



Cryptocurrencies in Algeria

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Abstract:

Cryptocurrency is a new form of digital money that relies on blockchain technology and is characterized by decentralization, meaning it is not subject to the control of any central bank.

In Algeria, dealing in cryptocurrencies has been explicitly and legally prohibited since the enactment of the **Finance Act of 2018**, with **Article 117** of the Act criminalizing “the possession, purchase, sale, or use of what is known as virtual currency,” and the state considers it an illegal activity subject to penalties; despite this ban, Algeria has witnessed **widespread clandestine trading in cryptocurrencies**, particularly among young people and digital traders, via specialized platforms.

Algeria has officially issued Law No. 25-10, which prohibits the issuance or trading of digital currencies and virtual assets, as part of the fight against money laundering and terrorist financing, a move that has caused a stir among Algerians and experts, who are divided on the issue.

Keywords: cryptocurrency, virtual currency, digital currency, Bitcoin.

Introduction :

Over the past decade, the world has witnessed a remarkable development in the field of financial technology, the most prominent manifestation of which has been the emergence of cryptocurrencies, led by ‘Bitcoin’, which has established itself as a digital alternative to traditional payment systems, powered by ‘blockchain’ technology that provides a high level of security and transparency.

As the use of these currencies has expanded globally across various sectors such as e-commerce, investment and even crowdfunding, profound legal, ethical

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and economic questions have arisen, particularly in countries that have not yet kept pace with this digital transformation.

In Algeria, despite the growing popularity of cryptocurrencies among young people and in economic circles, the legal framework remains strict and imposes a total ban, with the **2018 Finance Act** explicitly prohibiting the possession or trading of these currencies, creating a gap between the reality of practices taking place in secret and the official legal prohibition.

Algeria has also officially enacted a law prohibiting the issuance or trading of digital currencies and virtual assets as part of the fight against money laundering and terrorist financing, a move that has caused a stir among Algerians and experts, who are divided on the issue.

The ban was introduced under **Article 6 bis of Law No. 25-10 of 24 July 2025, amending and supplementing Law No. 05-01 of 6 February 2005, on the prevention and combating of money laundering and terrorist financing**¹. This ban covers the issuance, purchase, sale, use, possession, trading, or promotion of any virtual assets, as well as the establishment or operation of any platforms dedicated to their trading, insofar as they are considered property, proceeds, funds or other assets of financial value.

Hence the research question arises, namely:

What is the reality of dealing in cryptocurrencies in Algeria? And what are the associated challenges?

The importance of this research stems from the need to understand the dynamics of this growing digital activity despite the legal ban, to analyze its risks, and to identify the shortcomings in the Algerian legislative framework compared to international experiences.

To address the research question, we will adopt a **descriptive-analytical** approach, supported by real-world examples, legal texts, and comparative analysis, following a two-part plan comprising two main sections. In the **first section**, we shall attempt to shed light on the concept of these cryptocurrencies by identifying them and outlining their types and characteristics; then, in the **second section**, we shall focus on the reality of dealing with cryptocurrencies in Algeria, as follows:

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¹ Law No. 25-10 dated 28 Muharram 1447, corresponding to 24 July 2025, amending and supplementing Law No. 05-01 dated 27 Dhu al-Hijjah 1425, corresponding to 6 February 2005, relating to the prevention and combating of money laundering and terrorist financing, Official Gazette of the Algerian Republic, Issue 48, published on 28 Muharram 1447, corresponding to 24 July 2025, p. 04.



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shall attempt to shed light on the concept of these cryptocurrencies by identifying them and outlining their types and characteristics; then, in the **second section**, we will focus on the reality of dealing with cryptocurrencies in Algeria; this will be as follows:

THE FIRST TOPIC: What is cryptocurrency?

THE SECOND TOPIC: The Current State of Cryptocurrency Transactions in Algeria

THE FIRST TOPIC: WHAT IS CRYPTOCURRENCY?

In recent decades, the world has witnessed a digital revolution that has transformed the landscape of the economy and finance. One of the most prominent manifestations of this has been the emergence of cryptocurrencies, a modern form of money that relies on digital technology and encryption to ensure security and transparency in transactions. These currencies arose as an alternative to the traditional financial system, aiming to achieve decentralisation and eliminate banking intermediaries, thereby making transactions faster and more free-flowing globally.

Bitcoin is the first and most well-known of these currencies, and it has paved the way for hundreds of others that differ in their characteristics and technologies, yet share a single principle: reliance on 'blockchain' technology, a distributed database that enables transactions to be recorded securely and transparently.

Today, cryptocurrencies have become a focal point of debate among economists, legislators and investors, due to the promising economic opportunities they present on the one hand, and the legal and regulatory challenges they pose on the other, making their study essential to understanding the future of money and the digital economy in the 21st century.

FIRST REQUIREMENT: THE CONCEPT OF CRYPTOCURRENCY

In recent years, digital technology has become a cornerstone of various aspects of life, and the financial sector has been no exception to this profound transformation. Rapid developments in information technology have led to the emergence of new types of financial instruments, the most notable of which are cryptocurrencies, which have revolutionized the traditional concept of money.

Hence, the study of the concept of cryptocurrency is of paramount importance, as it enables an understanding of its technical, economic and legal



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nature, as well as its origins, and also distinguishes it from other similar digital forms, thereby contributing to an understanding of its place within the major transformations witnessed by the contemporary digital economy.

Firstly: The origins of cryptocurrency

The first digital currency appeared on 3 January 2009, created by a software developer using the pseudonym Satoshi Nakamoto, who unveiled a cryptocurrency system operating on a proprietary encryption standard. This was done via a white paper detailing the first digital currency, which was named Bitcoin; the first transaction involving the currency took place between its founder and Hal Finney, and immediately afterwards the first exchange rate between Bitcoin and the US dollar was published, with 1 Bitcoin equalling 0.001 US dollars.¹

This release was followed by the emergence of other cryptocurrencies with operating protocols different from their predecessor. Litecoin appeared, released in October 2011, followed by the emergence of numerous cryptocurrencies similar to Bitcoin but differing in their operating methods and objectives; perhaps the most significant of these are Ripple and Ethereum, bringing the total number of cryptocurrencies in existence since 2020 to over 2,000.²

Secondly: Definition of Cryptocurrency

The term 'cryptocurrency' is a compound of two words: 'currency,' which is used as a medium of exchange, and 'crypto,' from 'cryptography,' which refers to the use of computer techniques in encryption; it refers to a type of tool that facilitates online payments.³

Since its inception, this innovative product has been referred to by various names, including 'cryptocurrency', 'digital currency', 'virtual currency', 'alternative currency' and 'decentralised currency'... This is due to the lack of a unified definition, which remains somewhat vague to this day, as well as the great and wide variety in their types, methods of issuance and management, and the extent of their relationship with the banking system (their centralization and stability). Looking at most research and studies, we find that the majority use the term 'digital currency' to refer to cryptocurrencies in general, despite the fact that

¹ Gharbi Hamza, Badroni Issa, 'Cryptocurrencies: Origins, Development and Risks', **Journal of Contemporary Economic Studies**, University of M'Sila, Vol. 05, No. 02, 2020, p. 69.

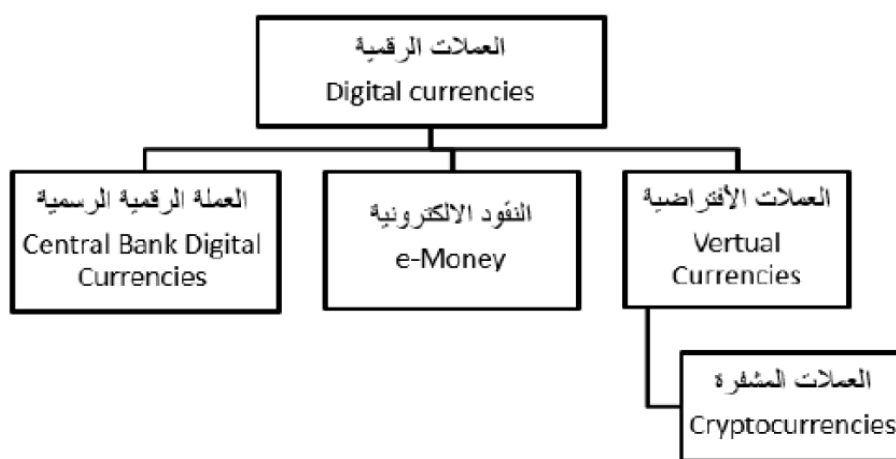
² Ibid., p. 69.

³ Othman, Athmaniya; Ouidedd, Ben Qirat, 'Cryptocurrencies, Bitcoin and Traditional Currencies', **Economic Insights Journal**, University of El Oued, Vol. 11, No. 01, 2021, p. 71.



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the latter is merely one type of digital currency, as illustrated in the following figure: ¹



It must be clarified that whilst the state regards currency as money, it imbues it with the force of law in terms of its ability to discharge a debt; in other words, money is broader in scope than currency, as it encompasses paper money, bank money, and commodity money, unlike currency, whose legal tender status derives from state recognition and legal regulation. ²

Cryptocurrencies are defined as currencies that have no physical existence; they can be exchanged for official currencies currently in use, such as the dollar and the euro, and are traded online without a central authority or central bank standing behind their issuance. Some have defined them as monetary value stored on a prepaid electronic medium that is not linked to a bank account, is widely accepted by those other than the issuer, and is used as a means of payment for various purposes. ³

From the above, we can conclude that cryptocurrency is a modern form of digital asset that relies on encryption technologies to protect transactions and

¹ Abed Sonia, Digital Currencies and Financial Stability – Advantages, Risks and Challenges, International Forum on: Digital Currencies and Cybersecurity Challenges, Tahri Mohamed University – Bechar, 20–21 November 2024, p. 5.

² Mansour Ali Mansour Shata, 'Cryptocurrencies and Their Impact on the Future of Transactions (Current Reality and Future Prospects)', Issue 37, Part 1, 3/3, 2022, p. 1787.

³ Mansour Ali Mansour Shata, Issa, op. cit., p. 1792.



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ensure their transparency. It is also based on the principle of decentralization, meaning it is not issued by an official monetary authority such as a central bank, but is managed via a network of users according to an integrated electronic system known as blockchain.

THIRDLY: THE DIFFERENCE BETWEEN CRYPTOCURRENCY AND SIMILAR DIGITAL ASSETS

We have already defined cryptocurrency above; in order to distinguish it from similar terms, it is necessary to clarify the meaning of each such term, as follows:

A. Money: Money is considered an important and fundamental means in our contemporary economic life; no modern society can do without it. It is a useful economic commodity that meets needs and settles obligations arising from transactions. Money is a medium of exchange, not a good of production or consumption; therefore, it facilitates the circulation of trade, and without it, all transactions and exchanges become complicated.¹

B .Digital money: This is monetary value stored on a prepaid electronic medium and is widely accepted by parties other than the issuer; some view it as the main umbrella term encompassing all other forms of currency, whether electronic, virtual, or cryptocurrency. The key characteristic of these currencies remains that they are available in digital form and have no tangible physical existence, although they share some characteristics with physical legal tender.²

SECOND REQUIREMENT: CHARACTERISTICS OF CRYPTOCURRENCIES

Cryptocurrencies are characterized by a set of features that distinguish them from other currencies; these features can be divided into technical and functional characteristics.

Firstly: Technical characteristics of cryptocurrencies

Cryptocurrencies differ from traditional forms of currency in the following ways:³

¹ Ibid., p. 1788.

² Ibid., p. 1788.

³ Abed Sonia, op. cit., p. 08.



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- 1- Encryption:** Encryption algorithms are used to prevent unauthorized persons from accessing the data;
- 2-** Their value is determined by the law of supply and demand, like any economic commodity in the market;
- 3-** They are not based on any central authority, unlike electronic money, which is subject to central banks;
- 4- Global nature:** It does not belong to a specific country or geographical location;

Secondly: The functional characteristics of cryptocurrencies

- 1- Acceptance:** Digital currencies are gaining increasing acceptance among individuals and businesses worldwide, and more recently by the monetary authorities of certain countries;
- 2- Peer-to-peer:** This refers to direct transactions between a user on the network, known as a peer, and other users (peers) without an intermediary such as a bank or financial institution, unlike electronic money.¹

THIRD REQUIREMENT: MAJOR TYPES OF CRYPTOCURRENCIES

The types of cryptocurrencies reflect the ongoing technical and economic development in this field, as these currencies are no longer limited to performing payment and transfer functions but are also used in various areas such as project financing, smart contract execution, digital asset trading, and even in digital governance systems.

Understanding the types of cryptocurrencies is a fundamental step towards grasping their technical structure and economic trends; it also helps distinguish between those of an investment nature and those intended for practical use, enabling researchers to analyze their current state and future prospects in light of the rapid developments in the global digital economy.

The most important types of cryptocurrencies include the following:

Firstly: Bitcoin

¹ Ibid., p. 08.



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This is the first cryptocurrency to emerge and the leading one in terms of trading volume and market capitalization, having reached a market capitalization of \$1.32 trillion in March 2024; it accounts for approximately 51.8% of the global market share for digital currencies.¹

Secondly: Ripple (XRP)

It emerged in 2013 and has managed to rank third in the world of cryptocurrencies in terms of liquidity. This currency differs from Bitcoin, as the latter aims to replace the traditional banking system, whereas the former does not seek to abolish it but rather to support it.²

Thirdly: Tether (Tether)

This digital currency was founded in 2014 by programmers from California. Its concept is to provide a digital asset directly pegged to the US dollar and other approved local currencies, in order to create a system where traders and investors can hold digital assets and preserve their value away from the fluctuations of other cryptocurrencies. This makes it the most stable cryptocurrency, and it was developed specifically to address the issue of price volatility in other cryptocurrencies.³

Fourthly: Ethereum

Is a decentralised virtual platform that allows the creation of smart contracts in a manner that mimics the conclusion of traditional contracts, but requires specific conditions and requirements for their execution, without the need for a specific authority or entity to control its operations. It was proposed by the Russian programmer Vitalik Buterin in 2013. In 2014, a Swiss company worked on the 'Ethereum' currency project, until it was officially launched in 2015.⁴

THE SECOND TOPIC: THE CURRENT STATE OF CRYPTOCURRENCY TRANSACTIONS IN ALGERIA

¹ Abed Sonia, op. cit., p. 09.

² Abdelmalek Toubi, Moncef Cherfi, 'The Impact of Cryptocurrencies on the Future of Financial Transactions: Bitcoin as a Case Study', **Journal of Industrial Economics (Khazartak)**, University of Batna 1, Vol. 11, No. 01, 2021, p. 187.

³ Abed Sonia, op. cit., p. 10.

⁴ Rawaq Khalid, Cryptocurrencies: Bitcoin as a Case Study (The Extent to Which Jurisprudential and Sharia Adaptation Keeps Pace with Contemporary Reality), **Afaq Journal of Research and Studies**, University Centre of Illizi, Vol. 04, No. 02, 2021, p. 491.



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In recent years, the world has witnessed the widespread adoption of cryptocurrencies as one of the most prominent manifestations of technological development in the financial sector; however, this adoption has been accompanied by varying national approaches to regulation and management.

In Algeria, the topic of cryptocurrencies has sparked widespread debate, with views ranging from acceptance to rejection, whilst practices oscillate between informal use by individuals and explicit legal prohibition by the authorities.

Hence the importance of studying the reality of dealing with cryptocurrencies in Algeria, to identify the legal and regulatory framework governing them, and to analyze the extent of their spread and their impact on the national economy.

FIRST REQUIREMENT: THE LEGAL REGULATION OF CRYPTOCURRENCY UNDER ALGERIAN LAW

In Algeria, the legislature has taken a strict stance on the phenomenon of cryptocurrency, having enacted a ban on dealing in cryptocurrencies under current legislation, deeming them an unlawful means of payment that threatens the state's economic and financial security.

Hence the importance of studying the legal regulation of cryptocurrency under Algerian law, in terms of the applicable legislative framework, the reasons for this prohibition, and its implications for the national economy.

Firstly: The Legal Nature of Cryptocurrency

As for Algerian legislation, it has not defined its legal nature, but has merely criminalised it and defined what is meant by it. The text of **Article 04 of Law 25-10, in its second paragraph**, states: **'Virtual assets are digital values that can be traded or transferred digitally, and may be used for payment or investment purposes.'**

Virtual assets do not include the digital representation of fiat currencies, securities, or other financial assets.'

To determine their legal nature, they have been classified from a monetary perspective, as well as in terms of their issuing authority.



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1- Monetary classification of cryptocurrencies: There is a difference of opinion regarding the extent to which they should be classified as a new form of currency subject to regulations, and also the possibility of classifying them as official forms of currency; however, it is not possible to agree with this view, due to the difference in the trading process between fiat currency and cryptocurrencies.¹

2- The legal classification of the nature of the issuing authority of cryptocurrencies: Given that the right to issue currency is restricted to the central bank of a state, we can say that cryptocurrency is an unofficial currency and contravenes state law, One of the reasons cited here is that the source of cryptocurrency is unknown, and it is not considered an official currency issued by an internationally recognized state; furthermore, it lacks any element of the monetary backing stipulated in national laws.²

Secondly: Legal issues raised regarding cryptocurrency trading

The legal issues facing cryptocurrencies include the following:³

1- The absence of a central authority to regulate this activity, and the lack of an arbitration body to resolve disputes, should a balance of justice be disrupted between parties under any future circumstances;

2- The lack of recognition as legal tender, and consequently the absence of the discharge of liability that is of importance to traders within any society; for instance, some governments prohibit dealing in them due to their high risks.

3- The absence of legislation regulating and codifying this activity, particularly in financial markets, and the difficulty of controlling and keeping pace with it given the rapid pace of change in the technology sector, and the fact that legal professionals lack the tools required by technologists;

4- Its failure to resolve the issue of privacy, and the problem of recovering rights when they are lost, as has occurred on previous occasions.

Furthermore, virtual currency is characterized as an encrypted digital currency, traded exclusively online without any physical presence in reality and is not subject to the control, regulation, or supervision of the state's monetary

¹ Nabil Wanas, Legal Developments Regarding Cryptocurrencies, **Tabna Journal of Academic Scientific Studies**, University Centre – Breika –, Vol. 06, No. 02, 2023, p. 1013.

² Ibid., p. 1014.

³ Abdelmalek Toubi, Moncef Cherfi, op. cit., p. 189



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authority, as it is generated by open-source protocols. This makes it fundamentally different in its foundations and regulations and in its logic from those governing official fiat currencies, thereby clashing with the principle of the state's monopoly—represented by the Bank of Algeria—on the issuance of currency. This explains the absence of any legal basis supporting its issuance.¹

SECOND REQUIREMENT: The Algerian Government's Position on Cryptocurrency Transactions

Virtual currencies have recently witnessed significant growth and widespread adoption globally, a reality we cannot deny. However, there is a tension between the benefits and risks associated with cryptocurrencies, which has led to only relative acceptance of it among nations. On the one hand, there is a primary factor and advantage: the incentives offered by this currency, which acts as an incentive to acquire them. On the other hand, the adoption of these currencies exposes financial systems and users to significant risks, a factor which has led many countries to shun them, particularly Algeria. Whilst the influence of the first factor has resulted in some countries recognising these currencies and explicitly acknowledging the legality of dealing in them for those who comply, although this does not guarantee that they will be prevented from trading in it, given that achieving this objective depends on the strictness of the legislative policy adopted and its suitability to the specific technical nature of this currency.²

In Algeria, this sector faces a tense reality, caught between a desire to benefit from the technology on the one hand and legal and regulatory concerns on the other. Until recently, the handling of cryptocurrencies in Algeria took place on a symbolic and, in practice, unregulated basis, with some individuals using them for international transfers, online trading and digital savings, despite the absence of clear legislation permitting this.

This changed radically in July 2025, when the Algerian Parliament passed **Law No. 25-10 amending Law 05-01 on the prevention of money laundering and terrorist financing**³, making the handling, trading, mining, and possession of

¹ Farida Haddad, Abdelhak Krim, Virtual Currency in Algerian Law, *The Algerian Journal of Legal and Political Sciences*, Ben Youssef Ben Khedda University, Vol. 58, No. 03, 2021, p. 384

² Hajar Guerfi, Ammar Shalabi, 'Cryptocurrencies: Between the Risks of Use and the Possibility of Adoption in Algeria', *Arsad Journal of Economic and Administrative Studies*, University of 20 August 1955, Vol. 5, No. 02, December 2022, pp. 113–114.

³ Law No. 25-10 dated 28 Muharram 1447, corresponding to 24 July 2025, amending and supplementing Law No. 05-01 dated 27 Dhu al-Hijjah 1425, corresponding to 6 February 2005, relating to the prevention



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virtual or digital currencies officially prohibited, and criminalising all related activities.

The law stipulates penalties ranging from two months' to one year's imprisonment, and varying fines, for those who violate this ban.

The ban also covers the mining and production of virtual currencies, which is considered a significant step towards regulating the digital currency space or even imposing strict controls.

Despite the legal ban, informal trading continues to exist, as there is demand from some for the use of cryptocurrencies for purposes such as international remittances or online trading, particularly among individuals involved in financial technology. This raises questions about how the ban is enforced and its ability to curb illegal activities without affecting individuals who use cryptocurrencies in legitimate and straightforward ways.

Firstly: The prohibition of dealing in cryptocurrencies under the 2018 Finance Act

The use of cryptocurrency was explicitly banned in Algeria for the first time **under Article 117 of the 2018 Finance Act**, which stipulates the following:

“The purchase, sale or use of virtual currencies as a means of payment is prohibited, and any violation of this prohibition shall be punished in accordance with the laws and regulations in force.”

The Algerian legislature has deemed cryptocurrency or virtual currency to be an illegal means of payment, as it is not issued by an official monetary authority and is not subject to supervision by the Bank of Algeria; it also views it as a threat to financial stability and a potential means of money laundering and the financing of illicit activities.

Thus, the 2018 Finance Act formed the primary legal framework for banning the use of cryptocurrencies in Algeria, reaffirming the state's commitment to its monopoly over official means of payment, represented by the Algerian dinar, and enshrining the principle of strict oversight of financial transactions both within and outside the country.



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Secondly: the Criminalization of dealing in cryptocurrency under Law No. 25-10 on the Prevention and Combating of Money Laundering and Terrorist Financing

Article 06 of Law No. 25-10 on the prevention of money laundering and terrorist financing and combating them stipulates that “it is prohibited to issue, purchase, sell, use, hold, trade in, or promote virtual assets, or to establish or operate platforms for their trading, where such assets constitute property, proceeds, funds or other assets, or any equivalent value:

- as a means of payment or recognized as currency,
- as a means of investment.

The prohibition includes activities relating to the mining of virtual currencies.”

This law stipulates that cryptocurrencies are considered instruments that can be exploited in money laundering and terrorist financing operations due to their anonymous nature and the difficulty in tracing their source or destination. The legislator has also included within the scope of criminal offenses any use or circulation of digital currencies outside the legal framework, making it a financial offense punishable by imprisonment and a fine.

Thus, the Algerian legislature’s stance has shifted from a mere administrative ban provided for in the 2018 Finance Act to clear and explicit criminalization under **Law 25-10 of 2025**, specifically in the text of **Article 31 bis thereof**, which states that “**any person who contravenes the provisions of Article 6 bis of this Law shall be punished by imprisonment for a term of two months to one year and a fine of between 200,000 and 1,000,000 dinars, or by one of these two penalties.**”

THIRD REQUIREMENT: The implications of cryptocurrency use

Virtual currencies have, to some extent, become a means of payment for some people, and they can be exchanged or purchased for dollars or euros between individuals, organizations, and companies. No one intervenes in setting their price; rather, the price is determined by supply and demand. However, there are



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drawbacks arising from their use; for instance, if you forget the password for the software, these funds will be lost forever¹.

Among the most significant negative consequences of dealing in these currencies are the following:

Firstly: Threats to national security and the financing of terrorism

States must be aware of the risks associated with the use of virtual currencies, as studies have shown that the increasing use of virtual currencies is driven by several factors, including money laundering, the financing of terrorism, drug trafficking and fraud, as terrorist and extremist groups seek to secure stable financial resources that are difficult for banks or public authorities in states and governments to track down and seize; indeed, they actively seek to exploit modern technologies and mechanisms to conceal their financial resources and encrypting their transfers to make it difficult to trace these financial transactions and identify the parties and entities involved.²

Secondly: Financial risks related to price volatility and investment

These can be summarized as follows:³

1- Price volatility: This is attributable to several factors, including the unregulated nature of the market, marketing and advertising of digital currencies, and the ease with which prices can be manipulated....

2- Regulatory frameworks: These are among the greatest risks posed by cryptocurrencies, given that the cryptocurrency market is still new to the financial system. If an investor falls victim to fraud or deception, it is highly likely that they will not be compensated, as there is currently no international law governing digital currencies, which leaves investors vulnerable to fraud and unprotected by international law. This is what leads them to avoid investing in this market despite their desire to do so;

3- Vulnerability to theft and hacking: As the cryptocurrency market is highly vulnerable to theft and hacking, such incidents occur frequently. Hacking in this sector is one of the most significant risks and threats faced by investors in cryptocurrencies and digital currencies.

¹ Mansour Ali Mansour Shata, op. cit., p. 1811.

² Ibid., p. 1811.

³ Hajar Guerfi, Ammar Shalabi, op. cit., p. 115.



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Thirdly: Tax evasion

Virtual currencies can be an innovative and covert form of tax evasion, as there is no legal framework within which they operate; they are held in online accounts known as digital wallets.¹

Fourthly: Trafficking in drugs and illicit goods

Virtual currencies are described as anonymous cryptocurrencies, as they do not allow the seller or buyer to be traced, making them an ideal medium for sellers of illicit goods such as drugs; particularly as the transaction records for every transaction carried out are under pseudonyms; consequently, no one knows the other party's identity in any transaction, but may only be aware of their email address, either before or after the transaction.²

Conclusion:

In conclusion, it can be said that **cryptocurrencies** represent one of the most significant financial innovations of the 21st century, having transformed traditional concepts of money and economic transactions, and becoming a global focus of attention due to the speed, security, and transparency they offer. However, the situation in **Algeria** remains one of extreme caution, due to the absence of a clear legal framework regulating their use, and the authorities' fears regarding the risks associated with them, such as money laundering, the financing of illicit activities, and the volatility of digital markets.

Algeria has chosen to **criminalise dealings in cryptocurrencies** as part of a precautionary approach aimed at protecting the national economy and ensuring the stability of the financial system; however, this ban cannot be a permanent solution given the rapid development of the digital economy and the integration of nations into global digital financial systems.

Therefore, a set of **recommendations** can be proposed that may help strike a balance between protection and openness:

1. **Review the current legal framework** to allow for the regulation of cryptocurrency transactions rather than their outright prohibition, by establishing precise legal and regulatory controls.

¹ Mansour Ali Mansour Shata, op. cit., p. 1812.

² Ibid., pp. 1815–1816.



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2. **Establish a national authority for the supervision of digital assets** to monitor transactions, prevent suspicious activities and ensure transparency.
3. **Raise awareness among citizens and investors** of the risks and benefits of cryptocurrencies through financial and digital literacy programmes.
4. **Encouraging scientific and technical research** in the field of blockchain and digital currencies, to enable Algeria to benefit from these technologies in developing the national economy.
5. **Regional and international cooperation** to exchange expertise in the regulation of digital assets and establish common legal frameworks to limit their misuse.

The future of cryptocurrency transactions in Algeria depends on the ability of legislators and financial authorities to **strike a rational balance** between financial security requirements on the one hand, and the imperatives of economic and technological development on the other, so that Algeria can keep pace with global changes without compromising its economic sovereignty or financial stability.

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