



EXPERIENCE OF THE ALGERIAN STATE IN ISSUING THE SELF-EMPLOYED ENTREPRENEUR LAW: A SIGNIFICANT STEP TOWARDS ENCOURAGING ALGERIAN AND FOREIGN YOUTH RESIDING IN ALGERIA TO EMBRACE ENTREPRENEURSHIP

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Abstract:

In recent years, Algeria has seen an increase in various activities that have gained considerable popularity and attention, such as confectionery, tailoring, and content creation on social media, all of which generate income.

Many individuals engaged in these activities often choose not to operate within a legal framework, primarily due to the small scale of their enterprises and the financial barriers associated with renting a premises to fulfill the requirements for a commercial registration as mandated by the existing commercial registration regulations. To address these challenges, the Self-Employed Entrepreneur Law has been established as an optimal framework, enabling these small-scale entrepreneurs to legally conduct their businesses and access benefits such as social security and retirement grants with minimal obligations.

This includes the responsibility to pay annual subscriptions starting from 24,000 DZD and a modest tax rate of 0.5% annually on declared profits. This legislation provides a robust framework that allows both Algerian citizens and legal residents to operate their businesses regularly without the necessity to rent a premises, as merely declaring their home address is sufficient.

Keywords: Self-Employed Entrepreneur; Taxes; Declaration; Agency; Card.

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Introduction:

Algeria is actively fostering investment in the private sector through legal reforms across various sectors and the introduction of new legal statutes. The Self-Employed Entrepreneur Law acts as an effective legal structure to regularize the operation of micro-enterprises, providing benefits to both the entrepreneurs and the state.

This law has extended its coverage to include even the activities of influencers and social media page owners, who generate income through advertising and other related avenues. The genesis of this law came from the Minister of Knowledge Economy and Emerging and Micro Enterprises, who aimed to create a supportive legal environment for freelancers, thus benefiting both individual entrepreneurs and the broader state economy.

This legislation simplifies the operational requirements for small businesses, making it easier than the provisions typically found under commercial law, within specified conditions and terms.

The central questions of this study are:

_ What are the conditions and requirements for obtaining the self-employed entrepreneur card?

_ What benefits does the card provide to its holders? Moreover, has the state been successful in enticing self-employed entrepreneurs to operate within a legal framework through this law?

This investigation will detail the prerequisites for practicing as a self-employed entrepreneur as prescribed by Law No. 22-23 and its associated implementing decrees.

1. Conditions for Obtaining the Self-Employed Entrepreneur Card

The self-employed entrepreneur is identified as any individual engaging independently in a profit-making activity (Jolanta Szaban, 2018) that is included in the list of eligible activities for the self-employed entrepreneur card, provided that the annual turnover does not surpass five million Algerian dinars, in accordance with the implementing decrees.

This excludes free professionals, regulated trades, and artisanal activities. The prerequisites for an individual seeking this card are notably straightforward and include:

_ Attaining the legal working age.

_ Holding Algerian citizenship or possessing legal residency in Algeria.

_ Engaging in an activity categorized within one of the seven fields designated by the agency.

It is important to note that, in contrast to traders, self-employed entrepreneurs are not mandated to own a real estate property for their commercial operations. They have the flexibility to conduct their business from their residential address or within a shared workspace.

To obtain the card, one simply needs to apply through the portal of the National Agency for Self-Employed Entrepreneurs, which was established by Executive Decree No. 23-196. This agency is a public institution characterized by administrative nature, endowed with legal personality and financial autonomy, and placed under the guardianship of the Minister responsible for Emerging Enterprises.

The agency is responsible for managing and operating the digital platform for registration, deregistration, and re-registration in the National Registry of the Self-Employed Entrepreneur, identifying and updating the eligible activities. In general, it supports, follows up, and monitors the activities of the self-employed entrepreneur. It also issues the card, which has a validity of five years, in exchange for payment of issuance and delivery fees determined by the agency.

According to Executive Decree No. 23-197, the list of seven fields includes the sub-activities that can be practiced, represented as:

- Consulting, expertise, and training.
- Digital services and related activities.
- Manual services.
- Services directed at individuals.
- Entertainment and leisure services.
- Services directed at enterprises.
- Cultural services and audio-visual communication (Samira, 2025).

Registration is conducted by clicking the registration box on the agency's official website (Registration portal for the National Agency for Self-Employed Entrepreneurs), entering the name, surname in Latin characters, nationality, email, and password, then completing the steps. The registration process is handled within a maximum of three



days according to Article 16 of Executive Decree No. 23-197. Applicants are notified electronically of their acceptance or rejection. If accepted, the applicant is issued a self-employed entrepreneur card with a unique national registration number in the National Registry, which can be downloaded electronically from the digital platform.

2. Obligations of the Self-Employed Entrepreneur

Self-employed entrepreneurs are required to adhere to the following obligations:

- Register with the Social Security Authority for Non-Salaried Workers, with a privilege to declare a minimal annual amount of only 24,000 DZD.
- Notify the local tax authorities of their operation to secure a tax identification number within thirty days from the issuance of the card.
- Annually provide an administrative certificate from the tax service that reports the achieved annual turnover, formatted as specified by the General Directorate of Taxes.
- Accurately declare their turnover to the tax authorities and settle the corresponding taxes as dictated by the applicable laws and regulations.

3. Privileges of the Self-Employed Entrepreneur

The self-employed entrepreneur enjoys a variety of privileges, summarized as follows:

- Maintaining simplified accounting through a numbered and indexed register sanctioned by the locally competent tax service, which records all revenues and expenses pertinent to the activity.
- Exemption from the requirement to balance the values in the commercial register.
- Benefiting from a preferential tax regime (Catherine Barnard, 2018); specifically, natural persons operating under the self-employed entrepreneur regime whose annual turnover does not exceed five million Algerian dinars for three consecutive years are governed by Article 282 bis 4 of the Direct Tax and Similar Fees Code and Article 51 of the Finance Law for 2023, which enforces a flat tax rate of 0.5%.
- The ability to open a commercial bank account is also extended (rafiaa, 2025).

4. Deregistration from the Self-Employed Entrepreneur Register

The process for deregistration from the Self-Employed Entrepreneur Register is also governed by the same legislation, allowing for the possibility of re-registration should the entrepreneur choose to resume activities. Deregistration can occur under various circumstances:

- Voluntarily, by the self-employed entrepreneur through a direct request to the agency or via the digital platform.
- In instances where the entrepreneur fails to declare turnover, or declares zero turnover for three consecutive years.
- If the entrepreneur consistently exceeds the annual turnover limit set by regulations for three consecutive years.
- Due to any legal or judicial impediments that prevent the continuation of the activity.
- Upon the death of the self-employed entrepreneur.

Since its launch in January 2024, the National Agency for Self-Employed Entrepreneurs has successfully issued over ten thousand cards. This initiative marks a significant stride towards mitigating the parallel economy and regularizing micro-activities, thereby benefiting both the individual entrepreneurs and the broader state.

Conclusion

The Self-Employed Entrepreneur Law has significantly propelled the momentum of entrepreneurship and freelancing among the youth, establishing a robust legal structure for conducting micro-activities in a regularized and formal manner. This legislative framework offers tangible benefits to the entrepreneur, such as providing social security and pension coverage proportional to their contributions to the fund.

Concurrently, it aids the state by bringing activities previously conducted outside the legal perimeter into a regulated environment and generating revenue through taxes levied on these activities. Furthermore, this law has fostered a conducive environment for micro-projects that were traditionally hindered by the constraints of the commercial register.

By streamlining the process, conditions, and steps required to obtain the entrepreneurship card, it has made business operations more



accessible. The designated activities within the specified fields by the agency primarily involve service activities that are inherently less susceptible to bankruptcy compared to those under traditional commercial law practices.

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