

***The Legal System of the Self-Employed Contractor in Algerian
Law No. 22/23***

النظام القانوني للمقاول الذاتي في القانون الجزائري رقم 23/22



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Abstract:

The Algerian legislator has introduced a new entrepreneurial status to encourage youth to engage in entrepreneurship: the self-employed contractor status, as per Law 22-23, which outlines the basic regulations for self-employed contractors. The objective of this study is to shed light on the legal provisions contained in the aforementioned law, explore the concept of the self-employed contractor, including its definition and registration procedures to obtain a self-employed contractor card, and highlight the main benefits granted under this status. These benefits include simplified accounting, preferential tax treatment, social security coverage, and exemption from registration in the commercial registry, provided that their activity is profitable. Additionally, the law imposes several obligations, such as the requirement to declare turnover to the tax authorities, with a legislatively defined cap of five million Algerian dinars.

Keywords: Self-employed contractor, basic law, benefits, obligations, Algerian legislator.

الملخص:

لقد استحدث المشرع الجزائري صفة مقاولاتية جديدة لتشجيع الشباب للولوج إليها وهي صفة المقاول الذاتي وذلك بموجب القانون 23-22 المتضمن القانون الأساسي للمقاول الذاتي وعليه يكمن الهدف من الدراسة في تسليط الضوء على الأحكام القانونية التي جاءت في القانون المذكور أعلاه، والتطرق إلى مفهوم المقاول الذاتي من تعريفه وإجراءات تسجيله للحصول على بطاقة المقاول الذاتي، وبيان أهم الامتيازات الممنوحة له المتمثلة في استفادته من محاسبة مبسطة، نظام ضريبي تفضيلي، وتغطية من الضمان الاجتماعي، وإعفائه من القيد في السجل التجاري وأن يكون نشاطه مربحاً. كما الزمه بمجموعة من الالتزامات، كالتصريح لدى المصالح الجبائية برقم الأعمال الذي حدده المشرع بأن لا يتجاوز خمسة مليون دينار جزائري.

الكلمات المفتاحية: المقاول الذاتي، القانون الأساسي، الامتيازات، الالتزامات، المشرع الجزائري.

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Introduction:

Continuing the policy pursued by Algeria in recent years to encourage individual entrepreneurial initiatives, which have been reflected in many legal texts, the legislator has issued laws specifically targeting small and medium enterprises, startups, and business incubators. Most recently, it has issued the basic law for self-employed contractors, Law No. 22-23¹. The aim, similar to that of other legal systems, is to support individual talents and abilities and to reduce unemployment.

To achieve this, a legal framework was established to regulate many unregulated entrepreneurial activities, often related to modern technologies, and to encourage youth to create their own small projects in the form of self-employed contractor enterprises by granting them several benefits outlined in the basic law for self-employed contractors.

The Self-employed Contractor Law regulates certain activities that have developed in line with the knowledge and digital economy, ensuring the rights of those engaged in such activities.

Law 22-23, which includes the basic regulations for self-employed contractors in Algeria, was developed based on proposals from a large number of experts during national sessions organized by the Ministry of Knowledge Economy and Startups and Small Enterprises in Algiers. The Minister of Knowledge Economy and Startups and Microenterprises in Algeria has emphasized that this law will promote entrepreneurial spirit and facilitate youth entry into the labor market through self-employment². He added that it will "reduce the number of individuals operating in the informal market without social security coverage and contribute to integrating this segment into the formal economy."

The basic law for self-employed contractors allows youth to engage in profitable activities in an organized and legal manner within a formal framework.

The basic law for self-employed contractors, Law No. 22-23, was introduced relatively late compared to other countries that had already established legal frameworks for activities under the self-employed contractor

1-Law No. 22-23 dated 24 Jumada al-Awwal 1444 corresponding to 18 December 2022, Official Gazette No. 85, dated 28 December 2022.

2-Official Gazette of Debates, Second Year, No. 100, dated 20 November 2022, pp. 03-04. National People's Assembly Website: <https://www.apn.dz/documents/JOD/2022-11-08/JOD2022-11-08>

category, such as France with Law No. 2008-776 dated August 4th, which concerns the modernization of the economy¹, and Morocco with Law No. 13-114 concerning the self-employed contractor system². The Algerian legislator sought to draw inspiration from the experiences of these countries.

Based on the aforementioned points, the following question arises: **What is the concept of the self-employed contractor, and what benefits does the basic law No. 22-23 provide?**

To answer this question, the topic will be addressed according to the following plan:

Topic 1: The Concept of the Self-employed Contractor.

Topic 2: Benefits and Obligations of the Self-employed Contractor.

In our study, we are going to apply the descriptive analytical method.

THE FIRST TOPIC: The Concept of the Self-Employed Contractor and Its Areas of Activity

The concept of self-employment is a modern notion that has emerged and spread alongside entrepreneurial activities. To define the concept of self-employment, it is necessary to define the term and determine the scope of its activities.

FIRST REQUIREMENT: The Legislative Definition of the Self-Employed Contractor

Some legislations that have preceded Algeria in this field, such as Moroccan legislation, have attempted to define a self-employed contractor as any individual or natural person who individually engages in an industrial, commercial, artisanal, or professional activity, or provides services, with an annual turnover not exceeding:

- 500,000 dirhams, if the activity falls within the industrial, commercial, or artisanal sectors. 200,000 dirhams, if the activity involves providing services³.

Similarly, Kuwaiti legislation defines self-employed contractors as individuals who practice a simple craft or small trade relying on their labor to earn modest profits sufficient for their livelihood, rather than relying on capital, such as itinerant vendors and small shop owners. They are exempt from the commercial

1-This type of entrepreneurial activity was regulated by Law No. 2008-776. Website: <https://www.vie-publique.fr/sites/default/files/rapport/pdf/134000225.pdf>

2-Moroccan Law No. 13-114 issued on 19 February 2015, concerning the self-employment system, Official Gazette No. 6344 dated 12 March 2015.

3-Article 1 of Moroccan Law No. 13-114, op, cit.

obligations of keeping commercial records, registration in the commercial registry, and bankruptcy and insolvency regulations¹.

In some legislation, the term « small trader » is used instead of « self-employed contractor, » as seen in the case of Jordanian legislation. The Jordanian legislator defines a self-employed contractor as a small trader engaged in small trade or a simple craft with limited expenses. This category includes specific small-scale entrepreneurs who work in certain fields and are subject to special rules, allowing them to receive support and facilities that help them further develop their businesses².

The Algerian legislator did not explicitly define a self-employed contractor through Law No. 22-23 but sought to clarify what is meant by a self-employed contractor by establishing certain criteria. These include the requirement that a self-employed contractor be a natural person and not a legal entity. They must work alone, without partners, and conduct their business independently for their own account. The business must be profitable and fall within a specific list of activities designated for self-employment³.

Second REQUIREMENT: Conditions Required to Benefit from the Self-Employed Contractor System

Article 3 of the Basic Law for the Self-Employed Contractor No. 22-23 outlines the conditions necessary to qualify as a self-employed contractor, which are:

First section: Being a Natural Person

The Algerian legislator requires that anyone seeking to qualify as a self-employed contractor must be a natural person. Legal entities, such as companies, are excluded from this system. The contractor must work alone, without partners. The self-employed contractor system focuses on the individual, emphasizing independence in their business activities.

Second section: Having the Necessary Legal Capacity

Generally, any person who has reached the legal age of majority, set at 19 years by Article 40 of the Civil Code, and is not subject to any legal incapacity, is deemed competent to perform legal acts. However, an exception is made in

1-Kuwaiti Commercial Law No. 68 of 1980. Website: www.areejhamadah.com, Access Date: May 2024.

2- Article 10 of Jordanian Commercial Law, Official Gazette No. 5005, p. 371.

3-Article 2 of Law No. 22-23, op, cit, but the self-employment is generally defined in civil law in the article 549 as: “employment is a contract whereby one of the contracting parties undertakes to make something or perform a work in return for a wage undertaken by the other contracting party”.

commercial law, which allows a person who has reached the age of 18 to engage in commerce after receiving judicial authorization, which must be submitted with the commercial registration application¹. Regarding the capacity required for a self-employed contractor, Article 3 stipulates that the individual must have reached the legal age as defined by labor law². The legislator sets a minimum age requirement for self-employed contractors without specifying a maximum age limit.

Third section: Citizenship Requirement

The Basic Law for Self-Employed Contractors No. 22-23 requires that the individual be a resident of Algeria, whether they are Algerian or a foreigner. However, for a foreigner to benefit from this system, their residency must comply with applicable laws and regulations³. The law does not distinguish between Algerian nationals residing in Algeria and foreigners residing in Algeria; both can qualify as self-employed contractors if they meet the necessary conditions. Registration can be done through the digital platform, as the law aims to serve the economic system. The official launch date for registration in the National Register of Self-Employed Contractors is January 20, 2024, coinciding with the official launch of the Self-Employed Contractor Agency. The application for self-employed contractor status can be downloaded from the digital platform, ensuring a smooth process from application to receiving the contractor card via mail.

Third Requirement: Areas of Activity for the Self-Employed Contractor

To qualify as a self-employed contractor, the individual must engage in an activity listed in the eligible activities list under the Basic Law for Self-Employed Contractors. The law aims to regulate new economic activities that have emerged with the rise of the knowledge and digital economy, which previously had no legal framework. It also seeks to promote entrepreneurial spirit and facilitate youth entry into the labor market through self-employment, thereby ensuring social security coverage for as many individuals as possible and integrating them into the formal economy.

1- Article 2 of Law of Algerian commercial law.

2- “The minimum legal age for employment shall not be less than one year for admission to any type of employment or work”, according to article 15 Law No.90-11, dated on 21 April 1990 relating to labor relations amended and supplemented, Official Gazette No. 17, dated 25 April 1990.

3- Law No. 08-11 dated 25 July 2008, related to the conditions for the entry, stay, and movement of foreigners in Algeria, Official Gazette No. 36.

Executive Decree No. 23-197¹ specifies the activities eligible for the Basic Law for Self-Employed Contractors, allowing individuals to choose their activity when registering through the relevant ministry's electronic platform. The decree identifies seven main areas that can be practiced by an individual, which include:

- Digital services and related activities.
- Consulting and training services.
- Household services.
- Personal services.
- Leisure and entertainment services.
- Services for businesses.
- Cultural and audiovisual communication services.

These activities must be practiced individually and profitably, with the self-employed contractor's annual turnover not exceeding 5 million Algerian dinars². The law aims to regulate new economic activities that have emerged with the knowledge and digital economy, such as web and mobile app development, e-marketing, VTC³ (ride-hailing services) drivers, social media management, and graphic design. It seeks to free entrepreneurial initiative and facilitate youth access to the labor market through self-employment, enabling the creation of new markets, stimulating freelance platforms, and providing new jobs. This allows the self-employed contractor to transition from the informal market to formal employment, working with multiple companies on a temporary basis.

The Self-Employed Contractor Law has proven effective in regulating activities that meet the needs of all economic sectors, making it a multidisciplinary framework. Certain professions, such as lawyers, doctors, real estate agents, and other regulated and artisanal professions, are excluded from the activities a self-employed contractor can engage in. The list of eligible activities is regularly updated by a multi-sectoral committee, composed of independent experts, established by Executive Decree No. 23-197. The committee ensures that the list of activities does not overlap with other sectors and is updated through a decision by the Minister of Startups after consulting the Self-Employed Contractor Activities Committee. The committee is chaired by the Minister of Startups or their representative and includes representatives from

1-Executive Decree No. 23-197, dated 5 Dhu al-Qi'dah 1444 h corresponding 2nd May, 2023, It defines the list of activities eligible to benefit from the basic law of the self-employed.

2- Article 51 of Law No. 22-24 dated 25 December 2022, related to the Finance Law for the year 2023, Official Gazette No. 89, dated 29 December 2022.

3- VTC means: Ride-hailing services drivers.

several ministries and two experts in entrepreneurship and new technologies and digitization.

Fourth Requirement: Registration procedures for the self-employed contractor

Any individual who meets the conditions outlined in the basic law for Self-Employed Contractors must register in the National Register of Self-Employed Contractors, managed by the National Agency for Self-Employed Contractors. Registration can be done by submitting an application to the agency or through the digital platform created for this purpose, accompanied by an administrative file or an information form specified by the digital platform. This register is linked to other public institutions, particularly tax authorities and the social security agency for non-wage earners.

The basic law for self-employed contractors has introduced the « National register of self-employed contractors, » managed by an entity responsible for processing registration applications and issuing a self-employed contractor card with a unique national registration number. The card is valid for five years, and its model is specified by executive decree No. 23-198¹.

The agency's management has also been defined and regulated by the executive decree No.23-196², the agency contributes to organizing new economic activities, especially in the digital sector, and developing the spirit of entrepreneurship by facilitating young people's access to self-employment and enhancing their integration into the formal economy. The company will be responsible for establishing and managing the national registry, which, through the digital platform, proves its status as a self-employed contractor before various stakeholders and administrative bodies.

The law allows for dual employment, enabling individuals who are already employed to also qualify as self-employed contractors under certain legal conditions. Law No. 22-22 ³introduces Article 206 bis, which grants employees the right to take unpaid leave for up to one year to start a business, with the possibility of a six-month extension. Employees retain the right to reintegration, whether they start a business or not, and those working in the economic sector,

1-Executive Decree No. 23-198, op, cit.

2- Ibid.

3- Articles from 206 bis to 206 bis 6 of Law No. 22-22 dated 24 Jumada al-Awwal 1444 corresponding to 18 December 2022, amending Ordinance No. 06-03 dated 19 Jumada al-Thani 1427 corresponding to 15 July 2006, concerning the General Civil Service Law.

whether public or private, outside of official working hours can also benefit from the self-employed contractor system.

Second topic: Advantages and Obligations of Self-Employed Entrepreneurs

The Self-Employed Entrepreneur Law No. 22-23 provides a range of advantages for self-employed entrepreneurs, while also imposing several obligations. The legislature aims, through this distinct entrepreneurial system, to grant various incentives and facilitations to certain individuals who wish to independently pursue certain activities. This is intended to assist them in achieving self-reliance and securing income, thereby helping to reduce unemployment and decrease reliance on the state for employment, while also organizing and regulating the informal economy¹.

First Requirement: Advantages of the Self-Employed Entrepreneur under Law No. 22-23

The legislator introduced the basic law for self-employed entrepreneurs to encourage entrepreneurial spirit and attract youth into this field by supporting them with a series of benefits:

First section: Simplified Accounting

Entrepreneurs maintain a simplified accounting system in a registered and verified ledger by the competent regional tax authorities, where revenues and expenses related to the activity are recorded. The financial accounting system aims to provide the necessary information to create a database that supports appropriate decision-making, ensuring that this information is accurate and transparent. States strive to unify the accounting system to achieve this goal, which can stimulate foreign trade, as Algeria did by adopting Law No. 07-11². It is worth noting that the accounting system requires institutions to document various financial details, such as budgets, income statements, and cash flow tables. However, small entities are exempt from this, as small activities are subject to simplified financial accounting. This simplification was confirmed by the decision issued on July 26, 2008, which set limits on turnover, the number of employees, and activities applicable to small entities for maintaining simplified financial accounting.

Second section: Preferential Tax Regime

According to Article 9 of Law 22-23, the self-employed entrepreneur benefits from a highly attractive and distinct tax system, through a unique flat

1- El Mokhtar El Seridi, The legal system of the self-employed contractor, Law and Business Journal, Hassan I University: www.Droitentreprises.com

2-Law No. 07-11 dated 25 November 2007, concerning the Financial Accounting System, Official Gazette No. 74, amended and supplemented.

tax¹ which has been set at 0.5% of turnover for the current year. The unique flat tax is to be paid annually to the tax authorities, at a rate of 0.5% of turnover as determined by the basic law for self-employed entrepreneur's No. 22-23, which does not exceed 5 million Algerian dinars (500 million centimes). Generally, tax identification numbers are included on sales invoices and products as a means to enhance transparency and clarify tax obligations. However, it is worth mentioning that Law 23-22 does not explicitly require the issuance of invoices for transactions carried out by the self-employed entrepreneur, although this is considered an effective means of ensuring transparency as stipulated by Executive Decree No. 05-468. Law No. 22-23 also does not explicitly require the issuance of invoices for transactions carried out by the self-employed entrepreneur, though this is considered an effective means of ensuring transparency as stipulated by Executive Decree No. 05-468². Law No. 22-23, concerning the basic law for self-employed entrepreneurs, in Article 10, stipulates that the self-employed entrepreneur must declare their status with the social security authority. Although this requirement is more of a benefit than an obligation, it is a consequence of the services that the self-employed entrepreneur will benefit from, whether medical services or a retirement system. Social security coverage represents a new form that improves the social conditions of individuals, providing social protection, healthcare coverage, and a retirement system for non-salaried workers, enhancing the individual's sense of stability. It is noteworthy that the benefits of specific tax advantages and social security coverage become effective immediately upon registration in the National Register of Self-Employed Entrepreneurs.

Third section: Opening a Business Bank Account

The legislator has granted the self-employed entrepreneur the possibility of opening a business bank account under the last paragraph of Article 9 of Law 23-22, even without being registered in the commercial register. This allows them to benefit from the advantages of a business account, such as conducting withdrawals and payments, settling transactions through checks or bank cards, as well as performing transfers and debits. Additionally, by opening this business bank account, the self-employed entrepreneur can fully benefit from

1- The lump sum tax system is a tax facilitation adopted by Algeria since 2007, whereby three taxes are combined into one tax.

2-Executive Decree No. 05-468, defining the conditions for issuing invoices, delivery notes, and total invoices, issued on 10 December 2005, Official Gazette No. 80.

the revenue from the export of digital services in foreign currency, a service not available to the general public and cannot be utilized in informal activities.

Fourth section: Exemption from Mandatory Registration in the Commercial Register

The self-employed entrepreneur is exempt from the obligation to be registered in the National Register of Self-Employed Entrepreneurs, as they do not acquire the status of a trader. Instead, they are registered in the National Register of Entrepreneurs, which the agency is responsible for updating along with the list of activities and supporting self-employed entrepreneurs in the initial stage to enable them to carry out their activities within an organized and regulated framework.

Fifth section: Possibility of Operating from Home

The self-employed entrepreneur is exempt from the obligation of owning or renting premises for their activity, and instead can operate from their residence or shared workspaces¹. This relieves them of the financial burdens that typically weigh heavily on self-employed entrepreneurs, as most of them are young people who often lack financial resources. Moreover, some activities performed by self-employed entrepreneurs are conducted from home². To encourage this, the legislator excludes the personal or family residence from assets that can be seized in case of debt defaults resulting from the activity. This provision also facilitates the practice of self-employed activities by stay-at-home³ women who may struggle to provide such documents. Article 07 of Law 23-22 states: « The self-employed entrepreneur may operate from their residence. » It is known that one of the concerns for anyone wishing to engage in business is the requirement to provide ownership, lease, allocation, or concession contracts to be able to register with the commercial register. This distinguishes the self-employed entrepreneur from a trader who is required by law to have property ownership or a lease contract when registering in the commercial register⁴.

1- Article 7 of Basic law of the self-employed No 22-23.

2- Ben Azzouz Fatiha, The Self-Employed Contractor System and Its Privileges in Light of the Provisions of Law 22-23, Journal of Legal and Social Sciences Volume 8 Issue 3 September 2023.

3-Article 8 of Basic law of the self-employed No 22-23.

4- The right to rent is one of the important elements in establishing a commercial store: Article 78 of Algerian commercial law.

Second Requirement: Obligations of the Self-Employed Entrepreneur under Law No. 22-23

To benefit from all these advantages and incentives, every self-employed entrepreneur must adhere to the following:

- **Registration and Declaration:** They must register in the National Register of Self-Employed Entrepreneurs and declare with the National Social Security Fund for Non-Salaried Workers.
- **Tax Declaration:** They must declare their existence to the competent regional tax authorities to obtain a tax identification number within 30 days after obtaining the self-employed entrepreneur card. They must also declare their turnover, present business or postal bank accounts every six months, and declare their turnover and pay dues to the tax authorities according to applicable legislation and regulations.
- **Monitoring and Registration Renewal:** The self-employed entrepreneur's activities are monitored and followed, and they are issued a self-employed entrepreneur card, valid for five years, with its model determined by Executive Decree No. 23-198. The name of the self-employed entrepreneur is removed from the National Register of Self-Employed Entrepreneurs in the following cases:
 - Upon a written request from the entrepreneur.
 - Failure to declare turnover or declaring zero turnovers within three years following registration in the National Register of Self-Employed Entrepreneurs.
 - Exceeding the legally set annual turnover limit for three consecutive years.
 - If the entrepreneur transitions from self-employment to forming a company, regardless of its legal form.
 - In case of any legal or judicial impediment preventing the continuation of the activity.
 - In case of the entrepreneur's death.

If removal occurs for any of the above reasons, the self-employed entrepreneur loses the right to benefit from the special tax regime and the social and health coverage granted by law. The National Agency for Self-Employed Entrepreneurs is responsible for notifying the entrepreneur, tax authorities, social security authority for non-salaried workers, and the concerned banking or postal institution of the removal decision within fifteen days. It also cancels the relevant card. In any case, the entrepreneur remains liable for all outstanding tax debts and social security contributions that were pending before their removal from the national register. However, they can re-register in the register provided

they settle those debts or the remaining portion. The self-employed entrepreneur may request re-registration in the National Register of Self-Employed Entrepreneurs after resolving the reasons for removal and paying any due tax or quasi-tax debts, if any.

- Compliance with Legislative and Regulatory Provisions: According to Article 12 of Law 23-22 concerning the basic law for self-employed entrepreneurs: « The self-employed entrepreneur must adhere to the applicable legislative and regulatory provisions in their activity. » Thus, the basic law for self-employed entrepreneurs is not an independent system apart from other legislative and regulatory provisions; rather, the holder of this status must comply with all relevant laws. The self-employed entrepreneur must respect competition regulations, consumer protection laws, health and safety rules, and environmental laws.

Third Requirement: Distinguishing the Self-Employed Entrepreneur System from Startups and Small Enterprises

Recently, Algeria has been focusing on encouraging entrepreneurship, particularly with the public authorities' genuine political will to diversify the economy. This is evident in the creation of a ministry dedicated to startups and the knowledge economy, aiming to encourage idea holders to establish their own companies and provide them with all forms of support, whether in terms of financing or creating the appropriate legal environment for such entities.

Some of the most important measures taken to support startups in Algeria include the creation of a special fund for financing startups in collaboration with the bank¹.

The Self-Employed Entrepreneur Law plays a significant role in reducing the burden on startups, allowing them to invite independent entrepreneurs and enabling shared use of human resources between different institutions. It also facilitates the export of certain digital services alongside the state's decision to allow the transfer of all revenues from digital service exports in foreign currencies back to the country, within the context of new regulations issued by the Bank of Algeria authorizing the transfer of all foreign currency proceeds from digital service exports back home.

1- Bousiouh Mouna and all, Reality and prospects of start-ups in Algeria, Bechar Annals of Economic Sciences University Volume 07 Issue 03, 2020, p.421.

First section: Distinguishing between the Self-Employed Contractor and the Startup

The concept of startups, which has become one of the most frequently used models in recent years, aligns with economic changes. However, this concept remains somewhat ambiguous and overlaps with other concepts, especially small and medium-sized enterprises, as well as other forms of traditional companies. There is also an increasing resemblance and convergence with the recent entrepreneurial form, which is the status of a self-employed contractor.

The Algerian state seeks to encourage individuals with innovative ideas to establish their own businesses and provides all forms of support. This is evidenced by the creation of a special fund to finance startups in cooperation with public banks.

This support is something that the law regarding self-employed contractors lacks. However, it has been noted that there is no provision in the foundational law regarding the possibility of a self-employed contractor obtaining project funding. This omission has provoked some members of the National People's Assembly, who have called for this gap to be addressed¹. Despite this, there is nothing that prevents a self-employed contractor from resorting to traditional project² funding methods, such as through banks. Additionally, they can benefit from the support and development offered by the National Agency for the Support and Development of Entrepreneurship (ANADE), formerly known as the National Agency for the Support of Youth Employment (ANSEJ)³, and the National Agency for Microcredit Management (ANGEM).

The creation of a special fund for financing self-employed contractors may be absent because self-employed businesses typically do not require large capital investments, unlike small and medium-sized enterprises and startups. Generally, the investment needs are limited to basic necessities such as digital equipment,

1-Official Gazette of Debates, op, cit.

2-The Minister of Economy, Knowledge, Startups and Microenterprises responded to the questions of the National People's Assembly deputies during the discussion of the draft basic law for the self-employed entrepreneur, Ibid.

3-Executive Decree No. 329-20 dated 22 November 2020, amended and supplemented the executive Decree No.96-296 dated 06 September 1996 concerning Agency for Youth Support, Official Gazette No. 70. dated 25/11/2020.

internet connection, and computer software, which are sufficient to start the project.

Regarding the method of financing self-employed contractor projects, the ministry has adopted a financing method called a banking service package for holders of the self-employed contractor card. This package includes financing (Murabaha) of up to 7 million centimes, provided by the National Bank of Algeria, followed by Al Baraka Bank.

Second section: Distinguishing Between the Self-Employed Contractor and Small Enterprises

The self-employed contractor system differs from the small enterprise in several aspects, including:

- A small enterprise typically employs between 1 to 9 workers, whereas a self-employed contractor works independently.
- The annual turnover of a small enterprise does not exceed 40 million Algerian dinars, while the turnover of a self-employed contractor does not exceed 5 million Algerian dinars. Therefore, the small enterprise remains a larger project compared to the self-employed contractor.

Through the study of the various legal texts established by the Algerian legislator regarding the self-employed contractor as a newly introduced legal status under Law No. 22-23, we have reached the following.

Conclusions:

- The self-employed contractor system grants its holder the right to benefit from numerous advantages, particularly exemption from obtaining a commercial premises and registration in the commercial register, the ability to open a bank account, as well as preferential tax treatment, alongside social coverage through the National Social Security Fund for Non-Salaried Workers.
- The self-employed contractor system contributes economically by investing individual savings, even if small, through the practice of economically beneficial activities. This allows companies and other economic operators to benefit from the services of self-employed contractors.
- The system also supports the new economy, which is based on knowledge and digital economy, through activities like web and mobile application development and e-commerce.
- It promotes the growth of small capital and the achievement of profits for self-employed contractors.
- The system may also help reduce unemployment, which could mitigate the phenomenon of illegal immigration and brain drain by leveraging the

experiences of countries that have successfully implemented this system, while considering the specific circumstances of Algeria.

In conclusion we can offer some suggestions/Recommendations:

- The Algerian legislator has stipulated that the self-employed contractor must work independently. It would have been better to add a provision stating that the contractor should operate autonomously and without dependency on any particular entity.
- Increasing the maximum allowable turnover to further incentivize self-employed contractors to engage in more activities.

Ensuring that self-employed contractors comply with consumer protection measures and public health and safety regulations in accordance with relevant laws during the conduct of their chosen activities.

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5 - Kuwaiti Commercial Law No. 68 of 1980. Website: www.areejhamadah.com, Access

6- Jordanian Commercial Law, Official Gazette No. 5005, p. 371.

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