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**The Specific Legal Framework of the Public Industrial and Commercial
Establishment: A Hybrid System Between Public Law and Private Law**

Abderrahmane Touirat *

University Center of Barika (Algeria), abderrahmane.touirat@cu-barika.dz

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***Corresponding author**

Abstract :

Public services are established across various fields to meet the general needs of citizens in pursuit of the public interest. The state has adopted multiple approaches to managing these services, ranging from direct administration to the use of public establishments, with the aim of achieving efficiency and high-quality public service delivery. Among these approaches, the model of the public establishment has become one of the most widely adopted. The nature of such establishments varies according to the type of service they are meant to manage. One particularly significant model is the Public Industrial and Commercial Establishment, which is tasked with managing services of an economic nature. This has given rise to a distinctive legal framework, as it is subject to both public and private law. Algeria has employed this model since independence, largely due to its flexibility and ability to adapt to both socialist and market economies. As such, the state has relied on it as a tool for engaging in economic activity.

Keywords: Public Establishment, Public Law, Private Law

Introduction

The public establishment model emerged as a method for managing public services due to the state's inability to maintain control over the growing number and evolving nature of these services. The state's role shifted from that of a non-interventionist "night-watchman" state—leaving economic matters to private actors in adherence to the principles of free trade and industry—to that of an interventionist state, seeking to address deficits in certain sectors and respond to economic crises caused by market disorder. This shift led to the emergence of a new type of public institution: the Public Industrial and Commercial Establishment, which appeared in the well-known "Éloka case" involving the West African Commercial Company.

This model is governed by a dual legal system, as it represents a public legal entity delivering public services while simultaneously engaging in economic activity in pursuit of efficiency in accordance with commercial regulations.

States across both socialist and capitalist systems have adopted this model to manage public services, owing to its adaptability to both economic systems and its effectiveness as an intervention tool during times of crisis. This flexibility encouraged the Algerian state to adopt it as a means of achieving social and economic development, whether under the socialist framework or in the context of a market economy.

Public Industrial and Commercial Establishments are among the most important mechanisms through which the Algerian state directly engages in economic activity within the framework of what is known as public economic law, without requiring intermediary structures. These establishments serve as instruments for implementing the state's socio-economic policies. This dual role has given them a unique legal status, distinguishing them from other public institutions, as they are subject to both public and private law, and to both administrative and ordinary jurisdictions. This has generated numerous legal and

practical challenges for legal scholars, who often find it difficult to fully grasp the complexity and intricacies of their framework.

On this basis, the central question arises: **When does a Public Industrial and Commercial Establishment fall under public law, and when is it governed by private law?**

To address this question, we have adopted both descriptive and analytical methods, examining the various legal texts that govern these establishments and linking them to practical realities in order to clarify their legal framework. This, in turn, will help determine the competent judicial authority—whether administrative or ordinary—for resolving the various disputes that may arise.

This study is structured as follows:

THE FIRST TOPIC : The Specific Nature of Public Industrial and Commercial Establishments

THE SECOND TOPIC: The Dual Legal Framework Governing Public Industrial and Commercial Establishments

THE FIRST TOPIC : The Specific Nature of the Concept of Industrial and Commercial Public Establishments

Before defining the industrial and commercial public establishment, it is worth noting that the legislator initially used the term “public body” in Law 88-01, the framework law for economic public institutions. However, it later abandoned this term in favor of “industrial and commercial public establishment,” as used in Provincial Law 12-07, Municipal Law 11-10, and subsequent legislation.

First Requirement: Definition of the Industrial and Commercial Public Establishment

In this section, we attempt to define the industrial and commercial public establishment both doctrinally and legally.

Branch 1: Doctrinal Definition

Dean Hauriou defines the public establishment as a specialized public service enjoying legal personality¹. Similarly, the French jurist Barthelemy defines it as a public service granted legal personality.

Jurist René Chapus views the public establishment as a legal person under public law, tying the concept firmly to the notion of public service.

Professor Suleiman Al-Tamawi defines it as a public authority, according to the classical definition, that manages a public service through a public organization and enjoys legal personality². He adds that the public service managed by a public establishment is granted legal personality to achieve a high degree of autonomy, helping it fulfill its objectives. Thus, administration through public establishments is considered a form of functional decentralization.³

Professor Ahmed Mahyou defines it as “an administrative legal person of the foundational type created to ensure the independent management of a state, provincial, municipal, or other public body service of the collective type.”⁴

The public establishment has traditionally been defined as a specialized public service enjoying legal and financial autonomy under the supervision of the central authority⁵. Although this is the traditional definition of an administrative

public establishment, the evolution of the state's functions and activities, as well as the multiplicity and diversity of institutions, has entrenched the classical concept of the administrative public establishment and its legal framework. However, the traditional concept has gradually eroded, with administrative public establishments remaining subject entirely to public law in all their actions, personnel, and finances. New industrial and commercial public establishments have been added, characterized by a dual legal regime (a blend of public and private law), resulting in a departure from the old concept of public establishments.

It is noticeable that the previous definitions—whether in French, Arab, or Algerian doctrine—align with the concept of “public body” as defined in Algerian Law 88-01, due largely to the imprecise translation of the two terms “body” and “establishment.”

The revised definition of the public establishment—i.e., the public body—is: “a legal person subject to public law, responsible for managing a specialized public service within a specific territorial scope,” or “a public legal person tasked with managing a specialized industrial and commercial public service.”

Branch 2: Legal Definition

The Algerian legislator did not explicitly define the industrial and commercial public establishment. Instead, it provided a set of criteria that, if met, classify an entity as such. These criteria appear in Article 44 of Law 88-01, which states:

“When a public body is able to finance its operating expenses partially or entirely through revenue generated from the sale of goods or services produced commercially according to a predefined tariff and general terms of reference, which specify the burdens and restrictions incumbent upon the entity as well as its rights and powers—and, when necessary, the rights and obligations of users—it shall be designated as a public body of an industrial and commercial nature.”⁶

According to the above article, several conditions must be met for an entity to be classified as an industrial and commercial public establishment:

Partial or Full Financing of Operating Expenses: The establishment must be able to self-finance its operating expenses either partially or fully. This means it should cover its operational costs, such as maintenance, employee salaries, and raw materials, without relying entirely on the state budget. However, in the case of municipal establishments, the legislator requires that such institutions balance their revenues and expenses⁷, ensuring that operating expenses do not exceed revenues. This aims to promote financial independence, economic efficiency, and institutional sustainability. Consequently, municipal subsidies to these establishments are considered exceptions rather than the rule.

Revenue from the Sale of Commercial Output According to a Predefined Tariff: The public establishment must engage in industrial or commercial activities by producing goods and services sold to public service users. These services are not free but are offered for a set fee called a tariff. This tariff is publicly announced to promote transparency and is pre-established through an

administrative decision, making it binding and proportionate to the nature of the service or product offered.

Requirement of General Terms of Reference: The general terms of reference serve as the regulatory framework governing the relationship between the public establishment and third parties. They outline the obligations of the establishment, the rights and powers it enjoys, the restrictions imposed by the nature of its industrial and commercial activities, and, where necessary, the rights and obligations of the users.

Requirement Two: Characteristics of the Public Industrial and Commercial Institution

Based on the text of the article above and the doctrinal definition of public industrial and commercial institutions, their characteristics can be identified through the concept of administrative decentralization as follows:

Branch One: The Public Institution is a Public Legal Entity

Since a public institution embodies functional decentralization, the public service is managed by a body possessing legal personality. And because it is one of the entities governed by public law, it holds the status of a public legal entity⁸.

The consequences of the public institution acquiring legal personality include:

- The capacity to acquire rights and assume obligations
- It has its own financial liability, separate from that of the state
- It has the right to accept donations
- It has the right to enter into contracts without needing prior authorization
- It has the right to litigate and initiate legal proceedings
- It bears responsibility for the consequences of its actions and is liable for any harmful acts it may cause to others
- Its employees are not subject to the civil service law, except for those appointed by an administrative decision⁹
- It owns private property

Thus, it enjoys prerogatives tied to its nature and status as a public entity.

Branch Two: The Public Institution Operates on the Principle of Specialization

By specialization, we mean that the public institution must allocate its resources and restrict its activities to the purposes or objectives defined by the legislator in its founding statute. It cannot exceed these boundaries except when the activity in question is a necessary extension of the institution's primary function¹⁰.

For instance, a university is a public institution entrusted by public authority with the task of providing higher education. It is not permitted to operate outside this general framework. The law or regulations precisely define its areas of intervention, which may include core areas (primary activities) and secondary areas whose existence is justified by the pursuit of additional effectiveness. These secondary activities should complement and assist the main mission and must not be entirely disconnected from it.¹¹

Branch Three: The Public Institution is Subject to the Principles of Autonomy and Oversight

Public institutions enjoy a degree of administrative, financial, and managerial autonomy. Administratively, they are independent in the sense that they are not subordinate to another legal entity. Financial autonomy is reflected in the institution having its own financial liability, separate from that of the founding body. This separate liability serves as a container for its own rights and obligations resulting from its activities.

For example, public institutions established by a municipality have their own financial liability separate from that of the municipality. This ensures a guarantee for their creditors and provides the means to fulfill their functions and manage their affairs.¹²

Managerial autonomy means the institution is independent in decision-making since it has its own bodies, structures, and mechanisms for both deliberation and execution. For instance, the Office of Housing Promotion and Management (OPGI) has its own administrative apparatus independent from the Ministry of Housing.

However, this autonomy is not absolute—nor can it be—because oversight is an inherent component of functional decentralization. The institution remains affiliated within a general jurisdiction (a ministry, a province, or a municipality). Thus, oversight acts as a counterbalance to absolute autonomy. It is a form of legal supervision designed to ensure compliance with the law. This oversight may target either individuals or acts (such as approval of major decisions like the budget). Most of the time, this oversight is both technical and financial in nature.

THE SECOND TOPIC: The Specificity of Subjecting Public Industrial and Commercial Institutions to Dual Legal Systems

Public industrial and commercial institutions are subject to a dual—or mixed—legal system, as stipulated in **Article 45 of Law 88-01**. These institutions, in their relations with the state, are governed by administrative law, whereas in their dealings with third parties, they are considered commercial entities and thus subject to commercial law¹³. This section addresses when they are governed by public law and when they fall under private law.

Requirement One: Subjection to the Rules of Public Law

Public industrial and commercial institutions are governed by public law in the following contexts:

Branch One: Rules Governing the Establishment and Dissolution of Public Industrial and Commercial Institutions

The processes for establishing and dissolving such institutions are governed by specific rules depending on whether the institution operates across the national territory or only within a specific region:

First: National Public Industrial and Commercial Institutions

According to **Article 139 of the 2020 Constitutional Amendment**,¹⁴ the authority to create these institutions is divided between the legislative and regulatory branches. The legislative authority is responsible for creating new categories of institutions—those not yet recognized within the existing legal

framework. The establishment of national public institutions, however, falls under the authority of the **President of the Republic via a presidential decree** or the **Prime Minister through an executive decree**.

Second: With regard to local public industrial and commercial institutions

Both the province (wilaya) and the municipality may establish them by means of a deliberation issued by the Municipal People's Assembly, as stipulated in Articles 153 and 154 of the Municipal Code, or by a deliberation issued by the Provincial People's Assembly, as stipulated in Article 148 of the Provincial Code¹⁵, and as previously provided by Article 48 of Law 88-01¹⁶, provided that it is approved by the supervisory authorities – the Wāli in the case of deliberations from the Municipal People's Assembly¹⁷, and the Minister of the Interior for those from the Provincial People's Assembly.

The process of establishing local public institutions is governed by Decree No. 83-200, which defines the conditions for the creation, organization, and functioning of local public institutions.¹⁸

Its Article 7 states:

"An institution is established by a deliberation of the Provincial People's Assembly or the concerned Provincial and/or Municipal People's Assemblies, subject to approval, as applicable:

By joint decision of the Minister of the Interior and the relevant minister(s), in the case of an institution established at the provincial level;

By decision of the Wali, in the case of an institution at the municipal level, unless there are specific provisions to the contrary expressly stated in the applicable legislation."

This decree granted both the province and the municipality the authority to create local public institutions that enjoy legal personality and financial autonomy.¹⁹

As for the dissolution of a public industrial and commercial institution, it is subject to the principle of parallelism of forms and competences, which means that the body that established the institution is the one competent to dissolve it, using the same procedures and formalities.

So, for national public institutions, either the legislative or executive authority may dissolve them depending on which authority created them.

As for local public institutions, the power to dissolve them belongs to the Municipal or Provincial People's Assemblies, with their deliberations also subject to the approval of the supervisory authority.

Branch Two: Through the Rules Governing Its Organization

The management structures of the public industrial and commercial institution are defined in the specific laws that establish them²⁰. These structures include two bodies: the **deliberative body** and the **executive body**.

First: The Deliberative Body – Board of Directors

The founding law determines how this board is formed, how it operates, and what its powers are. Its composition varies from one institution to another; it may include only representatives of the state²¹, or additionally representatives of

workers or beneficiaries, or any person invited due to their expertise and competence in the matters on the agenda.

As for the **powers**, they differ depending on the nature of the institution's activity, which is also defined in its statutes.

Second: The Executive Body – General Director

The executive authority is represented by the **General Director**, who is appointed by an administrative decision: either by **Presidential Decree** or **Executive Decree** if the institution has national character²², or by **ministerial decision**²³ or **decision of the Wāli**, depending on the case, if it is of local character.

The General Director ensures the proper functioning of the institution, exercises hierarchical authority over the staff, represents the institution in contract execution, before the courts, and in all aspects of civil life, and also implements the decisions of the Board of Directors, etc.

Branch Three: Subject to the Principles Governing Public Service Operation

The public industrial and commercial institution is subject to the **principles governing the functioning of public services**, since it is entrusted with managing a public service in a manner suited to the **industrial and commercial nature** of its activity.

These principles include traditional principles, such as:

- **The principle of continuity**, which requires the institution to ensure uninterrupted public service delivery to the public.
- **The principle of equality**, which guarantees that all users benefit from public services without discrimination based on gender, origin, language, etc., provided they are in **equal legal situations and similar social conditions**. If differences exist, **it is not considered a violation** of the principle of equality.
- **The principle of adaptability**, which requires constant adjustment to legal, economic, and social developments in society.

The institution is also subject to **modern principles** that emerged due to economic and administrative transformations, especially with **private sector involvement** in public service management. These include:

- **The principle of transparency** in public service management, requiring the publication of all information related to the institution's activities and the prices of its services, thereby reinforcing trust between the public institution and its users and reducing the potential for corruption.
- **The principle of economic and social efficiency**, where **economic efficiency** is shown through **profit generation**, while **social efficiency** is achieved through **serving the public interest**.
- **The principle of service quality**, which has become a standard for public services, alongside **speed**, etc.

Branch Four: The Extent of Its Subjection to the Public Procurement Law

The public industrial and commercial institution, in principle, is subject to private law regarding the conclusion of its contracts, as it is considered a trader. However, by exception—and considering it is entrusted with managing a public service of economic nature, which constitutes a mechanism through which the state intervenes in economic activity—it becomes subject to the public procurement law in two cases. Consequently, in the event of disputes, jurisdiction is granted to the administrative courts:

First: When the operation is funded by the state or local authorities

The matter of the public industrial and commercial institution's subjection to the public procurement law has witnessed some inconsistency between legal texts and judicial interpretations. However, the Algerian legislator, through Presidential Decree No. 15-247, in Article 6, subjected it to the provisions of the said decree—but exceptionally—when it is tasked with carrying out an investment operation funded wholly or partially by a temporary or permanent contribution from the state or local authorities²⁴. The decree establishes two conditions: full or partial funding by the state or local authorities, and a temporary or permanent contribution. This principle was reinforced by Article 9 of Law No. 23-12, which defines the general rules concerning public procurement.²⁵

However, what is notable in the transition between the two laws is that the legislator removed the phrase "temporary or permanent contribution" linked to the contribution condition, thereby retaining only the condition of full or partial funding. It is worth noting that this institution is not subject to the public procurement law when engaging in activities that are not subject to competition.²⁶

Although the legislator, in the public procurement law, required the institution to contract according to its provisions when funded by the state or local authorities, a close reading of the Code of Civil and Administrative Procedure shows that the public industrial and commercial institution was excluded²⁷, and only specific legal persons were made subject to administrative court jurisdiction according to the **organic criterion**²⁸. However, judicial precedent in this matter adopted the **material criterion**, relying on the source of funding in public procurement contracts. This was based on a ruling by the Council of State dated 09/01/2014 under numbers 087241 and 087067. It was considered that the **administrative judge** has jurisdiction over disputes arising from public procurement contracts concluded by public industrial and commercial institutions partially or fully funded by the state budget. The administrative judge remains competent even in the absence of public legal persons, given the source of the funding²⁹, considering that the institution is acting in the name, on behalf of, and as a representative of the state.³⁰

Second: In the case of project execution supervision by delegation

This refers to the contract between the delegated project owner—the public industrial and commercial institution—and the project supervisor—the contractor.³¹ This is stipulated in Article 7 of Executive Decree No. 14-230.³² This was further confirmed by Article 10 of Presidential Decree No. 15-247 and Articles 9³³ and 15 of Law No. 23-12.³⁴

Accordingly, it is necessary to distinguish between the **delegated project supervision agreement**,³⁵ which is not subject to the public procurement law (as confirmed in Article 11 of Law No. 23-12)³⁶, and the **project execution supervision contract**, concluded between the public industrial and commercial institution and the supervising contractor, since in this case, the institution is acting in the name and on behalf of the state. In this scenario as well, jurisdiction lies with the administrative judiciary, as is the case when the project is funded by the state or local authorities.

Branch Five: Possibility of Issuing Certain Administrative Decisions by Proxy

As a rule, based on the organic criterion, this type of institution does not issue administrative decisions, as it is not considered an administrative authority. However, the Algerian legislator has granted these institutions the ability to exercise public authority by proxy in certain cases, despite the industrial and commercial nature of their activities. This is stipulated in the Public Procurement Law, which applies when the institution is entrusted with carrying out an operation fully or partially funded by the state budget or by local authorities. The same applies when supervising a delegated project. In such cases, the institution is subject to this law, which requires a series of procedures for concluding public contracts, as well as the issuance of several administrative decisions related to the public contract or separate from it—such as the decision to announce the call for tenders, the provisional awarding of the contract, and the modification or termination of the contract, among other administrative decisions.

Given that these are administrative decisions based on the material criterion, any disputes arising in this context fall under the jurisdiction of the administrative courts, whether the judge is ruling on the substance of the matter—such as in annulment or compensation lawsuits—or acting as an emergency judge, particularly in the pre-contractual phase.

A public institution of an industrial and commercial nature may issue certain administrative decisions on behalf of the state, and this possibility is stipulated in its specific governing laws.

Requirement Two: Submission of Public Institutions to Private Law Rules

This type of public institution is subject to **private law** in its dealings with third parties, considering it a commercial entity in accordance with Article 45 of Law 88-01. As such, the public institution of an industrial and commercial nature is governed by private law in the following areas:

Branch One: In the Field of Contracts

Given that the public institution is considered a trader in its relations with third parties, this relationship is reflected through:

- Its relationship with contractors and suppliers: it is subject to **commercial law**³⁷ and bound by the same obligations as traders, such as keeping commercial accounting records. In terms of evidence, the means of proof specified in the Commercial Code are applied. In case of disputes, jurisdiction falls to the **commercial division of the first instance court**, or to **specialized commercial courts**, depending on the nature of the dispute.

- Its relationship with beneficiaries of the facility's services: the relationship between the public institution and the beneficiaries is governed by **private law**, regardless of the nature of the industrial or commercial activity carried out by the institution.

Regarding its employees: the relationship between employees and the public institution is contractual and governed by **Labor Law 90-11**³⁸, except for public agents appointed through administrative decisions in the form of presidential decrees, executive decrees, or ministerial decisions, as is the case for the general manager. This differs from employees of **administrative public institutions**, who are governed by the **Civil Service Law** and are considered public servants³⁹. Thus, in case of a dispute between employees and the public institution of an industrial and commercial nature, **jurisdiction lies with the social division of the first instance court**, and it is required to obtain a certificate of failed conciliation before filing a lawsuit.

Branch Two: Regarding Liability under Civil Law

When the public institution of an industrial and commercial nature engages in its industrial or commercial activities, it may cause harm to third parties. It is, therefore, held liable for such acts, and the rules of **civil liability** set out in Article 124 of the Civil Code apply—whether the liability is tortious⁴⁰ or contractual⁴¹, and whether the institution is the plaintiff or the defendant. These disputes fall under the jurisdiction of the **ordinary judiciary in the civil division**.

Branch Three: Compliance with Commercial Accounting Rules

Given that the public institution is considered a trader in its dealings with third parties and is governed by commercial law, it is subject to **commercial accounting** under Law 07-11.⁴² It must comply with accounting standards, maintain accounting records, and adhere to a financial system based on a set of international standards. Therefore, transparency, credibility, and regularity in commercial transactions must be ensured.

However, when managing appropriations allocated by the state, the institution applies **public accounting rules**⁴³ and is subject to audit by a **statutory auditor**, who carries out financial and accounting audits, without prejudice to other types of oversight that may be exercised by various bodies, such as the **Court of Auditors**.

Branch Four: Concerning Property

Article 45 of Law 88-01 provides that public institutions of an industrial and commercial nature enjoy **distinct legal personality and independent budgets**, and their property is considered part of the **private national domain**, as stated in Article 3, paragraph 2 of Law 90-30 on National Property⁴⁴: "... other national properties not classified within the public national domain and which serve a proprietary and financial function represent the private national property."

Article 106 of Law 90-30, as amended by Law 08-14⁴⁵, stipulates that such institutions may enjoy **ownership or usage rights** over certain national properties granted to them by the state or local authorities, since they are responsible for managing a public service or serving a public interest. Properties allocated to the

institution for the purpose of fulfilling public service needs remain part of the **national domain**.⁴⁶

Going back to Article 4 of Law 08-14, amending Law 90-30, it states:"... private national properties are not subject to prescription or seizure, except for contributions allocated to public economic institutions. The management and disposal of movable and immovable property under private national property shall be governed by this law, while considering the provisions of other legislative texts."

Accordingly, the institution may dispose of its property and benefits from **protection against seizure and immunity from prescription**. This protection is justified by the institution's role in managing a **public service**, as seizure or prescription could undermine the principle of **continuity of public service**.⁴⁷

However, some argue otherwise, based on Article 106 of Law 90-30, which states:"The property provided to the institution, or that which it acquires or constructs with its own funds, is considered its own and may serve as a guarantee for its obligations."This implies that **such property**, owned by the institution itself (not just allocated for use), is subject to **private law**, including **seizure procedures**.⁴⁸

Branch Five: To What Extent It Is Subject to Arbitration Rules

Arbitration is considered an **alternative dispute resolution mechanism**, avoiding the lengthy and complex judicial process. Given the legal nature of the public institution of an industrial and commercial nature—being a **legal person under public law** while also considered a **trader** in its dealings with third parties—one might question its right to resort to arbitration.

Upon reviewing the Code of Civil and Administrative Procedure, **Article 975** excludes such institutions from arbitration, as they are **not mentioned in Article 800** of the same law.

However, Article 1006, paragraph 3, of the same code states:"Public legal persons may not request arbitration, except in their international economic relations or within the framework of public contracts."Thus, **public legal persons**, including industrial and commercial public institutions, are allowed to resort to arbitration.

However, this right is not general and is **restricted to two cases**:

1. **International economic relations**, such as when the institution imports raw materials, equipment, or exports products and services, or engages in international economic partnerships.
2. **Public contracts**.⁴⁹

Conclusion

In conclusion, it is worth noting that a public industrial and commercial institution may be transformed into an economic public enterprise, provided two conditions are met. The first condition is that its objectives and operational mechanisms can follow market-based principles. The second condition requires that the National Development Plan explicitly stipulate the terms for such transformation.⁵⁰ Accordingly, the institution shifts from being a legal entity governed by public law to one subject to private law, adopting the form of a commercial company governed by the Commercial Code and Ordinance 01-04,

which regulates the functioning of economic public enterprises. Consequently, the State's intervention in economic activity becomes indirect, mediated through intermediary structures.

The Algerian legislator granted public industrial and commercial institutions a distinct status, setting them apart from other public institutions through their dual subjection to both public and private law, as well as to both administrative and ordinary jurisdictions.

The application of public law provisions is evident in the institution's subordination to the authority that established it—concerning its creation, dissolution, and organizational structure—as well as in its adherence to public service principles and, in certain cases, to public procurement law. This is justified by the institution's objective to provide public services linked to the management of a public facility, thus subjecting disputes to administrative jurisdiction.

On the other hand, the application of private law is reflected in the institution's economic activity, which aims at profit-making. It is thereby regarded as a trader similar to private-sector commercial entities and is thus governed by the rules of commercial, labor, and civil law, as well as commercial accounting standards. Its assets fall under the category of national private property, making it subject to ordinary judicial jurisdiction in legal disputes.

This dual legal framework enables the State to intervene directly in economic activities. On one hand, it ensures the quality of public services provided to users by relying on the institution's specialization. On the other, it achieves economic efficiency through commercial mechanisms.

However, this duality results in discrepancies in legal regulations due to the institution's subjection to its founding act and the specific statutes of each institution and its affiliated sector. Therefore, there is a pressing need to develop and adopt a unified, standard basic law that governs all public industrial and commercial institutions—while leaving room for specific provisions derived from their founding texts and particular legal frameworks. This is especially relevant for institutions operating in the military sector under the supervision of the Ministry of Defense.

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