# The Legal Framework for Micro-Import Activity in Light of Executive Decree No. 25-170

# الإطار القانوني لنشاط الاستيراد المصغر على ضوء المرسوم التنفيذي رقم 25 - 170

**IglouliOuld Rabah Safia[1], Iglouli Mohamed[2]**

[1]Faculty of Law and Political Science, Mouloud Mammeri University of Tizi-Ouzou, (Algeria), safia.iglouli@ummto.dz

[2]Faculty of Law and Political Science, Mouloud Mammeri University of Tizi-Ouzou (Algeria), mohamed.iglouli@ummto.dz

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**الملخص:**

في إطار توجه الدولة نحو دعم المبادرات الفردية وتشجيع الشباب على دخول عالم الأعمال في ظل بيئة عمل قانونية ومن ثم تطوير قطاع الاستيراد المصغر في الجزائر ،وفي سياق تطبيق نظام المقاول الذاتي والحد من التجارة غير الرسمية ، صدر المرسوم التنفيذي رقم 25-170يحدد شروط وكيفيات ممارسة نشاط الاستيراد المصغر من طرف المقاول الذاتي حيث يهدف إلى وضع إطار قانوني صارم وواضح لتنظيمه ، ويحدد بدقة المعايير المادية والمالية التي تُعرّف هذا النشاط، كما يفرض شروطًا إلزامية لممارسته، أبرزها التسجيل في سجل خاص لدى الجهات الإدارية المختصة. هذا الإجراء يضمن تتبع المعاملات وتعزيز الشفافية، ما يمنع تحول هذا النوع من الاستيراد إلى وسيلة للتهرب الضريبي أو المنافسة غير الشريفة، ويساهم في دمج النشاط ضمن الأطر الاقتصادية الرسمية. كما أنه لا ينظم الاستيراد فحسب، بل محاصرة التجارة غير الرسمية التي تستغل حالة غياب الأطر القانونية لتنمية أنشطتها، مما ينعكس سلبًا على الاقتصاد الوطني ويخلق منافسة غير عادلة للقطاعات الرسمية.

**الكلمات المفتاحية:** المقاول الذاتي، نشاط الاستيراد المصغر، المستورد المصغر، التجارة غير الرسمية.

## Abstract:

As part of the State's orientation towards supporting individual initiatives and encouraging young people to enter the business world in a legal working environment and thus develop the small import sector in Algeria, and in the context of the implementation of Self-Contractor regime and the limitation of informal trade, executive Decree No. 25-170, was issued, defining the conditions and procedures for the exercise of by independent entrepreneurs. It aims to establish a strict and clear legal framework to regulate this activity and precisely defines the material and financial criteria that define it. It also imposes mandatory conditions for its exercise, including registration in a special register with the competent administrative authorities. This measure ensures the tracking of transactions and enhances transparency, preventing this type of import

***Corresponding author****: Iglouli Ould Rabah Safia,* ***e-mail:****safia.iglouli@ummto.dz.*

from becoming a means of tax evasion or unfair competition. It also contributes to integrating the activity within the formal economic framework. This has a negative impact on the national economy and creates unfair competition for formal sectors. Therefore, linking micro-import activity to clear legal conditions and regulatory procedures represents an essential step toward rationalizing the market

**Keywords:** Independent Entrepreneurs; Micro-Import Activity; Micro-Importer; Informal Market.

## Introduction:

Algeria is going through big changes in its economy because it needs to diversify its economy and make it more sustainable. The goal is to slowly cut down on its reliance on hydrocarbons. This change comes with a clear commitment to moving toward a digital economy and a knowledge-based economy, which is the trend around the world right now. The Algerian government has shown this desire by passing a number of laws that include the idea of the self-employed entrepreneur in the legal system. They have also started programs to help small and new businesses, which are seen as important drivers of growth and innovation.

Executive Decree No. 25-170[1] was issued in this context and with the goal of bringing all economic actors into the formal economy. It was based on Law No. 22-23, which sets up the legal framework for self-employment.[2] A lot of young people in Algeria, especially informal kabbah traders, have traditionally worked in the small-scale imports business. This decree aims to control and manage that business. The decree sets out rules that give self-employed entrepreneurs a formal legal status and a number of benefits, such as easier accounting, not having to pay certain licenses, lower customs duties, and a better tax system.

Some people might say that this executive order brings back a way of dealing with Algeria's complicated economic situation in the early 1990s. This time, though, it works within a structured framework that aims to bring the informal economy into the fold. This development makes people wonder how well the decree can create a legal framework for small-scale imports and help them become part of the formal economy.

This study employs an inductive methodology by analyzing the stipulations of Executive Decree No. 25-170 to address the inquiry. Consequently, this research will examine the notion of small-scale import activity, its prerequisites, regulatory stipulations, and the execution of such activities by individuals classified as auto-entrepreneurs (self-employed entrepreneurs).[3] The study will subsequently elucidate the ensuing legal ramifications, focusing specifically on the incentives and advantages that promote assimilation into the formal market.[4]

## 1- The Small-Scale Importer: Auto-Entrepreneur

Law No. 22-23 is the main law that sets up the basic legal framework for the auto-entrepreneur.[5] It is also the main law that governs and starts microenterprise activities. It is seen as a way to create jobs and add value, as the government wants it to encourage young people to start their own businesses and help the economy grow. Because of this, registering as an auto-entrepreneur is now easier, administrative tasks are now easier, and these entrepreneurs now have to pay less in taxes and social security.

In the same vein, the government has worked to make it easier for young people to join the formal economy and to encourage an entrepreneurial way of thinking. The auto-entrepreneur system has become a strategic tool for moving many activities out of the parallel economy. This makes economic policies work better,[6] reduces social vulnerability and unemployment, and strengthens the national economy by connecting economic actors with systems of social protection and rights. It also promotes a culture of legal economic activity.

The purpose of Executive Decree No. 25-170 was to make the status of small-scale importers who do business without official permission and those who do informal import trade (also known as kabba) more stable. The decree lets these businesses operate legally, which is meant to help the national economy and fight the black market. It also recognizes how important this kind of trade is for providing a wide range of goods and creating jobs. There has been a lot of debate about the process, especially about how to get foreign currency and the legal, economic, and practical problems that come with it.

It is interesting to note that Algeria has seen this kind of import activity before, when "imports without payment" were first regulated by Instruction No. 06-91 on October 17, 1991.[7] The country had to take this step because of the terrible economic situation it was in in the 1990s, after its economy crashed in 1986, oil prices fell sharply, and its foreign exchange reserves ran out. At that time, the country's debt to other countries was more than $18 billion.[8] Because of these terrible conditions, Algeria had to borrow money from international banks between 1991 and 1995. The terms were very strict, which hurt both the economy and society. The effect was huge; it changed the structure and amount of national wealth, as shown by the gross domestic product.

Executive Decree No. 25-170, which aims to control small-scale imports and give legal recognition to self-employed people in this field, is a sign of a new direction for the national economy. Nonetheless, significant inquiries persist regarding the adequacy of this legal framework to fulfill its articulated goals—especially concerning the transition of these activities from the informal to the formal economy, the elimination of procedural barriers, and the safeguarding and incorporation of self-employed traders into the official economic system. To answer these questions, we will first define the term "small-scale importer" and look at the protective measures that are meant to bring these people into the legal system. Then, we will look at whether this system does what it is supposed to do.

**1.1- The Concept of the Small-Scale Importer:**

UNCITRAL promotes the "think small first" strategy as a fundamental guidance which serves as a crucial reference for Algeria to support its small enterprises. The group has repeatedly requested that this committee obtain special consideration. The organization has demanded developing nations to adopt laws which integrate and assist small businesses through appropriate support mechanisms. Algerian legislation shows evidence of UNCITRAL's impact through reforms which focus on enhancing investment opportunities and simplifying business operations while aligning with global standards. Legislative efforts in recent years have focused on simplifying the process of starting and running micro and small businesses through legal updates while reducing bureaucratic obstacles. The approach follows UNCITRAL principles since it produces simplified regulations that drive domestic and foreign investment while ensuring swift resolution of business disputes. So, the decree is a practical example of this approach, especially with the addition of the "micro-importer"

category. This is a good and direct step toward putting UNCITRAL's "think small first" idea into action.

Before this decree was passed, the idea of importing was mostly linked to big and medium-sized businesses. This meant that a lot of small businesses and even people who did small or informal business activities were left out. In this context, the main goals of the decree are to bring young traders who work outside of the formal system into the regulated legal system. This will make it easier for businesses to move from the informal market to the formal economy.

**1.1.1- Definition of the Micro-Importer:**

Executive Decree No. 25-170, Article 2, does not give a clear definition of the micro-importer. Instead, it defines micro-importing as the act of individuals (often self-employed entrepreneurs) bringing in small amounts of goods from other countries to sell in their original condition, without any processing or domestic manufacturing. This type of importing is different from traditional importing because it is done by individuals instead of businesses or stores. It also usually doesn't require registration in the commercial register or the issuance of official import licenses, which is a common feature of many modern regulatory systems.

Based on this, a micro-importer is a natural person who is legally a self-employed entrepreneur and imports small amounts of goods while traveling abroad with the intention of reselling them in Algeria without changing or modifying them. The most you can bring into the country is 1,800,000 Algerian dinars (about 180 million centimes) per trip, and you can only make two trips a month. This means that the total value of all the goods you bring in is 360 million centimes per month.

**1.1.2- Conditions Required of the Micro-Importer to Benefit from Executive Decree No. 25-170:**

Executive Decree No. 25-170 sets out a number of conditions that must be met by a micro-importer, which are the same as those applicable to self-employed entrepreneurs, namely

**A- The Small-Scale Importer as a Natural Person Holding the Status of Self-Employed Entrepreneur:**

The small-scale importer must be a natural person who is legally a self-employed entrepreneur,[9] either an Algerian citizen or a foreign national living in Algeria,[10] and must be at least 16 years old.[11]

The fact that Algerian youth can start working in the import business at 16, even though the legal age of majority is 19,[12] shows that the government wants to encourage this age group to get involved in organized economic activity and make it easier for them to do so in a legal and official way. The goal of this strategy is to use the creativity of young people, especially in new fields, and to include them in the economy. However, it is important to remember that the business world, even when it's as simple as being self-employed, comes with a lot of risks and responsibilities, such as legal and financial ones. This legal inconsistency brings up questions about whether a 16-year-old can handle such responsibilities and shows how hard it is for lawmakers to strike a balance between encouraging entrepreneurship and making sure this age group is safe, since they are still legally a "minor" under the Civil Code.

**B- Exercising the Activity on an Individual Basis:**

The law's objective of enabling independent small-scale importers through self-employment functions to ease import processes while promoting youth involvement in independent trade activities.[13] The objective is to satisfy local market requirements for selected products and support individual access to mostly unrestricted imported goods while establishing legal recognition for unstructured small-scale import operations.

The implemented approach generates several legal problems. The business activity of importing carries extensive legal and financial duties together with substantial financial risks. A business must fulfill tax and customs payment obligations while following both national and international product standards and bear liability for product defects as well as operate under pricing and currency fluctuations. Allowing import activities within the self-employment framework—originally designed for service-oriented and creative activities with comparatively lower risks—may constitute a fundamental contradiction and a source of legal and financial difficulties for the small-scale importer. This framework doesn't have the protections and safety measures that are needed for international trade, which could make it easier for smuggling to happen or put small-scale importers in situations where their legal and financial responsibilities are too much for them to handle.

**C–Restriction of Activity to Natural Persons Holding a Valid Auto-Entrepreneur Card:[14]**

This provision makes it clear that only natural persons with a valid auto-entrepreneur card from the National Agency for the Auto-Entrepreneur can do small-scale import activities. By doing this, it makes it clear that legal entities (i.e., all types of companies) are not allowed to do small-scale importation. This means that only natural people can benefit from this system, since dealing with people is much easier than dealing with companies when it comes to administrative, tax, and regulatory matters. Also, this limit fits with the idea that a small-scale importer is a small business, usually run by one person. It also lowers the risk that companies will use this framework as a way to get around rules for large-scale imports.

To have an auto-entrepreneur card, you don't just need to have the card; you also need to make sure that the activity you register for on the card clearly includes importing. The National Agency for the Auto-Entrepreneur, the Ministry of Trade,[15] and the Customs Administration all worked together to make sure that the card is valid for this purpose.

An examination of the texts of Law No. 22-23 concerning the fundamental statute of the auto-entrepreneur and Executive Decree No. 25-170 uncovers legal discrepancies pertaining to the legislator's foundational philosophy and the classification of activities. Article 2 of Law No. 22-23 defines the auto-entrepreneur as a natural person who is doing a profitable, unregulated activity on their own. This does not include liberal professions, regulated professions, artisanal activities, or traditional business activities. It says that future rules will decide which activities are eligible.

In fact, Executive Decree No. 23-197 was issued to set up the list of activities that qualify for the auto-entrepreneur status and the steps that need to be taken to register in the National Auto-Entrepreneur Register.[16] The listed activities predominantly involve services or professional-type work, such as digital services, consulting, domestic services, and so forth, without including commercial activities such as trade or traditional importation.

Executive Decree No. 25-170, on the other hand, defined the small-scale importer as a natural person with auto-entrepreneur status who imports goods in small amounts for resale in their original condition, with limits on quantity, value, and monthly travel, and who gets several benefits. This goes against the basic law for auto-entrepreneurs, which from the start said that commercial activities, like importing goods to sell, were not allowed and that auto-entrepreneurs could not be traders or do business.

The legislator has created a clear contradiction with the original philosophy of the basic law by including small-scale importation—an activity that looks a lot like commercial trade—into the auto-entrepreneur framework. This has led to a lack of legislative coherence. This brings up a lot of questions: Should someone who imports small amounts of goods be called a trader or an auto-entrepreneur? Does the legislator's action in 2025 implicitly change the philosophy of the auto-entrepreneur statute by adding a type of business activity to its scope? Or is this a special deal, an exception meant to control certain parallel-trade systems within a certain framework?

Should the original legal provisions be revised to accommodate this change, or does this circumstance exemplify a legislative dissonance necessitating explicit rectification? The danger is that this framework could be used to get around or avoid some of the rules that traditional traders have to follow by pretending to be an auto-entrepreneur. From a legal perspective, the legislator has transitioned from prohibiting and excluding commercial activity from the auto-entrepreneur regime to permitting a specific type (small-scale importation) in a regulated manner, which may result in conflicting legal provisions and unclear legal statuses. To solve these problems, either the legislative vision needs to be unified or clarifying provisions and additional regulations need to be made.

**D- Requirement that the Small-Scale Importer Not Engage in Any Other Remunerated or Commercial Activity, or Practice Any Liberal Profession:**

The requirement to avoid participating in alternative profit-generating activities functions as a safeguard to guarantee that the small-scale importer adheres to the legal and fiscal parameters explicitly established for this category. It tries to stop people from using this legal framework to hide big, illegal business activities or to avoid paying taxes. So, people who are involved in big business or import operations—things that need a standard commercial register and compliance with all tax and social obligations—can't illegally take advantage of the benefits and privileges that come with being self-employed. Permitting the amalgamation of various profit-generating activities could effectively convert the self-employed small-scale importer into a multi-activity trader, thereby exempting them from the legal and fiscal obligations imposed on larger merchants.

The lawmaker also wanted to control the flow of goods and stop speculative practices. They knew that combining different activities could let the small-scale importer use their legal status for speculative purposes or send goods outside of official distribution networks in ways that aren't clear. So, this requirement is meant to make sure that the activities of small-scale importers are as clear and well-defined as possible. This will help keep the market stable and make sure that business deals are honest.

This condition is really just a part of a bigger plan to control markets and bring the informal economy into the formal sector. From the perspective of individual economic freedom, it may seem limiting, but it is a reflection of a legislative vision aimed at fixing

deep-seated structural problems in the Algerian economy. The ultimate goal is to create a marketplace that is more organized, open, and efficient.

**E- The value of imported goods must not exceed 1.8 million Algerian dinars (approximately USD 14,000) per trip, with a maximum of two trips per month:**

This restriction is meant to set a limit on the kinds of things a self-employed entrepreneur can do, in line with the idea of a micro-importer. The goal is to meet market needs with small amounts, stop large-scale commercial imports, and give the self-employed business owner a clear number that shows them how far their business can go. The decree sets a monthly limit on the value of imported goods for people who work in import businesses. This makes micro-importing different from regular commercial importing. To avoid breaking the law, define the scope of responsibility, and lower the risks of importing, it is necessary to set a limit on either the monetary value or the number of imports.

Also, the phrase "import for the purpose of sale" in Article 2 allows sales in a broad sense, rather than just direct retail sales. This means that the self-employed entrepreneur may be able to sell to other traders (wholesale or semi-wholesale), not just to the end user. This interpretation greatly expands the range of the activity. At the same time, it shows that the goal is not to allow large imports, but rather to control imports of small amounts to meet specific needs or fill gaps in the market. A micro-importer can't do large-scale wholesale or distribution, but they can sell directly to the end customer. This makes it less competitive with regular importers and wholesale traders.

It is important to note that if the legislature had wanted to limit sales to the final consumer, it would have probably used more specific terms like "retail sales," "sales to the final consumer," or "direct sales." People might think that sales are allowed on a larger scale because there are no clear restrictions.

The legislature may have also wanted to give self-employed entrepreneurs some freedom in how they market their goods, as long as they stay within the limits of value (1.8 million DZD)[17] and number of trips (two per month). In reality, this could mean that a self-employed business owner can sell to a small store, but not act as a main distributor who supplies many stores. The restriction pertains not to the buyer type, but to the aggregate volume and value of transactions. This framework could help self-employed entrepreneurs who only import small amounts of certain goods and then sell them to other small businesses. This would fill market gaps without the need for big import and distribution systems.

Finally, lawmakers sometimes like to use general terms and leave the specifics up to interpretation or later decisions by ministers. The decision to keep the word "sale" broad in scope may have been deliberate, meant to allow for more flexibility in its use or to keep the main legislative text from being too complicated.

**F- Opening a Foreign Currency Bank Account with the External Bank of Algeria:**

Executive Decree No. 25-170, Article 5 says that you must open a foreign currency bank account before you can do small-scale imports. This requirement has legal and economic effects that go far beyond those of a simple optional privilege; it is an obligatory gateway that small-scale importers cannot avoid.

The measure makes sure that all money that comes in from small-scale imports goes through official banking channels. This lets the authorities keep a close eye on foreign currency flows. You can't fight informal trade without keeping an eye on the flow of foreign

currency that keeps it going.[18] This deal makes it much easier to fight money laundering, tax evasion, and customs fraud. Bank records will show every dinar or dollar spent or used for imports, making it harder to fund illegal activities or get around set limits.

This mechanism also lets the central bank keep an eye on a part of foreign currency flows that it couldn't control before.[19] This helps the central bank manage its foreign exchange reserves, keep the economy stable, and make it easier for banks to do audits. It adds another level of oversight, making sure that the money used for imports comes from legal sources. At the same time, it makes the Algerian economy look better to international partners. This shows that the state is committed to following international rules for openness in business and financial dealings.

But to make sure that small-scale importers can meet this new requirement without too much trouble, the condition must be made as simple as possible, and they must also get enough support and information.

**G- Enrollment in the National Social Security Fund for Non-Salaried Workers:**

This requirement is not just a formal administrative step; it represents several goals—economic, social, and regulatory—that the Algerian government wants to reach.

The main goal is to expand the number of people who can get social protection to include new types of economic actors. Many people who work in the informal sector, like small-scale importers and traders, have never had any kind of social coverage. This means that they are at risk of losing their jobs, getting sick, getting old, or becoming disabled without any help. Small-scale importers who join the Fund are guaranteed health coverage, including medical care and medication, maternity insurance, insurance against workplace accidents and occupational diseases, and retirement benefits. This shows that the state is dedicated to making sure that economically active citizens have at least a basic level of social welfare.

By providing a social safety net, small-scale importers can work with more peace of mind and financial security, which is good for their personal stability and family life. Additionally, requiring small-scale importers to register puts them under the state's financial and administrative control. This not only gives accurate information about the size and activities of this group, but it also helps to control the market and cut down on illegal activities.

Also, enrollment automatically adds small-scale importers to a database that tax authorities can access. This lets them keep an eye on their activities and income, which makes it more likely that they will pay their taxes and fees in the future, even if these obligations are first given on better terms. While the contributions to the Fund may initially be symbolic for an auto-entrepreneur, they still help to strengthen the Fund's financial resources, which ensures its long-term viability and ability to meet its obligations to insured individuals.

The Fund membership mandate functions as a regulatory mechanism that operates through multiple channels. The requirement to join the Fund stands as a fundamental measure to enhance social protection systems while controlling informal economic activities and fighting tax evasion and creating a fair competitive market environment. The long-term success of this system depends on strong enforcement practices together with sufficient awareness among targeted groups and their willingness to participate in this framework.

**H- Requirement for the Small-Scale Importer to Obtain an Annual General License for Practice Issued by the Ministry of Foreign Trade:**

The Ministry of Foreign Trade requires small-scale importers to obtain a general license before starting their import operations. The process to obtain this license requires submission within five (5) business days after the application.[20] This represents an additional and critical regulatory framework. The Ministry maintains direct oversight of small-scale import activities through this mechanism which enables them to set import quantity limits and product restrictions based on economic state policies including domestic production protection and import bill control.

Small-scale import activities remain regulated because this rule prevents them from evolving into an unregulated large-scale import network. The Ministry maintains control through this system to check whether small-scale importers adhere to product technical standards together with quality standards. The regulation protects customers from purchasing substandard products which do not fulfill required standards. Such regulatory measures prevent speculation and monopolistic control of particular goods because these issues frequently arise in unregulated markets. Including small-scale import activities within the state's foreign trade strategy becomes easier because this system enables consistent decision-making and effective economic policy implementation.

The self-employment regime intended to simplify operations yet requiring a Ministry of Foreign Trade license adds complexity and extends processing time. The approval process of obtaining such a license raises an essential question about its simplicity and speed to determine if people will participate or face yet another barrier. The Ministry needs to issue these licenses through a fast and straightforward process for the system to function properly.

There appears to be some uncertainty regarding oversight responsibilities between the self-employment card system which tracks activities and the Ministry license which controls operations. The two different requirements serve distinct purposes because the self-employment card establishes general operational guidelines while the Ministry provides specific authorization for small-scale imports through its expertise in foreign trade regulation.

The central challenge exists in uniting the flexible approach of self-employed entrepreneurs with the essential import regulations which safeguard domestic production together with foreign currency reserves and product quality standards. The licensing system must maintain sufficient business-friendly flexibility while implementing regulations which ensure compliance. The requirement allows government officials to receive accurate information regarding micro-import volumes and types which supports effective economic planning and informed decision-making.

So, it can be said that the law that micro-importers need to get both a self-employed entrepreneur card and a license from the Ministry of Commerce shows a legislative vision to frame and regulate an important and sensitive activity that was mostly done outside of formal channels before. This requirement serves many purposes, such as making the informal economy more official, making things more clear, controlling the flow of goods, stopping illegal business practices, and, in the end, protecting both the consumer and the national economy.

The biggest problem, though, is making sure that the ways to implement these rules are smooth and effective so that they don't become barriers that stop or discourage micro-importers from joining the formal economy.

**I- Mandatory Prior Declaration of Goods via a Specialized Digital Platform Automatically Linked to Customs and Administrative Authorities:**

As stated in Article 13 of Executive Decree No. 25-170,[21] small-scale importers must declare their goods in advance through a special digital platform that is automatically linked to customs services and government agencies. This makes it possible to keep track of and monitor operations. This measure is a necessary and positive step toward modernizing and digitizing small-scale import procedures. It makes it easier to track goods, strengthens preventive oversight to stop non-compliant products or those that pose a threat to national security and consumer safety,[22] and makes it easier to simplify procedures in the future while also collecting useful data.

But for this requirement to work, the digital infrastructure needs to be ready, the automated connections between government agencies need to work well, and the rules and requirements for small-scale importers need to be clear. It is also important to give self-employed entrepreneurs enough support and training so that they can use the platform effectively. This should be done alongside strong data security measures and changes to existing laws to make sure that these new digital tools work with them, so that business operations don't get complicated.

The last sentence of Article 5 of the decree also says that people who import goods on a small scale can't get unemployment benefits. This rule says that if you do small-scale import work, you will lose your unemployment benefits. This shows the laws and social policies that govern this relationship. The main idea behind this provision is a simple one in social and economic policy: it is against the law to have two statuses that don't work together.

Unemployment benefits are a form of social assistance for people who are not working and have no income. They are meant to help these people while they look for work. On the other hand, small-scale importing, no matter how limited, is a professional and economic activity that is thought to bring in money for the person who does it. Because of this, not giving unemployment benefits to small-scale importers is not an arbitrary decision but a logical use of the non-cumulation principle. This is because someone who is making money, no matter how small, is not legally considered unemployed for the purpose of getting benefits.

This connection also aims to make sure that government help goes to the right people and to stop any kind of abuse or double-dipping from both social assistance and economic activity. From a legal point of view, it makes sure that different laws work together and makes a clear line between people who need social support and people who are working. By doing this, it strengthens the main goals of Algeria's social protection system and economic policy by making a clear and regulated difference between unemployment, which needs social support, and economic activity, which marks the start of professional engagement. This, in turn, helps make sense of public spending and makes sure it is used in the best way possible.

**1.2- The Role of Small-Scale Import Activity by the Auto-Entrepreneur in Promoting Organized Individual Enterprise:**

The main goal of this new plan is probably to make it easier and more legal for some people to work in commercial importation on a very small scale. The goal is to get more

people involved in import activities, make it easier for people to work for themselves, make it legal for people to import goods that were previously done through informal channels, and make it easier to import small amounts of certain goods to meet specific local demand. This project also wants to create new opportunities for self-employment and encourage organized micro-trade. In this way, it seems that the lawmaker is supporting young entrepreneurs who want to do business across borders, or giving them the chance to do so as auto-entrepreneurs.

This strategy is part of a larger plan to grow the economy and bring unstructured activities into the legal system in order to encourage financial and fiscal inclusion. The stated goals of facilitation and legalization may seem good, but the legal definition of import activity—by nature complicated and risky[23]—within the inherently limited and simplified framework of the auto-entrepreneur is a regulatory choice that doesn't make sense. It is a choice that could lead to big legal and financial problems for both individuals and the country as a whole.

Even though this project is important and has clear goals, it would have been better to make small-scale importation easier by creating a separate, detailed legal framework that took into account the unique aspects of import activity and included the necessary oversight and protection guarantees. Instead, it was added to a system that wasn't meant for this purpose—the auto-entrepreneur regime.

It is important to stress, though, that Executive Decree No. 25-170 is more than just a rule for the government to follow. It shows how the Algerian government wants to support and empower organized individual initiatives. This approach not only gives young people more options for starting their own businesses, but it also aims to encourage their entrepreneurial spirit in line with the country's goal of diversifying the economy beyond the hydrocarbons sector. The goal of the decree is to create a new area of economic activity by bringing individual businesses into the formal framework while making sure that there is oversight and transparency. This will improve consumer protection and help build a more dynamic and sustainable economic fabric.

## 2– Advantages and Incentives Encouraging Small-Scale Importers to Enter the Formal Market:

The small-scale importer is a business person with a unique legal status that sets them apart from the traditional importer in terms of rules and benefits. The lawmaker has put in place a number of procedural and financial tools to help this group.[24] These tools create an appealing economic and legal environment by opening up new opportunities for legal business activities and making administration easier. This is all meant to promote overall economic growth and strengthen economic sovereignty. These steps have made small-scale importing a good choice, especially for young business owners who want to put money into the import business.

### 2.1– Simplification of Administrative Procedures and Specific Conditions for Project Establishment and Registration:

It is easy to register and do business as a small-scale importer. According to Executive Decree No. 23-197,[25] you can register in the National Self-Employment Register online.[26] You can do this by sending an application through the digital self-employment platform, as stated in Article 10 of Executive Decree No. 25-170.

This ease of administration makes the small-scale importer system very appealing to people who used to do informal import work. It gives them the tools they need to start their own projects with little time and effort. This encourages this kind of activity, promotes entrepreneurship, and gives people legal options instead of informal trade. The system also makes these kinds of activities look more professional and organized, and it gives self-employed workers a clear legal status. In this way, it helps to control small-scale informal trade and turn it into a legal, documented business.

**2.1.1- Benefit from a Special Tax Regime and Simplified Accounting:**

Article 4 says this benefit, but neither Law No. 22-23 nor Executive Decree No. 25-170 say exactly what the preferential tax regime for micro-importers covers. Both Finance Law No. 22-24[27] and the Finance Law for 2025,[28] on the other hand, talk about the self-employed entrepreneur. They say that only taxpayers with an annual turnover of less than 5 million Algerian dinars can use this system. Self-employed entrepreneurs must pay a flat-rate tax of 5% of their annual turnover to the tax authorities.

The Unified Flat Tax (UFT), which is set at 0.5% of the declared annual turnover, is another benefit for them. This is required by Article 16 of the 2023 Finance Law and Article 29 of the 2025 Finance Law. The latter changed and added to Article 365 of the Law on Direct Taxes and Similar Duties.[29] It set the minimum UFT at 30,000 DZD for all activities except for self-employed entrepreneurs, for whom it was set at 10,000 DZD. An extra 0.5% was added to annual turnover that went over the minimum threshold.

The legislature has put a lot of effort into helping micro-entrepreneurs because they know how important they are to the economy. The 2025 Finance Law made this very clear. It set up a special tax system for this group, with a 5% tax rate on the income of self-employed entrepreneurs. The main goal of this measure is to reach a set of strategic goals,[30] the most important of which is to ease the financial burden on micro-entrepreneurs, who often have trouble getting money because they don't have enough capital. This, in turn, lets them put more resources into improving their activities and making them more competitive.

In addition, the legislature wanted to promote investment and business by creating a tax environment that makes it more appealing for people to start their own businesses. This rise in business activity is likely to make more goods and services available in the domestic market and make them more diverse.

These tax breaks are very important legally because they are clearly stated in the law as a way to make taxes legal. This makes things clear and legally certain for the self-employed business owner, and it makes sure that the tax burden is fair for them based on how much they can pay. At the same time, they are a useful tool for government agencies to reach their economic policy goals,[31] especially when it comes to supporting this important part of the economy.

**2.1.2- Exemption from the Obligation to Register in the Commercial Register:**

Small-scale importers don't have to register in the commercial register,[32] which makes it easy for them to start their businesses. This privilege is very important because it saves them a lot of time, work, and money, especially since the registration process is fairly complicated[33] and requires them to submit a lot of paperwork and pay fees.

This exemption is a good thing because it encourages people to work for themselves and try out the market with little risk. It gives them more freedom and flexibility to run their

businesses without having to make long-term commitments, and it shortens the time between coming up with a business idea and putting it on the market. By getting rid of this requirement, small-scale importers can more easily get into business, get things going quickly, and do so at a low cost. This will help the economy stay dynamic and support self-employment within the legal and fiscal limits set by the new regulatory framework.

**2.1.3- Exemption from Prior Import Licensing:**

Article 4 of Executive Decree No. 25-170 says that small-scale importers don't have to get prior import licenses.[34] This is a key part of the government's plan to control the informal economy and encourage people to take the initiative. This exemption shows that the lawmakers trust small-scale importers to help the economy recover and encourages a new generation of business owners to start their own businesses, especially among young people.

It also strongly encourages people who are informally involved in small-scale import activities to move into the formal sector. For traditional importers, the rules for getting a prior import license are often hard to understand, expensive, and take a lot of time.[35] Licensing systems like these are still important for keeping the market in check,[36] but they can slow things down and make them less efficient, especially for small businesses.

This simplification makes it easier for small businesses to do business. Small-scale importers may be responsible for providing small amounts of goods or parts that are important to the local market or to other micro-production chains. The exemption from having to get a license first speeds up the process of bringing in these goods, making sure that they move smoothly, which helps meet market needs and lets businesses respond quickly to changing demands.

It is possible to say that the choice to exempt small-scale importers from previous import licensing requirements is a good and necessary step that fits with modern economic trends that aim to make things easier for self-employment and the private sector. It shows that the lawmaker knows that this kind of business is different from others.

Still, this exemption has its pros and cons, and people need to be careful about them. The main problem is making sure that some people don't use the exemption to do large-scale importing while pretending to be small-scale importers. This would let them avoid the legal and tax obligations that regular importers have.[37] In this case, it is clear how important ex post oversight and deterrent punishments are when small-scale importers go beyond what they are allowed to do.[38]

Even though prior licensing is not required, there must still be effective systems in place to make sure that the goods that small-scale importers bring into the country are safe and of good quality. This is to protect the health and safety of consumers.[39] This kind of oversight could include checks at the border or controls after the market. So, the rules that define small-scale importation, like the maximum value of shipments or the types of goods that can be imported, need to be clear, specific, and updated on a regular basis to avoid confusion and fill in any legal gaps that may come up.

The exemption from prior import licensing given to small-scale importers under Executive Decree No. 25-170 is a smart move by the government that aims to make things easier, boost the formal economy, and encourage individual businesses. This exemption is completely reasonable because small-scale importers are very different from traditional ones.

However, this policy will only work if ex post control mechanisms are able to stop people from abusing the exemption and keep the market honest and open.[40]

The provision also says that safety standards must be followed and that goods that are banned or that could put public safety or order at risk cannot be brought into the country.[41] This shows that the government is serious about protecting consumer rights and national safety, which are two important parts of any legal system that is meant to serve the public good.[42] Imported goods, even those brought in by small-scale importers, must meet the right quality, safety, and health standards to protect consumers from commercial fraud, fake goods, and goods that could be bad for their health or safety.[43]

From a different angle, this requirement is very important for keeping weapons, explosives, illegal drugs, and even technologies that could be used for bad purposes from entering the country.[44] It might also include parts of cyber and economic security.[45]

As stated in paragraph 3 of Article 6 of Executive Decree No. 25-170, it is necessary to follow consumer protection and national security laws in order to protect the public interest. But the wording is too general, which could make it hard to use in real life. Because of this, it is important to add implementing mechanisms and legal clarifications to this provision to make sure that small-scale importers know what they need to do and that the goals are met without getting in the way of legal business activity.

**2.2- Sanctions Applicable to the Small-Scale Importer:**

Article 15 of Executive Decree No. 25-170 functions as a key regulatory tool to monitor small-scale importers and enforce their compliance. The decree specifies the particular crimes which trigger the most severe administrative sanctions including National Self-Employment Register expulsion.[46] The imposed penalty is a strict administrative measure which eliminates the importer's official status while preventing them from continuing their business operations.

The regulation addresses multiple unlawful behaviors that violate legal requirements. The primary illegal conduct involves submitting false declarations which represents the main method people use to circumvent the law. The violation occurs when someone provides incorrect details about the product characteristics or monetary value or country of origin or any other vital information needed by customs authorities and trade regulators. The regulation exists to prevent fraud while guaranteeing full transparency of import operations.[47]

The list of prohibited actions also includes the importation of goods that authorities have prohibited. The government possesses the authority to prevent entry of goods that pose risks to public health or national security or national moral standards and economic stability. Such violations directly attack the foundation of national sovereignty.[48]

The article establishes criminal liability for individuals who fail to comply with consumer protection regulations and national security rules that enforce health standards and environmental safety measures and product safety standards. The regulation prevents all potential threats that might endanger public health or national economic security through unsafe or substandard products entering the country.[49]

The regulation demands complete adherence to specified procedures. The failure to complete required declaration procedures constitutes a violation because it serves as an attempt to evade customs and trade control while reducing import transparency.

The provision establishes that the small-scale importer card must only serve its designated purpose while prohibiting any violation of the decree's general rules. The flexible

clause targets all activities which deviate from the small-scale importer regime's intended purpose including importing excessive commercial quantities beyond small-scale limits and unauthorized import activities for third parties.

The removal from the register serves as a mechanism to both halt and penalize non-compliant individuals through these combined regulations. The system ensures responsible legal import practices to safeguard consumers as well as the economy and national economic security.

## Conclusion:

Executive Decree No. 25-170 marks a significant strategic advancement. This dual vision establishes a framework which works to maintain equilibrium between offering assistance and conducting supervision. The document moves toward simplifying administrative procedures while offering young people and small business owners better access to business and commercial opportunities. This development provides fresh openings for leadership and establishes a new economic framework.

The establishment of the micro-importer concept along with its own legal framework serves as a prime demonstration of process simplification. The objective exists to integrate small business operations into formal legal systems that will decrease and eventually eliminate the informal business sector. By clarifying operations the government will generate more revenue through taxes and customs during extended periods of time.

The legislature, on the other hand, has not forgotten how important it is to protect the market, consumers, and the economy of the whole country. So, it has set up a strict set of rules through Article 15, which says that serious violations will result in administrative deregistration. These violations include making false statements, bringing in goods that are not allowed, and not following consumer protection laws. This means that facilitation is not achieved at the expense of legal discipline, but is instead dependent on following the rules and being responsible.

Also, the decree fits in with the rest of the legal system because it is connected to the unemployment allowance scheme. This strengthens the idea of social justice and makes sure that government help goes to the right people.

Executive Decree No. 25-170 is not just a tool for making it easier to import goods; it is also a complete legal system that includes encouragement, regulation, and oversight. This is a good example of how laws can change to meet changing social and economic needs.

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