



Legal framework for sports investment in Algeria according to Law No 05-13

Dr. Goual Mustapha *

Ammar Telidji University - Laghouat

mostaf1agoual@gmail.com

Received: 05/08/2024

Accepted: 20/08/2024

Published: 25/09/2024

Abstract:

This study aims to identify the importance of sports investment and the role it plays in the economic and social recovery, as the Algerian legislature has given attention to the latter through the enactment of various legal articles and legislation on sports investment. It has made many amendments and reforms in order to attract more investors and attract capital to achieve the desired goals, including Law 05-13 on the organization and development of physical and sports activities, which contains legal articles that include facilities and incentives in order to attract investors to the sports sector, whether locally or abroad, in order to increase human capital formation and increase capital. The researcher resorted to addressing the legal texts issued and the extent of its impact on sports investment.

Keywords Investment – Sports Investment – Law 05-13

* Corresponding author ☐



Introduction :

Investment is considered among the economic activities that are of great importance, as it represents a vital and effective element to achieve economic and social development, and it is very important by all countries of the world, developed and developing alike , through the jobs it provides and tax revenues for the state.

A sports investment is a business whose goal is to increase the capital of a sports organization. Or increase its resources by maximizing the use of its potential to obtain the largest financial return that helps it implement its programs and improve the level of services. It allows the beneficial exchange between the investor and sports organizations, to invest their material and human capabilities necessary for sports activities. It is an action aimed at increasing capital or increasing resources by operating or exploiting capital.

Therefore, it is considered one of the best areas of investment so that it has an important role on the economic recovery, by bringing large capital that invests in sports projects, so the Algerian state resorts to enacting laws that contain privileges and incentives that work to attract and encourage investors and attract local and foreign investments to push the wheel of sports investment, in accordance with the statutory procedures, including Law 05-13, a law dated 14 Ramadan 1434 corresponding to 23 July 2013 ,related to the organization and development of physical and sports activities. practices that contribute to the prosperity of sports institutions and bodies that serve the state and society.

From the above, we ask the following main question:

Does Law 13-05 include methods and facilities that support and encourage sports investment in Algeria ?

Through this study, two main axes were addressed:

First: Studying the conceptual framework for sports investment.

Second: Studying the various resources issued in Law (05-13) in the field of sports investment.

Study Objectives:

The objectives of the study are:

- Learn about the various legal articles related to sports investment in the law 05-13
- Learn about the various methods adopted in sports investment.
- Identify the facilities approved by the Algerian legislator in investing in Riyadh.



Importance of the study:

The importance of the research lies in considering that sports investment is one of the vital magazines that push the wheel of development forward, whether it is related to developed or developing countries, and in turn Algeria has given it importance through various legislative texts because it is about attracting, encouraging and attracting investors towards the sports field and bringing more capital and increasing resources in order to develop and develop it in the interest of the state and society.

The first topic: The conceptual framework of sports investment

First: Linguistic Definition

Investment is an investment source, which is the demand in the sense of the investment request, and its origin is from the fruit, and it has several meanings, including what the tree carries and what it produces, including the boy, where it is said: The boy is the fruit of the heart, and some types of money.

Second: Definition in terminology

It is the use of money in the production of either directly by buying machinery, machinery and raw materials, or indirectly by buying shares and documents.

Investment in its economic meaning means: the employment of funds in economic, social and cultural projects, with the aim of achieving new capital accumulation, raising new productive capacity and compensating old capital.

As for the term investment in administrative and accounting thought, it means the investment of funds in various assets (current assets, fixed assets and other assets). (The investment authorization includes:

- Works aimed at an increase in capital.
- Increase resources by running money.
- Exploitation of assets with the aim of increasing them.

The second requirement: Definition of sports investment:

It is a work aimed at increasing the capital of the sports organization. Or increase its resources by maximizing the use of its potential to obtain the largest financial return that helps it implement its programs and improve the level of services. It allows the beneficial exchange between the investor and sports organizations, to invest their material and human capabilities necessary for sports activities.

And increase the capital of sports institutions through various sports activities, which comes to exchange the benefit of investors to invest in them and sports institutions to invest their material and human potential necessary for sports activities.



It is a work aimed at increasing individual capital or increasing resources by operating money or exploiting it with the aim of increasing it.

The third requirement: Sports investment objectives:

- 1 Achieving revenue or revenue through various projects.
- 2 Maintaining the assets or the value of the original capital of the investor in the project.
- 3 Continuity and increase of income: The investor in the field of physical education and sports aims to achieve a continuous income and work to increase and develop it continuously.
- 4 Ensuring the necessary liquidity to meet work obligations and cover emergency situations.

The fourth requirement: Areas of sports investment:

First: Investing in an athlete in the sports institution:

By sponsoring sports teams for individual and group games, establishing health clubs, television broadcasting rights, sponsorship and advertising rights, hosting international foreign teams, selling tickets for matches and competitions, selling the purchase of players, closed multi-purpose halls died with the establishment of schools to teach and train various sports.

Second: General athlete investment:

By establishing therapeutic centers, suitable lounges with fast food restaurants, organizing various parties, internet halls, purchasing the shares of a refueling station company and training courses for education, promotion and sports management, and exploiting sports facilities in public activities and events not related to sports, in addition to exploiting them as tourist vehicles through the services and entertainment that attract tourists.

The fifth requirement: Incentive and incentive decisions for sports investment:

- The need for laws, regulations and decisions that encourage sports investment.
- Availability of different methods to motivate and encourage investors.
- Developing a strategy for the investment of the athlete in the sports institution.

The sixth requirement: Recent trends in sports investment:

Relying on traditional sources of funding such as subsidies, donations and credits by the state and businessmen is no longer sufficient to enable countries to reach their desired goals, so it was natural for investors to think about how to find non-



traditional funding sources, and there is a tendency to form joint-stock companies that manage and supervise sports in order to reach the best levels of profitability, which in turn achieve the appropriate return on investment.

The second topic: The legal framework for sports investment Law (05-13)

The first requirement: Definition of the law (05-13)

It is a law dated 14 Ramadan 1434 corresponding to 23 July 2013 ,related to the organization and development of physical and sports activities.

He dealt with the basic axes: the concepts of physical activities, sports, athletes, sports supervision, sports organization and activation structures, sports support devices and structures, training and research in the field of sports, equipment, sports facilities, financing, assistance, anti-doping control and control, prevention of violence in sports facilities, international sports relations, disciplinary provisions and penal provisions.

This law sets out several methods and methods of sports investment with the involvement of the private and foreign sectors in accordance with the objectives and principles that regulate and conduct sports, physical and sports activities, as well as the means of promoting them in Algeria.

Through Law (05-13), sports investment can be divided into:

First: Investing in human resources: Its goal is to develop and promote human resources in many fields.

Second: Material investment: Its goal is to invest in equipment, sports walkers and professional sports clubs.

Third: Public Sector Investment

Fourth: Private Sector Investment

Fifth: Foreign Investment

The second requirement: Configuration

It is noted that the Algerian legislator is interested in sports investment in the text of Law 05-13, but in a limited number in terms of the number of articles, and we will address this in detail.

Chapter I of Law 05-13 contains general provisions, as Article 07 stipulates: The State and local groups shall, in liaison with the National Olympic Committee, the National Paralympic Committee, national sports federations, as well as every natural or legal person subject to public or private law, undertake to promote and develop physical and sports training and activities, and in particular provide all necessary means to ensure the best representation of the homeland in international sports competitions.

Article 08 continued: Sports training is one of the basic and priority components of national sports policy.



Article 09 stipulates: Sports training is a public benefit activity that regulates sports training and is implemented within a system that ensures equal opportunities for young talents and their professionals. For the purpose of developing sport with the intention of competing and achieving high level performance.

The content of Article 10: Sports training constitutes a commitment to the organizational structures of sports activation, as well as a right for young sports talents to develop their qualifications, physical and moral abilities, and raise the level of their performance. It also allows sports framing to raise its level of qualification and improvement.

In the second part of the chapter, the sport of whining and the high level, 43: Natural and legal persons subject to public or private law can contribute to achieving this goal .

In general, the composition includes two main elements:

- Young athletic talents.
- Sports framing.

The Algerian legislator's focus on human investment has an impact through the following:

- Human development, which is an important type of investment in Riyadh, is based on young sports talent .
- Training and training, which is a priority and a prerequisite for national sports policy
- Raising the level of performance and framing to be an effective tool in the development and promotion of physical and sports activities.

The third requirement: Sports facilities

Chapter Seven provides for sports equipment and facilities. According to Article 149: The State and local groups shall ensure, in relationship with the relevant national sports federations, the completion and preparation of various sports facilities adapted to various physical and sports activities in accordance with the national map of sports development within the framework of the directive for sports and major sports equipment. The groups develop programs for the completion of sports, educational, neighborhoods and recreational facilities.

Article 150 stipulates that natural and legal persons may, within the framework of the legislation in force, establish, develop and exploit sports and recreational facilities with the aim of adapting various sports practices and developing the network of national sports facilities.

Private investment benefits from incentive measures in accordance with the legislation in force, especially fields on real estate and tax facilities.

- Acquiring a property.
- Fiscal facilities.



Article 152: The State shall encourage the production of sports equipment through incentive and accompanying measures within the framework of the legislation and regulation in force.

Article 154 stipulates: Every economic or administrative group may also complete a sports facility within the same conditions .

It is noteworthy that the Algerian legislator has worked to embody a long-term strategy for sports facilities, whether it is related to the public or private sector:

- Involvement of various actors in the sports sector Preparing and equipping sports facilities.
- Providing them at various levels, including educational, neighborly and recreational sports facilities.
- Achieving goals and keeping abreast of technological developments.
- Accommodating various events and sporting events, whether local or international.
- Attracting private investors and encouraging them to embody their investment projects through incentive measures, whether real estate or tax facilities.
- Involve the owners of the sport in the completion of sports facilities.
- Achieving the public interest requirements.

The fourth requirement: Professional sports clubs

In Chapter Four, the structures of organizing and activating athletes, according to Article 78: A professional sports club is a commercial company with a sports goal that can take one of the following forms:

- Sole Proprietorship Sports Limited Liability.
- limited liability company can come in
- Sports company with shares.

Article 79 stipulates: The professional sports club aims, in particular, to improve its economic and sports competitive level, as well as for its athletes by participating in paid sports events and competitions, as well as practicing all commercial activities related to its goal.

Article 81 stipulates: Every amateur sports club and every natural or legal person may establish a professional sports club or be a shareholder or partner in it.

It is noted that the Algerian legislator gave the foreign partner the right to contribute or participate in the professional sports club in accordance with the applicable legislation.

Conclusion:

Through this study, which dealt with the legal framework for sports investment in Algeria in accordance with Law 05-13 on the regulation and development of



physical and sports activities, it is clear the extent of the Algerian legislator's interest in the field of sports investment, but to a limited extent in terms of the number of legal articles pending the issuance of more applicable texts. It was noted that some resources were retained from the previous law and also the issuance of the investment law, which excluded sports investment from it to remain in need of further reforms to push for development and development in Algeria. It was noted that there are legal articles that are concerned with training, which is a human investment and a basic requirement for national sports policy aimed at human development. This is evident in the young sports talents and their financial and moral interest and support, as well as sports framing. There are also legal articles that are concerned with contributing to the prosperity of sports institutions and bodies economically by developing and establishing sports facilities, whether in the public sector or the private sector, and involving all actors in the sector and stakeholders that would serve the state and society. In addition, there are legal articles that embody ways to invest in professional sports clubs, for example, by transforming into a company with shares and working to improve the competitive and economic level in accordance with the system in force so that it is a key factor for the advancement of the sports professionalism system in Algeria. The Algerian legislator has worked to issue legislative texts that attract and encourage investors towards the sports sector.

Bibliography List setting:

-First: legal texts

- Law n° 05/13 of 23 July 2013, on the regulation and development of physical and sports activities, Official Journal, 31 July 2013, n° 39 ,p,5,12,21.

-Second: books

- Qutb Mustafa Sanu, Investment, Its Provisions and Controls in Islamic Jurisprudence, Dar Al-Nafis for Publishing and Distribution, 1st Edition, Jordan,2000, p65.

- Hassan Al-Shafei, Investment and Marketing in Physical Education and Sports, 1st Edition,Dar Al-Wafaa Al-Tabbaa and Publishing, Alexandria, 2006.p22.

- Hassan Al-Shafei, Aliya Abdul Momen Hegazy: AStrategy for Sports Marketing and Investment in Sports Institutions, Dar Al-Wafa Printing and Publishing, Alexandria, 2009, p23.

- Ismail Hamed Othman: Sports Crisis Management, Al-Kitab Publishing Center, Cairo,1998,p58.

- Qasim Nayef Alwan: Investment Department, 1st Edition, Dar Al-Thaqafa for Publishing and Distribution, Jordan, 2008, p29.

- Kamal Al-Din Abdul Rahman Darwish, Al-Saadani Khalil Al-Saadani: Professionalism in Football, 1st Edition, Al-Kitab Publishing Center, 2006, p170.



- Doaa Mohamed Abdeen Mohamed Alamuddin: Investing brands in marketing sports activities.,1st Edition, Dar Al-Wafaa Al-Tabbaaand Publishing, Alexandria, 2012, p32.

-Third: Articles

- Hamza Wahab, Maramreya Sanaa, Judgments of Investment in Algerian Law, Journal of Law and Political Science, 07, Institute of Law and Political Science University Center Salehi Ahmed Al-Naama, Issue D:01,2021, p. 42.

- Dahmani Mohamed, AmmarY Mohamed, Reading in Law 05-13 related to the organization and development of physical and sports activities and the extent of his interest in the care of young sports talents, Journal of the Research Professor of Legal and Political Studies, Faculty of Law and Political Science, Mohamed Boudiaf

University, 5, Issue 12,2020, p. 1573.