a defendant.

It is worth noting that Law No. 22-18 introduced the new designation for this entity, which was formerly known as the National Agency for Investment Promotion, as stipulated in Order 01-03. (Article06) Its name was changed to the Algerian Agency for Investment Promotion. (Article18)

Furthermore, this entity, which was previously under the supervision of the Minister in charge of investment (Article1/2), has been placed under the supervision of the Prime Minister under Law No. 22-18 (Article2/2) . This shift in supervision can be seen as a positive indicator of the state's evolving perspective on investment matters. Given that investment spans various sectors including industrial, agricultural, tourism, and others, this change aims to reduce obstacles that have burdened investors, especially bureaucratic complexities related to project reviews and responses to their owners, which have led to the halting of several projects for years at administrative bodies. (Amokrane)

The change in the entity's name from "National" to "Algerian" also reflects the new vision and significant interest of the Algerian state in the investment field, aiming to impart an Algerian character to it on the international level. (Amqran)

**Second: Composition of the Algerian Agency for Investment Promotion :**

According to the current regulations, the Algerian Agency for Investment Promotion consists of a Board of Directors and a General Director (Article5) Their roles are as follows:

**1.Board of Directors :**

The Board of Directors serves as the governing body of the agency and engages in various matters related to the investment sector. This includes discussing and approving the agency's internal regulations, as well as deliberating on the approval of the agency's activity program and its budget proposal.

The Board also considers acceptance of donations and bequests, approves the agency's annual activity report, and oversees budget implementation. Additionally, it can deliberate on any matter presented by the General Director of the agency. (Article12)

It comprises representatives from various ministerial sectors, led by a representative of the Prime Minister who serves as the Board's President. Its membership includes representatives of the ministers responsible for foreign affairs, local communities, finance, investment, commerce, and a representative from the Bank of Algeria. (Article7/7)

The Board of Directors is also empowered to seek assistance from individuals with expertise and competence that contribute to the Board's functions. As for the secretariat of the Board, (Article7/8) the existing regulations stipulate that it is managed by the General Director of the agency. (Article7/9)

**2.General Director of the Agency:**

The General Director administratively manages the agency, oversees all its services, represents it in legal matters and in all ordinary life transactions, and exercises disciplinary authority over all agency employees. The General Director is responsible for appointing positions not specified by the legislator and for implementing decisions made by the Board of Directors. (Article13)

**Subsection Two: Tasks of the Algerian Agency for Investment Promotion :**

Based on Articles 18-2 and subsequent ones in Law No. 22-18, and Article 14 of Executive Decree No. 22-298, the tasks assigned to the agency are summarized as follows:

**First: In the Field of Information :**

The agency is entrusted with various tasks in this area, including providing reception and information services to investors, compiling and disseminating relevant legislations and regulations, and facilitating access to investment-related information systems. It is also responsible for creating a database of properties designated for investment, in coordination with relevant administrations and bodies.

**Second: In the Field of Facilitation :**

The agency is responsible for managing and proposing new measures to improve the investment climate through a digital platform, along with providing necessary information, especially regarding investment opportunities in Algeria.

**Third: In the Field of Investment Promotion :**

To fulfill these tasks, the agency collaborates with public and private entities, both domestically and internationally, to promote investment in Algeria. It prepares and proposes investment promotion plans and seeks ways to provide necessary capital.

**Fourth: In the Field of Investor Support:**

The agency organizes services for guiding and assisting investors and accompanies them to other administrations. It also establishes an investment service that enables it to seek external expertise when needed.

**Fifth:In the Field ofPrivileges Management:**

The agency also oversees the management of privileges granted to investors. In this role, it is tasked with various functions, such as preparing investment registration certificates and amending them when necessary, and verifying the eligibility of registered projects for granted benefits, among other responsibilities.

**Sixth: In the Field of Monitoring :**

The agency is responsible for ensuring that investors comply with their commitments and for addressing petitions and complaints presented by them.

**Third Subsection: Bodies of the Algerian Agency for Investment Promotion :**

Referring to Law No. 22 - 18 and Executive Decree No. 22 -298, there are several bodies associated with the National Agency for Investment Promotion: (Articles18/10)

**First: One-Stop Shops:**

These one-stop shops are divided into two types: one for major projects and foreign investments, and decentralized one-stop shops for local procedures. The one-stop shop for major projects and foreign investments serves as the sole national interlocutor for all processes required to embody and support such projects.

Regarding the decentralized one-stop shops, they are locally specialized in procedures pertaining to investments that fall under the jurisdiction of the first type of one-stop shop. In fulfilling their primary function of dialoguing with investors, whether foreign or national, these one-stop shops are responsible for:

- Receiving investors.
- Registering investments.
- Accompanying investors to relevant administrations and authorities.

Furthermore, one-stop shops, irrespective of their type, are tasked with actualizing investment projects, granting decisions and licenses, and all documents related to the investment project's activity. They are also vigilant in securing properties designated for investment. These one-stop shops are also required to monitor the commitments subscribed to by the investor. (Article21/2)

**Second: The Digital Platform for Investors:**

In addition to the one-stop shops, the agency also establishes a digital platform that provides all necessary information (Article23/1), particularly regarding investment opportunities. This platform serves as an electronic tool for guiding, accompanying, and monitoring investments from registration to operational stages. (Article27/1) It is interconnected with the information systems of bodies and administrations involved in investment activities. (Article27/3)

The platform's responsibilities include: (Article28)

- Handling the establishment of companies and investments.
- Ensuring transparency in the procedures to be undertaken.
- Allowing investors to remotely monitor the progress of their files.
- Facilitating direct and immediate exchange of data and information between agents of relevant administrations and bodies.

From the detailed description of the tasks and bodies of the Algerian Agency for Investment Promotion, it is evident that the Algerian legislator's emphasis on such detail is in itself a commitment to the transparency sought by investors, as well as being in line with international investment agreements and the demands of international bodies responsible for ranking business climates globally. (Arzil)

**Conclusion:**

At the end of this research, we conclude that the Algerian state's responsiveness to economic changes and its strong desire to achieve economic takeoff are reflected in the general situation of the country, particularly in economic and social aspects. This drive has resulted in the creation of a new investment law influenced by successful experiences in this field and an amendment of gaps identified in previous investment legislations. The law has abandoned some old investment regulations and adopted new rules, procedures, institutions, and systems, all aimed at providing a suitable environment for economic takeoff.

The study has led to several findings, which can be summarized as follows:

**1.Regarding Legal Mechanisms:**

The legislator has strengthened investment organizing principles, especially the principle of transparency, in line with the new direction of the Algerian state. This effort aims to eliminate or at least limit bureaucracy and corruption that have nearly halted the investment sector, particularly foreign investment.

Affirmation of legislative stability or legal security in investment and development of legal systems related to investment guarantees and incentives. The new investment law introduced three systems for this purpose:

**The Sector System:** Covering investments in sectors like mining, agriculture, fisheries, etc.

**The Regional System:** Providing special incentives for investments in designated areas like high plateaus, southern regions, and areas with natural resources or requiring special state facilitation.

**The Structured Investments System:** Benefiting high-capacity investments that can create wealth and jobs and enhance regional attractiveness.

**2. Regarding Institutional Mechanisms:**

These are the bodies generally responsible for overseeing investments, namely the National Investment Council and the Algerian Agency for Investment Promotion.

**As for the National Investment Council:** Existing in previous legislation with multiple functions, the new investment law has retained it but narrowed its scope to solely proposing the state's investment strategy.

**Regarding the Algerian Agency for Investment Promotion:** Formerly known as the National Agency for Investment Promotion, it has been restructured under the supervision of the Prime Ministry. It has also been equipped with centralized and local one-stop shops, tailored according to the type and scope of the investment, whether it is foreign or national.

Additionally, a new entity, the Digital Platform for Investment, has been established under this law and made available to investors to access all information related to their investment activities.

From the findings, the following suggestions can be made:

**1- In terms of Legal Mechanisms:**

The legislator did well to maintain legal security in the investment field. However, this security could be enhanced by consolidating all relevant legislations scattered across various legal systems, especially the finance law, into a single investment legal system. This would enable investors to understand all aspects of the investment process through one comprehensive legal framework.

There is a need to expedite the issuance of legislation regulating economic real estate to align with the new investment law.

**2- In terms of Institutional Mechanisms:**

There is a necessity to accelerate the digitization of real estate properties and transactions related to them to automatically determine the investment real estate base, thus saving effort and time for prospective investors.

It is also essential to swiftly actualize the integration of the Digital Investment Platform with other relevant platforms in the investment field, particularly the Customs Administration and the Commercial Registry, among others.

There is an urgent need to establish the National Agency for Economic Real Estate, which is planned to be set up and will work in coordination with the Algerian Agency for Investment Promotion in providing investment real estate.

## Bibliographie

AbdelFattah, M. s. (1983). *marketing.* Beirut: Dar Al-Nahda Al-Arabiya.

Abd-elRahman, A. (2012). *principles of modern marketing .* Beirut: Dar Al-Nazim publishing and distribution.

Abuqahaf, A. (2006). *marketing,.* Alexandria: modern university office.

al-Alaq, B. A., & rabaiya, A. M. (2002). *promotion and commercial advertising: foundations, theories, applications, an integrated portal .* Amman: Dar al-yazouri scientific publishing and distribution .

Al-Daylami, A. R. (2005). *the globalization of television.* Amman: Dar Al-Jarir.

Ali, M. A. (2000). *the foundations of marketing .* Amman: al-Warraq publishing and distribution Foundation.

Al-kharif, A. b. (2003). *the influence of the media and the mental image.* Amman: media house for publishing and distribution.

al-rawashneh, R. A. (2004). *television in the era of globalization.* Jordan: Majdalawi publishing and distribution house.

al-Sayed, M. A. (2017). *media historical vision.* Amman: Dar Al-yazouri publishing and distribution.

belkhiri, R. (2017). *public relations and the creation of the mental image of the foundation .* Jordan: dar mjedlawi publishing and distribution.

benzrara, a., & belkhiri, r. (2023). Metaverse Marketing for Businesses: Trends, Strategies and Issues Title :Metaverse Marketing for Businesses: Trends, Strategies and Issues. *Management &economics research journal* , 56-65.

chaaban, M. R. (2009). *introduction to management and marketing.* Amman: dar Al yazouri publishing and distribution .

chehata, M. (2000). *principles of modern marketing.* Amman: Safa publishing and distribution house.

Chibani, M. A. (2012). *cable television.* Tunisia: Dar lottus publishing and distribution.

ElAssi, c. A. (2006). *marketing between theory and practice.* Alexandria: Casablanca publishing and distribution.

el-chenawany, M. S. (2004). *Marketing Management: An Introduction to systems and strategies .* Cairo: University Publishing House,.

El-Din, E., & bouakla, A. (2002). *marketing (concepts.Strategies) Part1.* Alexandria: Horus International Foundation.

el-Haj, T. (1997). *marketing .* Amman: Dar Al-Safa publishing.

elMasri, M. E. (sd). *marketing: scientific foundations and application.* sl: el ain library.

El-Sahn, M. F. (2003). *Marketing .* Alexandria: University Publishing House Vol. 2, .

El-Sayed, I. (1999). *principles of marketing .* Alexandria: modern university office.

El-Sayed, I. (2002). *advertising.* Alexandria: University House.

Farhan, R. Y. (2004). *Islamic banks.* Beirut: Halabi human rights publications.

Hamid, E. M. (2010). financial intermediation in Islamic banks. *Journal of the University of Babylon / humanities* , 77-88.

Hanna, N. (2001). *principles of marketing .* Riyadh: Dar Al-Marikh publishing .

hijab, M. M. (2007). *effective communication for public relations.* Egypt: Dar Al-Fajr publishing and distribution, Edition 1.

Kotler, P., & Marceau, B. (2004). *(Marketing, Management).* paris-France: 11édition, pearson Education.

Mamdouh, L. s. (2014). *modern media and communication technologies in the digital age.* Beirut: Dar Al-Oruba publishing and distribution.

Mamdouh, R. s. (s.d). *Arab satellite broadcasting.* Amman: Dar Al-nabras publishing and distribution.

Mansour Abdallah, N. M. (2010). *the role of public relations in building the mental image of companies .* Yemen: PhD, Faculty of Commerce University of Mysore.

Mohaisen, F. M. (s.d). Islamic banks-reality and aspirations. *the first conference of Islamic banks and financial institutions in Syria under the theme of the prospects of Islamic banking.* (pp. 115-121). Syria: Arab Academy of financial and banking Sciences.

Mohsen, S. (2018). *Islamic banking reality and hope.* Beirut : Dar Al-Bayan publishing and distribution.

Omar, A. S. (2014). *entrance to radio and television.* amman: Faculty of journalism and media - Zarqa University.

Saleh, S. (2007). *means of communication and the manufacture of mental image .* Kuwait : Al-Falah library for publishing and distribution, Edition 1.