

The Legal Framework of the Auto-Entrepreneur in Algerian Legislation: Analysis and Evaluation

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Received: 04-12-2025

Accepted: 11-02-2026

Published: 09-06-2026

Abstract

In line with economic, social, and digital transformations, and in order to promote national production and combat unemployment, the legal framework for the self-employed (auto-entrepreneur) was recently established under Law No. 22-23. Accordingly, this article aims to analyze and evaluate the legislative and regulatory framework governing this important category of economic actors.

The study addresses the definition of the self-employed, highlighting its distinctive characteristics compared to other legal forms of business activity. It further examines the conditions and procedures for registration in this category and thus obtaining the status of self-employed, emphasizing the flexibility adopted by the Algerian legislator to encourage access to this status. The paper also discusses the rights and obligations arising from this status, including tax and social aspects, while shedding light on the preferential regime benefiting this category. In addition, this article discusses the legal protection of the self-employed and the guarantees provided by the Algerian legislator, through an examination of newly established institutional structures ensuring the sustainability of this system, notably the National Agency for the Self-Employed, its role in managing the National Register of Self-Employed Persons, and its oversight of the digital platform.

The article concludes by evaluating the adequacy of these provisions in supporting and structuring the self-employed status, while highlighting certain legislative and procedural challenges and proposing recommendations to improve the system in a way that serves comprehensive economic development.

Keywords: self-employed; Algerian legislation; Law 22-23; National Agency for the Self-Employed; preferential tax regime; National Register of Self-Employed Persons.

Introduction

Entrepreneurial activity is considered one of the strategies adopted by some states to reform their economic policies, by employing young people and enabling them to invest their capital in order to create wealth and thus develop the domestic economy. In pursuit of this objective, states resort to enacting legislation, adopting measures, and establishing institutions related to achieving the intended goals of such strategies.

It is important to note that the Algerian legislator was relatively late in issuing a specific law regulating self-employment compared to some comparative legal systems. The self-employed status was only incorporated into the Algerian legal framework at the beginning of the first half of the third decade of the current century, under Law No. 22-23 on the self-employed,ⁱ a law that introduced a system aligned with economic and financial conditions, technological and digital development, and various social and economic transformations.

The aforementioned law aimed to organize profitable activities in a structured and legal manner, and to promote entrepreneurial spirit by facilitating young people's access to self-employment and encouraging their integration into the formal economy. To achieve this, the legislator established a set of legal mechanisms ensuring the continuity of the self-employed's activity, including the creation of the National Agency for the Self-Employed, as well as a digital platform dedicated to submitting applications and registration in the national register, through which the applicant, upon approval, is granted the self-employed card. This card carries a unique national registration number specific to this system. These mechanisms aim to materialize an economic system and regulate business activities within clear and well-defined legal frameworks.

The novelty of this system (self-employment) and its importance in promoting individual work by encouraging young people to generate new ideas or develop existing ones and transform them into economic projects lead us to raise the following research question: To what extent has the Algerian legislator succeeded in establishing a legal framework that ensures the continuity of self-employed activity and achieves its intended objectives?

To answer this research question, the descriptive approach has been adopted through the collection of the various substantive aspects of the research elements. The analytical approach has also been used whenever necessary.

The nature of the topic further required dividing the study into two main sections. The first section addresses the legal conditions for practicing self-employed activity and the associated benefits granted to it, while the second section focuses on the institutional bodies overseeing the activity and the necessary procedures for its practice.

Section One

Conditions for Acquiring the Status of Self-Employed and the Legal Advantages Granted to It

The term "self-employed" corresponds in English to "Self-employment," which the majority consider the most accurate term.ⁱⁱ In French, it is referred to as "Auto-entrepreneur," a term that is relatively old; however, there is still no consensus on a precise definition of it.

From a legal and doctrinal perspective, the European Union in 2003 defined self-employment as a set of ideas and methods that enable the creation and development of an activity through the combination of risk-taking, innovation or creativity, and managerial efficiency, within either a new or existing enterprise.ⁱⁱⁱ

The French legislator also defined it as a simplified system intended for small individual entrepreneurs engaged in specifically defined activities, subject to a tax regime adapted to their situation and benefiting from social security and other advantages granted by this system.^{iv}

The entrepreneur, in turn, is defined as “the creative person who organizes and combines the factors of production in order to create new utility”.^v

As for Algerian legislation, general rules have characterized this type of arrangement as a contract whereby one party undertakes to provide something or perform a service in return for remuneration committed by the other party.^{vi} Accordingly, all the general elements of a contract must be fulfilled, namely consent, subject matter, and cause.

With regard to the basic law on self-employment No. 22-23, Article 2 (2) defines the self-employed individual as a natural person engaging individually in a profitable activity falling within the categories eligible for the benefits of the self-employed status, whose annual turnover does not exceed a ceiling determined in accordance with applicable legislation.^{vii}

Accordingly, self-employment differs from start-ups and small and medium-sized enterprises, and the self-employed also differs from artisans. These distinctions will be examined through our study of the legal framework governing self-employment.

First – Conditions for Practicing Self-Employment Activity:

The Algerian legislator, under Law No. 22-23 and Executive Decree No. 22-197,^{viii} has set a set of conditions—personal, substantive, and procedural—for acquiring the status of self-employed, as follows:

1. Personal conditions for acquiring self-employed status:

a. Condition of being a natural person:

In law, a person may be either a natural person—i.e., an individual member of society—or a legal or moral person. The legislator has restricted self-employment to natural persons only, excluding legal persons such as companies and public or private institutions from benefiting from this status, as well as certain categories of natural persons such as employees.^{ix} This exclusion aims to encourage young people to engage in self-employment and attract them toward entrepreneurial activity, as reflected in the simplicity of procedures and the advantages granted.

In order to ensure that this status is not granted to all natural persons indiscriminately, certain conditions were required under Article 3 of Law No. 22-23, namely:

- **Legal age requirement:** The legislator requires that the self-employed person reach the legal working age. Referring to Article 19 of Law No. 90-11 on labor relations,^x the minimum working age is sixteen (16) years, except in cases of apprenticeship contracts or where authorization from a guardian is required. No maximum age limit has been set for benefiting from this system.

Although the self-employed operates under an independent legal regime and engages in profitable activity, we believe that setting this minimum age may involve some risk, as

individuals at this age may not yet have sufficient capacity to protect themselves from fraud or deception. Moreover, economic activity generally requires a degree of stability in transactions, which may not be ensured at this age, especially since it is not linked to an employment relationship.

- **Condition of nationality and residence:** The natural person holding the status of self-employed must be of Algerian nationality and reside within the national territory, in accordance with Article 3 of Law No. 22-23 referred to above. A foreigner wishing to benefit from the self-employed regime must also be legally resident in Algeria.

b- Condition of individual practice:

The self-employed individual is required to carry out his activity in an individual (sole) capacity and not in a collective form, which implies that he is not allowed to hire employees. This can be inferred from the wording of Article 2 (2) of the same law.

2. Substantive conditions for acquiring self-employed status:

Substantive conditions refer to the types of activities eligible for self-employed practice and, consequently, for benefiting from the self-employed legal framework. This also includes the identification of excluded activities.

a- Activities eligible for self-employed practice:

The list of activities eligible for the self-employed legal status consists of profitable activities carried out individually by a natural person, covering seven (7) main fields, in addition to another field introduced by Executive Decree No. 25-170 dated 28/06/2025, which sets out the conditions and procedures for practicing the “micro-import” activity by self-employed individuals,^{xi} as follows:^{xii}

- Consulting, expertise, and training
- Digital services and related activities
- Household services
- Services directed to individuals
- Entertainment and leisure services
- Services directed to enterprises
- Cultural, communication, and audiovisual services
- Micro-import activity: In this framework, the legislator allows travel abroad for the purpose of importing limited quantities of goods for resale in their current state, provided that such imports are declared through a digital platform specifically created for this purpose under the Ministry responsible for start-ups, after obtaining a general authorization issued by the services of the Ministry in charge of foreign trade.^{xiii}

In addition to the conditions already mentioned regarding the self-employed person and the obligations arising therefrom, the legislator has set the following requirements for practicing micro-import activity:

- The value of imported goods must not exceed 180,000 DA per trip
- The number of trips must not exceed two per month
- The self-employed card must include the mention “micro-import”
- The imported goods must not include items excluded under Article 9 of Executive

Decree No. 25-170 on micro-import activity

- Compliance with consumer protection rules and national security requirements, and the shelf life of imported goods must not exceed half of their total validity period for consumption, calculated from the date of importation

Any violation of the provisions of this decree, particularly Article 15, as well as any breach of applicable legislation and regulations governing self-employment, results in the removal of the micro-importer from the National Register of Self-Employed Persons.

It is noted that the legislator's restriction of the list of eligible activities limits the freedom of the individual entrepreneur to choose their preferred activity, which appears to contradict the requirements of promoting investment in this field. On the other hand, according to Article 19 of Executive Decree No. 23-197 governing these activities, the self-employed may practice more than one legally eligible activity, provided that they belong to the same field, in respect of the coherence of activity domains.

b- Activities that may not be practiced by the self-employed:

The legislator has excluded from the above-mentioned list liberal professions, regulated activities, and craft-based activities,^{xiv} which cannot be practiced under the self-employed status. These exclusions will be examined in order to understand the rationale behind them:

- **Liberal professions and regulated activities:** These professions have a special status, as they require specific conditions and procedures for their practice. They are also characterized by the nature of their subject matter, such as lawyers, notaries, real estate experts, and others. Therefore, the legislator has focused on regulating and governing them through specific legal frameworks that control their professional practice.
- **Craft activities:** A craftsman is defined as any natural person who adopts traditional work as his activity, managing and operating it independently, and who is registered in the crafts and trades register.^{xv} These activities include artistic traditional crafts, production-based traditional crafts, and service-oriented craft industries.

In contrast, the French legislator addressed the definition of the craftsman in Article 19 of Law No. 96-603, as amended and supplemented by the law issued on 18/06/2014, considering a craftsman to be any person (natural or legal) registered in the trades directory or business register, who carries out, on a principal or secondary basis, a production, processing, or repair activity, as well as services included in the list established by the Council of State. The French legislator further requires, in the case of workers employed by the craftsman, that their number does not exceed a maximum of ten employees.^{xvi}

Accordingly, and based on the above, it becomes clear that the Algerian legislator has excluded these activities from the scope of self-employment, on the grounds that they are already legally structured and regulated. Moreover, the main objective of the self-employed law is to regulate new economic activities that have emerged with the rise of the knowledge economy and digital economy, which are not subject to an established legal framework.

3. Procedural conditions for acquiring self-employed status:

a- Registration in the National Register of Self-Employed Persons:

Pursuant to Article 11, paragraph 1 of Law No. 22-23, the self-employed individual may submit a registration application to the National Register of Self-Employed Persons with the relevant institution responsible for this procedure. Registration may also be carried out through the digital platform established for this purpose.

b- Holding an electronic card (Self-Employed Card):

The self-employed card is used as a means of proving the individual status of the entrepreneur vis-à-vis third parties, including clients and suppliers. It allows them to verify the holder's identity and eligibility to provide services, and it also enables the holder to be recognized as an economic and social actor.

The Algerian legislator has specified the form, model, and data of the self-employed card in Article 2 of Executive Decree No. 23-198.^{xvii}

c- Obtaining a tax identification number:

Once the self-employed individual obtains the professional card, and within thirty (30) days from its issuance, he is required to declare himself to the territorially competent tax authorities, in accordance with Articles 10 and 11 of Law No. 22-23.

d- Declaration to the National Social Security Fund for Non-Salaried Workers:

This step is required in order to ensure adequate insurance coverage and social protection for the self-employed individual.

e- Declaration of turnover and payment of taxes and dues:

Once self-employed status is acquired and the activity is exercised, the individual is required to pay the relevant taxes and financial dues, declare the total income generated during the year, and comply with all applicable tax procedures.

Second – Advantages granted to the self-employed:

Chapter Two of Law No. 22-23 on the self-employed is entitled “Advantages granted to the self-employed.” Article 9 of the same law states as follows: “*The self-employed shall benefit from the following advantages:*”

- Keeping simplified accounting on a numbered and certified register by the territorially competent tax authorities, in which revenues and expenses related to the activity are recorded;
- Exemption from the obligation of registration in the commercial register, and a preferential tax regime;
- Opening a business bank account.
- It is also possible to identify certain elements that facilitate the exercise of the activity and may be considered as incentive-based advantages for the entrepreneur, such as autonomy in carrying out the activity and the possibility of practicing it from one's place of residence, which will be addressed below:

1- Advantages provided under Article 9 of Law No. 22-23:

a- Simplified accounting system:

The adoption of simplified accounting through a numbered and certified register by the territorially competent tax authorities, in which revenues and expenses related to the commercial activity are recorded,^{xviii} allows for clear monitoring of the financial situation.

In order to benefit from this advantage, the self-employed is subject to the provisions of Law No. 07-11 establishing the financial accounting system,^{xix} enabling him to calculate the balance on a monthly, seasonal, or annual basis depending on the declared tax regime, whether profits are generated or not.

The fact that the self-employed maintains simplified accounts instead of resorting to certified accountants who charge high fees constitutes a motivating measure to encourage young people to engage in individual commercial activity. Moreover, requiring more complex accounting in many cases leads to tax evasion and failure to declare income, which in turn may result in criminal penalties.

b- Exemption from registration in the National Centre of the Commercial Register:

The Algerian legislator's consolidation of information and communication technologies under Law No. 13-06 dated 13 July 2013, amending and supplementing Law No. 04-08 of 14 August 2004 on the conditions for carrying out commercial activities,^{xx} particularly after the issuance of Executive Decree No. 15-11 determining the procedures for registration, amendment, and deletion in the commercial register,^{xxi} and the activation of these laws following the adoption of Law No. 18-05 on electronic commerce dated 10 May 2018,^{xxii} along with its implementing decrees, raises the question of the rationale behind exempting the self-employed individual from commercial register registration and reducing his administrative burdens.

The view that it is sufficient for the self-employed to maintain simplified accounts through a numbered and certified register as a simplified administrative procedure for establishing and managing the activity^{xxiii} relieves him of potentially costly financial obligations, especially since the main targeted category is young people with limited financial resources. Consequently, the legislator also removed the obligation to provide a property deed, lease contract, allocation document, or concession for the exercise of the activity.^{xxiv}

Accordingly, and based on the above, although the name attributed to the self-employed activity is important—indeed assumed as it distinguishes the activity from other entrepreneurial activities—we note that the legislator has not explicitly regulated it. This raises the question of whether the holder of this activity truly enjoys the right to a trade name, which authority is competent to register it, or whether it can be dispensed with entirely given the nature of this system.

c- Benefiting from a preferential tax regime:

Tax incentives constitute a tool used by states seeking to strengthen their national economy and create an attractive investment environment in specific sectors, according to adopted policy frameworks. Through such incentives, the state forgoes part of its financial revenue in the form of benefits or exemptions granted to a specific category, in order to ensure their continuity and efficiency, encourage self-financing, stimulate innovation, and promote participation in economic development.

In pursuit of these objectives, any natural person holding self-employed status under Law No. 22-23 benefits from a preferential tax regime. Article 16 of the Finance Law for 2023^{xxv} sets the rate of the single flat tax at 5% for activities carried out within the entrepreneurial framework, which is a relatively low rate. This reflects the fact that the self-employment system targets a category that is often in urgent need of work and capital and lacks adequate

tools and resources to manage an investment project.^{xxvi} This rate was further reduced under Article 18 of the Finance Law for 2024, reinforcing the preferential nature of the system.

Pursuant to Article 282 bis of the Direct Taxes and Similar Duties Code,^{xxvii} the single flat tax covers the income tax, value-added tax, and local solidarity tax.¹ Article 282 bis 1 specifies the natural persons subject to this regime.²

It is also important to note that self-employed individuals have benefited from preferential treatment compared to other categories under the single flat tax for each fiscal year, following the amendment to Article 365 bis of the Direct Taxes and Similar Duties Code, introduced by Article 29(2) of the Finance Law for 2025.^{xxviii} The provision states as follows: "...however, for activities carried out under the self-employed legal framework, this amount is set at 10,000 DZD, and this minimum tax must be paid in full no later than 30 June of the relevant year."

Furthermore, limiting the annual turnover of self-employed individuals to less than five million dinars instead of eight million dinars, as stipulated in Article 282 bis 1, may lead young entrepreneurs to fall under the provisions of commercial law, particularly commercial registration requirements, thereby causing them to lose some of the advantages and incentives guaranteed by this legal framework.^{xxix}

d- Opening a business bank account:

Banks and financial institutions provide a range of services, including the opening of personal and business bank accounts in accordance with applicable banking laws and regulations. Through such an account, the self-employed individual may carry out various banking transactions, including withdrawals, deposits, transfers, and direct debits, while benefiting from the services and facilities offered by the account for the management and development of his business project, whether within the country or abroad. This has become particularly important in light of the availability of digital platforms, electronic payment systems, and other modern technological tools.

2- Other Advantages:

In addition to the foregoing benefits, the self-employed entrepreneur is granted a number of other facilities and guarantees aimed at encouraging participation in this scheme and promoting capital investment. These advantages may be inferred from the various provisions of the aforementioned Law No. 22-23, including the following:

a- Independence in carrying out economic activity:

Independence in the exercise of economic activity refers to self-reliance and the entrepreneur's exclusive authority in managing his material and human resources, as well as his autonomy in making present and future decisions and assuming responsibility for their consequences.^{xxx} This enables him to implement and develop his own ideas.

¹ Article 282 bis: Introduced by Article 2 of the Finance Act for 2007 and amended by Article 13 of the Finance Act for 2015, Article 8 of the Finance Act for 2020, and Article 79 of the Finance Act for 2024.

² Article 282 bis 1: Introduced by Article 2 of the Finance Act for 2007 and amended by Articles 9 and 14 of the Finance Act for 2010, Article 16 of the Finance Act for 2011, Article 3 of the Supplementary Finance Act for 2011, Article 13 of the Finance Act for 2015, Article 8 of the Finance Act for 2020, Article 14 of the Finance Act for 2020, Article 26 of the Finance Act for 2021, Article 73 of the Finance Act for 2022, and Articles 17 and 79 of the Finance Act for 2024.

In application of this principle, the Algerian legislator, through the Self-Employed Law, has granted entrepreneurs the freedom to produce and distribute goods and provide services without undue restrictions, thereby contributing to economic progress. This legislative orientation can be traced back to the reform of the legal system and the constitutionalization of the principle of freedom of trade and industry in 1996. Article 37 of the Constitution provided that: *“Freedom of trade and industry is guaranteed and shall be exercised within the framework of the law.”* This principle was reaffirmed in the 2016 constitutional amendment under Article 43 and maintained in the 2020 constitutional revision, where Article 61 states: *“Freedom of trade, investment, and entrepreneurship is guaranteed and shall be exercised within the framework of the law.”*

b- Provision of social protection:

Through the Self-Employed Law, the legislator sought to strengthen the entrepreneurial sector and create a degree of social stability for the self-employed individual, who is often considered the weaker party in economic relations. In this regard, efforts have been made to reduce the risks that may affect the entrepreneur by providing insurance coverage at the lowest possible cost for both the entrepreneur and any dependent workers, while granting access to rights resulting from affiliation with the National Social Security Fund for Non-Salaried Workers (*CASNOS*). These benefits include access to the *Chifa* health insurance card and retirement pension contributions.

Accordingly, pursuant to Article 10 of the Self-Employed Law, the self-employed individual is required to declare his activity to the National Social Security Fund for Non-Salaried Workers (*CASNOS*).

c- Facilitation of the legal and administrative procedures for establishing the enterprise:

The self-employed regime allows a natural person to carry out an activity individually without the need to establish a legal entity, provided that he or she has reached the legal working age. It also eliminates the need to secure separate business premises for the activity and simplifies the administrative procedures required for establishing and operating economic projects.

d- Authorization to conduct the activity at the place of residence (business domiciliation):

Pursuant to Article 7 of Law No. 22-23, the self-employed individual may conduct the activity either at his place of residence or in shared workspaces. This reflects the Algerian legislator’s intention to relieve entrepreneurs of the costs associated with renting business premises when the activity is carried out outside their residence,^{xxxix} particularly given the high cost of rent compared to the financial capacity of many self-employed individuals.

The legislator has gone even further by granting legal protection to the entrepreneur’s personal residence. In cases where the activity causes damage to third parties or gives rise to personal debts, this protection prevents the seizure of the entrepreneur’s principal personal or family residence used in connection with the activity.^{xxxix} This constitutes a departure from the general rules of the Code of Civil and Administrative Procedure, particularly Article 721 concerning the seizure of a debtor’s assets,^{xxxix} and an exception to the principle of the unity of patrimony, according to which the entirety of a person’s assets serves as security for his debts. In other words, the entrepreneur’s principal residence is excluded from the general security available

to creditors, making this protection one of the fundamental guarantees granted by Law No. 22-23 to the individual entrepreneur.

Nevertheless, allowing the entrepreneur to conduct the chosen activity at his place of residence, whether living independently or with family members and relatives, particularly when ownership, lease, or usufruct rights over premises designated for commercial, industrial, craft, or professional use are unavailable, may in many cases create practical difficulties. These include the absence of a suitable working environment and the inability to comply with public safety and health requirements, thereby increasing the level of operational risk.

Section Two

Institutional Bodies Responsible for Supervising and Regulating Self-Employment Activities

In order to implement the self-employed regime in practice and to give effect to the principle of independence in the exercise of economic activity, the Algerian legislator established institutions responsible for stimulating the labor market and supporting young people in creating productive and service-oriented activities. This framework is embodied in Executive Decree No. 23-196 of 25/05/2023 concerning the organization and functioning of the National Agency for the Self-Employed, as well as Executive Decree No. 23-197 of 25/05/2023, which determines the list of activities eligible for this regime and the procedures for registration in the National Register of Self-Employed Persons.

Accordingly, this section examines the following institutions and mechanisms including the National Agency for the Self-Employed; the National Register of Self-Employed Persons; the Self-Employed Activities Committee.

First – The National Agency for the Self-Employed

1- Definition of the National Agency for the Self-Employed:

The Algerian legislator defines the National Agency for the Self-Employed in Article 2 of Executive Decree No. 23-196 as: “*a public institution of an administrative nature, possessing legal personality and financial autonomy.*” It is placed under the supervision of the minister responsible for start-ups and is headquartered in **Algiers**.

The Agency is managed by a Board of Directors composed of ten (10) representatives from various ministries, appointed by decision of the minister responsible for start-ups, while the Board is chaired by a representative of the same ministry. Board members serve a term of three (3) years, renewable once. The Agency may also seek the assistance of any person possessing expertise that contributes to the achievement of its objectives. In our view, few individuals are better qualified in this regard than specialists in technology and artificial intelligence, particularly those with expertise in entrepreneurship.

The Director General of the Agency is appointed by decree in accordance with the applicable regulations, upon the proposal of the minister responsible for start-ups. His functions are terminated according to the same procedures.

The legislator’s decision to entrust the management of the Agency to both a Board of Directors and a Director General may be regarded as evidence of the institution’s autonomy. Nevertheless, this autonomy remains incomplete due to its subjection to supervisory authority

and administrative oversight, especially since the Agency's deliberations and projects become effective only after approval by the competent supervisory authority.

2- Agency Structures:

To facilitate the Agency's operation and the delivery of its services, the legislator has provided it with a number of central structures,^{xxxiv} namely:

a- Information Systems Directorate:

Recognizing the rapid pace of digital transformation and seeking to facilitate the establishment of self-employed activities through simplified procedures, the legislator has enabled legal procedures to be carried out through a digital or electronic platform. This directorate is responsible for maintaining the National Register of Self-Employed Persons and receiving applications. It also oversees the management of the platform, the registration and deregistration of self-employed individuals from the register, the issuance of self-employed cards, and their cancellation. Such procedures contribute to expanding investment opportunities, creating employment, and fostering economic development.

b- Support and Monitoring Directorate:

This directorate is responsible for monitoring the activities of self-employed individuals in coordination with the various institutions affiliated with ministries that contribute to the development and support of self-employment activities. It also verifies whether entrepreneurs are effectively carrying out their activities and complying with all legal obligations, while preparing reports on the organization and evaluation of the Agency's activities.^{xxxv}

c- General Administration and Resources Directorate:

This directorate is entrusted with managing and administering the Agency's administrative and financial affairs. It is responsible for preparing the Agency's budget, maintaining its accounting records, preserving its infrastructure, managing personnel files, and ensuring the availability of all resources and equipment necessary for the continuity of the Agency's operations and the achievement of its objectives.^{xxxvi}

The Agency's organizational structure reflects the legislator's commitment and seriousness in adopting an individual entrepreneurship system based on information technology and digitalization, in recognition of ongoing technological transformations. Furthermore, the establishment of a dedicated central directorate for support and monitoring demonstrates the legislator's intention to strengthen the role of the National Agency in integrating self-employment activities into the national economic framework.

3- Functions of the National Agency for the Self-Employed:

Under the provisions of the Self-Employed Law, the legislator has entrusted the Agency, as the primary institution responsible for monitoring and overseeing self-employment activities, with a number of functions, including the following: ^{xxxvii}

- Maintaining the National Register of Self-Employed Persons (creation, preservation, updating, and renewal), in order to ensure that no undeclared activity is carried out;
- Managing and operating the digital platform dedicated to self-employment;
- Receiving and processing applications and issuing decisions of acceptance or rejection;
- Carrying out registration, cancellation, deregistration, and re-registration procedures in the National Register;

- Supporting self-employed individuals through guidance, assistance, monitoring, and follow-up of activity implementation in accordance with the required standards;
- Updating the list of eligible activities by removing, amending, or adding activities in line with economic developments.

It should be noted that although Article 19 of the decree governing the organization of the Agency provides that its budget includes a revenue section and an expenditure section, including transfer expenditures where necessary—that is, financial support that may be granted to self-employed individuals when required—we do not find this function expressly included among the competencies listed above.

4- Management and Administration of the National Agency for the Self-Employed

As previously noted, the National Agency for the Self-Employed is managed and administered through two principal bodies: the Board of Directors and the Director General. Each of these will be examined in detail below.

a- Functions of the Board of Directors:

As the governing body of the Agency, the Board of Directors performs a number of functions specified in Article 7 of Executive Decree No. 23-196, including:

- Developing and implementing the Agency’s plans and work programs;
- Establishing various internal regulations and procedures;
- Preparing, reviewing, and approving the budget and administrative accounts;
- Creating and establishing branch offices;
- Accepting and allocating donations and bequests in accordance with the principles of transparency and integrity;
- Providing guidance, advisory opinions, oversight, and other related functions.

b- Deliberations of the Board of Directors:

The Board holds four (4) ordinary sessions per year. It may also convene extraordinary sessions in accordance with Article 10 of Executive Decree No. 23-196.

For the Board’s deliberations to be valid, at least half of its members must be present. If the required quorum is not met, a new meeting shall be convened within eight (8) days following the date of the first meeting.

Upon completion of the deliberations, the decisions are recorded and signed in special minutes and transmitted to the minister responsible for start-ups and to the other members within fifteen (15) days following the meeting date, in accordance with Article 12 of Executive Decree No. 23-196. These deliberations become enforceable within thirty (30) days unless an objection is raised by the supervisory authority.

c- Functions of the Director General:

The Director General is responsible for managing the Agency in accordance with professional and legal standards so that it can properly provide its services to the concerned parties. To this end, the legislator has granted the Director General, under Article 15 of Executive Decree No. 23-196, a number of powers, including:

- Representing the Agency before the courts in all matters and disputes of a judicial nature;
- Identifying activities and developing executable plans and work programs;

- Monitoring the implementation of decisions issued by the Board of Directors;
- Preparing annual budget estimates and updating them whenever changes occur;
- Preparing the administrative accounts at the end of each financial year;
- Ensuring the effective and sustainable management of all human and financial resources necessary for the Agency, while guaranteeing compliance with internal regulations;
- Concluding contracts, procurement agreements, and various arrangements related to the Agency's activities and operations;
- Supervising, managing, and appointing personnel in a manner that preserves workplace harmony and strengthens institutional order within the Agency.

It should be noted that these powers granted to the Director General, particularly the authority to represent the Agency before the courts, demonstrate that the Agency possesses legal personality. Such legal personality entails a number of legal consequences, including the right to litigate, the capacity to contract and enter into legal transactions, the ability to incur legal responsibility, and other rights and obligations associated with juridical personhood.

Second – Bodies Affiliated with the National Agency for the Self-Employed

As previously noted, among the functions entrusted to the Agency are the maintenance of the National Register and the monitoring of self-employed activities. Accordingly, this section examines the procedures for registration in the National Register of Self-Employed Persons and the Self-Employed Activities Committee. It should also be noted that the legislator has authorized the establishment of Agency branches through a joint decision issued by the minister responsible for start-ups, the Minister of Finance, and the authority responsible for the civil service.

1- The National Register of Self-Employed Persons

Article 12 of Executive Decree No. 23-196 provides that: *“Every natural person carrying out an activity included in the list of eligible activities shall be registered in the National Register of Self-Employed Persons, hereinafter referred to as the National Register.”*

a- Procedures for registration in the National Register of Self-Employed Persons:

Pursuant to Article 15 of Executive Decree No. 23-197 mentioned above, an application for registration in the National Register may be submitted either directly to the National Agency for the Self-Employed, headquartered in Algiers, or through the digital platform dedicated to self-employment. The applicant must upload the required documents together with the information form available on the platform after completing it.

Once the registration process is completed, a confirmation notice is issued. The application is then examined within a period of three (3) days from the date of submission, and the applicant is notified of either acceptance or rejection. In the event of rejection, the reasons for the decision must be stated. ^{xxxviii}

If the registration application is accepted, the applicant acquires the status of self-employed. The self-employed card, bearing a unique registration number, is sent to the applicant by electronic mail. In addition, an extract from the Register is issued, indicating the field of activity selected by the applicant. Upon completion of these procedures, the applicant becomes

entitled to all the rights and subject to all the obligations provided for under the legal framework governing self-employment. ^{xxxix}

In the event of rejection, the applicant has the right to lodge an appeal before the competent services of the minister responsible for start-ups within a period not exceeding thirty (30) days from the date of notification of the refusal, in accordance with Article 24 of Executive Decree No. 23-197.

b- Deregistration from the National Register of Self-Employed Persons:

The Algerian legislator regulates the cases of deregistration of self-employed individuals in Articles 22 to 25 of the aforementioned decree. Accordingly, the National Agency for the Self-Employed is responsible for removing a self-employed individual from the National Register in the following cases:

- If the entrepreneur expresses the desire to cease the activity;
- Failure to declare annual turnover to the tax authorities or the submission of a false declaration;
- The existence of legal or judicial reasons preventing the entrepreneur from carrying out the activity, thereby necessitating deregistration;
- The death of the entrepreneur.

c- Legal effects of deregistration:

Upon completion of the deregistration process, the self-employed individual is required to notify the institutions with which he is affiliated—such as the National Social Security Fund for Non-Salaried Workers, the bank where the business account was opened, and the tax authorities—that he has lost the status of self-employed as a result of deregistration from the Register. Such notification must be made within the legally prescribed period, namely fifteen (15) days from the date of the deregistration decision, pursuant to Article 23 of the same decree. Deregistration also results in the cancellation of the self-employed card, in accordance with paragraph 2 of the same article.

If the deregistered entrepreneur considers the decision unjust, he may lodge an appeal before the services of the minister responsible for the knowledge economy, start-ups, and small enterprises within thirty (30) days from the date of notification of the deregistration decision. The appeal must be examined and a response issued within thirty (30) days from the date of its submission (Article 23, paragraph 2).

In such cases, the deregistration decision may either be upheld or reversed. The entrepreneur may regularize his situation by paying all outstanding tax and parafiscal obligations, after which he may be re-registered and regain the status of self-employed together with all the legal effects attached thereto (Article 25).

2- The Self-Employed Activities Committee

The Algerian legislator has entrusted the determination of legally eligible activities to a special body known as the **Self-Employed Activities Committee**, which operates under the supervision of the National Agency for the Self-Employed.

a- Composition of the Self-Employed Activities Committee:

The legislator defined the composition of the Self-Employed Activities Committee in Article 11 of Executive Decree No. 23-197. The Committee is chaired by the Minister of the

Knowledge Economy, Start-ups, and Micro-Enterprises, or by his representative. It is composed of a number of members, including ministers and experts, whose membership is determined for a period of three (3) years by decision of the minister responsible for start-ups, upon nomination by the authorities and organizations to which they belong.

b- Functions of the Self-Employed Activities Committee:

The Activities Committee is entrusted with a number of responsibilities,^{x1} including:

- Examining activities eligible for the benefits of this legal framework, expressing opinions thereon, and submitting proposals and recommendations concerning them;
- Examining and proposing the inclusion of new specific activities;
- Proposing the incorporation of emerging activities based on international standards and references;
- Examining amendments related to the designation, content, or removal of activities;
- Approving and coding activity sectors and individual activities.

Conclusion

After reviewing and analyzing the various aspects of the legal framework governing self-employment in Algerian legislation, it appears that this system constitutes a strategic and effective mechanism for integrating young people into the formal economy and encouraging emerging digital and knowledge-based activities.

To ensure the full achievement of its intended objectives and its long-term sustainability, the following section presents a summary of the main findings of the study, accompanied by a set of recommendations aimed at enhancing the flexibility and effectiveness of this legal framework.

Findings

Based on the analysis of the legal framework of self-employment in Algerian legislation, the following key findings may be highlighted:

1. The Algerian legislator has succeeded in establishing a modern and dedicated legal framework designed to integrate and regulate new economic activities, particularly those related to the knowledge economy and the digital economy. This represents an important step toward promoting self-employment and combating unemployment.
2. The system offers significant procedural simplicity through measures such as registration via a digital platform and exemption from commercial register registration. It also provides strong incentives, most notably the unified flat-rate tax regime with a low rate of 5% and the reduction of the minimum tax threshold.
3. The legislator has granted self-employed individuals social protection guarantees through affiliation with *CASNOS*, as well as unprecedented legal protection by preventing the seizure of their principal residence for debts arising from their professional activity. This constitutes a protective exception to the traditional principle of the unity of patrimony.
4. The establishment of the National Agency for the Self-Employed as a specialized institution, supported by dedicated directorates such as the Information Systems

Directorate and the Support and Monitoring Directorate, demonstrates a serious commitment to regulating and supervising self-employment activities.

5. The legislator has faced criticism regarding the restrictive nature of the list of eligible activities. Although the exclusion of regulated professions and organized craft activities may be justified, limiting eligible activities restricts the entrepreneur's freedom to choose an activity and may conflict with broader objectives of encouraging innovation and entrepreneurship.

Recommendations

In light of the challenges identified and the findings of this study, and with a view to improving and strengthening the legal framework governing self-employment, the following recommendations are proposed:

1. Introduce legislative amendments to periodically expand the list of eligible activities so as to include new and innovative sectors that keep pace with global developments, while maintaining the exclusion of regulated professions.
2. Grant the Self-Employed Activities Committee greater flexibility and responsiveness in the inclusion, amendment, and updating of activities in accordance with evolving market and economic needs.
3. Strengthen the role of the Support and Monitoring Directorate within the Agency by providing continuous technical, fiscal, financial, and training support to self-employed individuals, particularly during the early stages of their activities, rather than limiting its role to registration and oversight.
4. Incorporate experts in technology and artificial intelligence into the Agency's Board of Directors in order to support the transition toward digitalization and the knowledge economy.
5. Reconsider the minimum age requirement for exercising self-employment activities (16 years) and assess whether individuals within this age group possess the capacity to assume responsibility for commercial decisions and adequately protect themselves against market risks and fraud.

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