

Factors affecting the development of start-ups in Algeria

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Abstract:

This study aims to address the main factors that help Algerian start-ups to grow and expand since the applying of the specific legal texts for how to establish a start-up in Algeria to growing up it, this is also accomplished by statistics of official websites that rank startups around the world.

This present study tried to understand what are the main factors that helps Algerian start-ups to grow up and get progressing, while the importance of the study lies in evaluating the start-ups experience in Algeria over a period of time 4 years ago after applying executive decree N° 20-254

Study problem: What are the common factors for developing start-ups in Algeria?

To address the subject of the study, the following hypotheses are assumed:

- Start-ups in Algeria adapt to the reality of local market's needs, Start-ups in Algeria are progressing

The study concluded that successful start-ups in Algeria took an effective idea and a practical business model and choosing a specific field which local economy and society need it and their ideas resonated in society and their services were well received.

Key words: start-ups, Algeria, business model

JEL Classification Codes : XNN ; XNN

1. INTRODUCTION

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Algeria has been witnessing a development in its economy structure, in last 10 years the Algerian government enacted laws to frame the action of start-ups in order to accelerate their progression and to help them get promoted step by step (notably Executive Decree No. 20-254 of September 15, 2020 and Law No. 22-16 of July 20, 2022, Its objective is to promote job creation and the professional integration of young people).

These days, start-ups are big business. They are often funded by venture capitalists and have teams of experienced professionals.

The most successful start-ups of all time have one thing in common: they solved a problem that people didn't even know they had. They created a new market or disrupted an existing one. And they did it with a product or service that was 10 times better than anything else out there. (Capital, 2024)

In the period of Pandemic COVID-19 there were a lot of start-ups around the world have been created and they're adapted to this crisis in societies, they responded to the pandemic as an assistance entity in multiple fields such as education and health services.

Several works have shown that promoting start-ups is a key action point for encouraging economic growth, obviously Business Incubators and Accelerators Company (BIAC) are the essential support to promote start-ups, this study aboard to the opportunities and Challenges of Startups in Algeria and what are the keys to promote them by presenting and explaining some start-ups in this article.

The study aims to present the experiences of some start-ups in Algeria by analyzing the factors affecting their growth and expansion.

Literature review:

By scanning studies related to this article, we came up with a number of studies, some of which we summarize as follows:

1- Start- ups in Algeria from the conceptual and regulatory framework to the supporting structures and programmes, Pages 206-222 - Badreddine Amina – University of Boumerdes- this study analyzed the environment in which Algerian startups have operated since their inception.

2- Successful Global Models, and the Reality of Startups in Algeria - Challenges and Obstacles, Lamamra Sara , Wafa Tabbinet , this study presents some of the international experiences of startups, and also the reality of startups in Algeria and the multi challenges they face and the reasons for their failure. Also, most start-ups face difficulty in finding sources of financing, which is considered the first obstacle to their growth, especially in the case of Algeria.

3- the development of start-ups in Algeria an article prepared by Anfal Necib, this article presents what startups face a number of challenges in Algeria, including financing, the legal and regulatory environment, and the lack of skills and resources.

The problem of the study:

It can be formulated in the following main question:

What are the common factors for developing start-ups in Algeria ?

And it falls under This problem sub questions:

- What are the opportunities and challenges facing start-ups in Algeria?
- what are the main factors to start and progress any start-up in Algeria?

Study Hypothesis:

This study proceeds from the following main hypotheses:

- Start-ups in Algeria adapt to the reality of local market's needs
- Idea of the project and business model are the main factors that affect the development of Algerian start-ups

Methodology of the study:

The descriptive and analytical method was used, which is based on an accurate descriptive and analytical study.

Study objectives:

The objective of this article is to know what are the main factors that helps Algerian start-ups to grow up and get progressing

Was the legal environment sufficient for the success of this experiment in Algeria? or were there basic conditions for the continuity of these institutions in the Algerian business environment? Also, the reason was to know the famous start-ups in Algeria.

Importance of the study: evaluating the reality of developing start-ups in Algeria, starting from the date of implementation of Executive Decree No. 20-254.

2. Start-ups (definitions – characteristics):

In this section, the definition of startup started by defining the meaning of start-up historically then the study will aboard to the importance and characteristics of start-up, is being explored, as well as how the startup business is seen nowadays.

2.1 The definitions of start-ups:

2-1-1 The Origin of term "Startup" and its meaning:

When using English dictionary, it is defined as: a small project that is just beginning, the word startup consists of two parts: Start which refers to the idea of launching, and up which refers to the idea of strong growth.

While Patrick Fridson sees A start-up is an entity that is not related to age, size or sector of activity, but must include the following four conditions:

- Strong expansion potential
- practicing modern technology
- need an adequate financing
- New market with difficult risk assessment

2-1-2 Multiple definitions of startups:

The definition of a startup meaning from Eric Rise, the creator of the Lean Startup methodology that says:

“A startup is a human institution designed to create a new product or service under conditions of extreme uncertainty.”

Another definition says: A start up is a living embodiment of a founder’s dream – Will Schroter , co-founder and CEO, He has his own definition of what a startup company is.

Some people seem to agree that the definition of a startup is based on growth. Small businesses no matter staying small businesses forever, but a startup doesn’t want to stay small. (McGowan, 2024)

A start up is about making change:

before that became buzzy, there was another word that people were already using: change.

“A start-up is the conscious decision to form a group of people with the sole purpose of bringing about change in the real world,” Ross Palmer, head of digital marketing for Lab Society, says.

“This change means creating a money-making, value-adding asset where there was none before. The idea is to enrich not only the people committed to the vision, but the world at large in the process!” (McGowan, what-is-a-startup-company, 2024)

2.2 The characteristics of start-ups:

The Start-up is characterized by many values that go beyond those of a traditional company, a Start-up can be defined by a certain number of characteristics of its own:

- **Young company:** Startups are generally created recently, often by entrepreneurs.
- **Innovation:** Innovative startups offer new solutions that meet an unmet need or improve significantly an existing product or service, they have a culture of innovation and are constantly looking for new ideas.

But without studying the markets and competitor's strength, innovation still paralyzed.

- **High growth:** They have high growth potential and aim to expand quickly, but this is conditioned when entrepreneurial ecosystem is adequate for growing.

- **High risk:** They carry a high risk of failure, because the market is often uncertain and competition is strong.

- **Agility:** Startups are able to quickly adapt to market changes and customer needs.
- **Passion:** Entrepreneurs who found startups are generally passionate about their project and have strong motivation.

They are able to overcome obstacles and bounce back from failures. (Necib, 2024)

And it's remarkable that this term (passion) is a behavioral term leads to (entrepreneurial spirit).

Startups have characteristics that differentiate them from other companies. Perhaps the characteristics of "risk" and "innovation" are the two most important characteristics that start-ups have over others, such as Nanolumi from Singapore which was an idea in 2014 by Tan Chee Kuang, the main inventor of Nanolumi, published a research paper in Nature on "Bright light-emitting diodes based on organometallic halide perovskites"

In 2017, Nanolumi was officially founded in Singapore by advanced materials veteran and entrepreneur Jax Lee with the aim of commercializing Chameleon® Perovskite technology. Nanocrystal The company's products began to gain popularity in the market in 2019.

. It is remarkable that the personal characteristics of the contractor are related to the risk factor because the project is expensive. This person Jax Lee has previous knowledge in the field of the project, which enhanced the possibility of its embodiment on the ground. However, this would not have been enough without studying the marketability of the products, as this company's products are inputs or raw materials in the composition of other companies' products.

This company is a sample of tens of thousands of companies that have distinguished themselves with innovative products.

2.3 Comparison between the characteristics of start-ups and characteristics of: traditional small business:

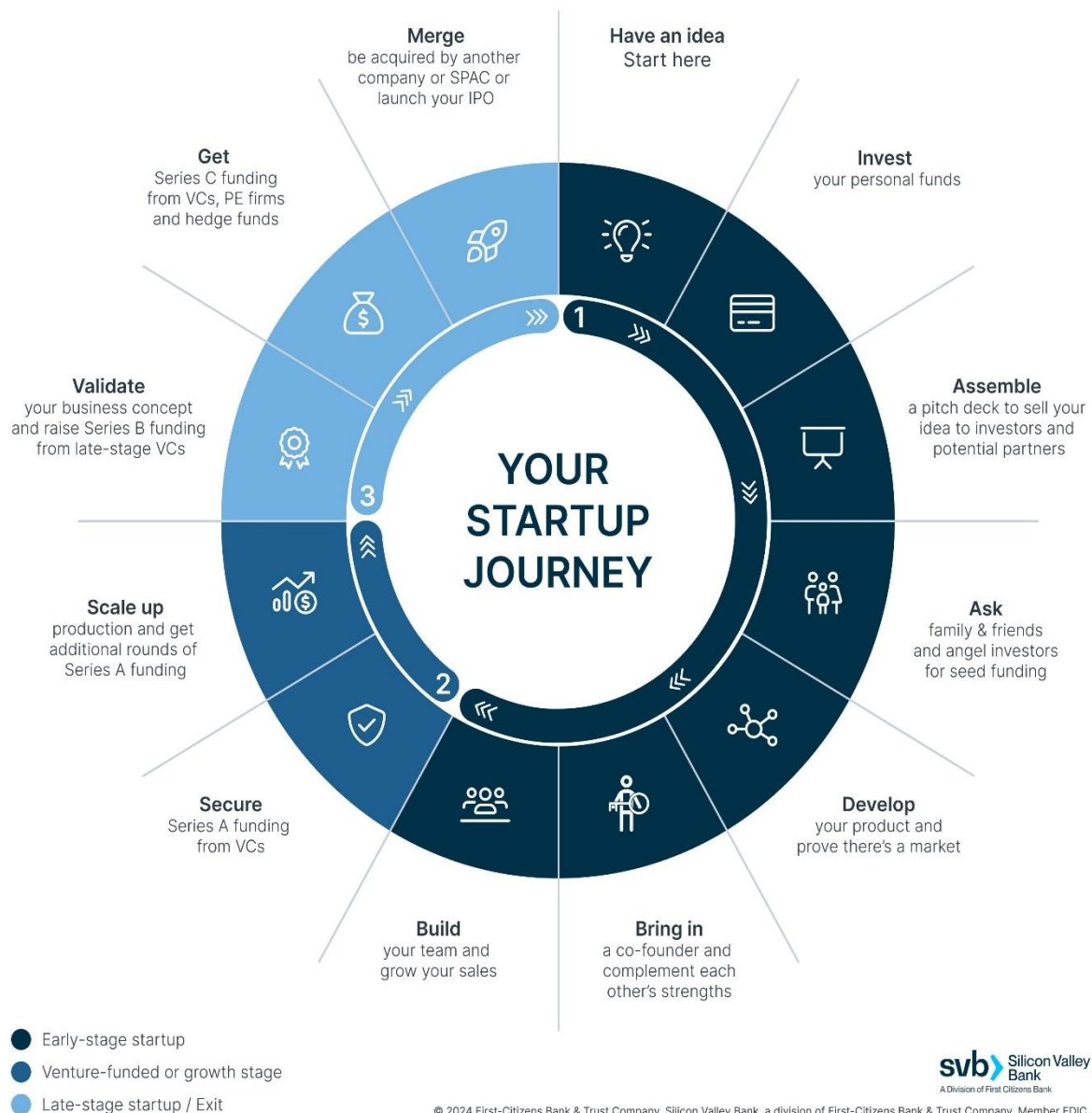
Table 1 – Comparative characteristics of start-up and traditional small business

Characteristic	Startup	Traditional small business
Risk and innovation	Focused on risky, innovative ideas	Typically employ traditional approaches
Ability to change	The accelerated pace of change in response to the market	Respond to changes more slowly
Ability to improve	Use the ‘Lean Startup’ methodology	Usually, improve gradually
Investment	Attract investors for growth	Often funded by the owner’s own capital
Scalability	Have potential for rapid scaling	Often limited to a regional scale
Business strategy	Often have an exit strategy in mind, such as acquisition or initial public offering (IPO)	Focus on long-term sustainability and profitability
Time to market	Typically aim to launch their products or services quickly and iterate based on customer feedback	Have a longer time to market due to established processes and operations
Impact on the market	Have the potential to disrupt existing markets or industries with innovative solutions	Often operate within established market frameworks
Intellectual property	Often prioritize the protection and utilization of intellectual property, such as patents	Have fewer intellectual property considerations

Source: (Bohdan L. Kovalov1, 2024)

From the table above, we note that the most important thing that distinguishes start-up from traditional entrepreneurship is the characteristic of innovation and also risk, because it is not fully informed of what will happen in the market, but it knows well the segment of customers that will accept its products or services, and this has a direct relationship to its business model, not like traditional institutions that rely on market information.

2-4 The life cycle of start-ups (model of Silicon Valley Bank):



Source: <https://www.svb.com/startup-insights/startup-growth/what-are-the-three-stages-of-a-startup/>

It is noticeable from the above diagram that the life cycle of a start-up starts in dark blue: early-stage start up, i.e. with a scalable idea for a product or service targeting a specific market to generate value, which is often developed to solve a meaningful problem in a specific market and initially depends on a simple, committed team seeking to launch the company's first product or service.

It refers to the initial stage that depends on four basic elements: the idea - capital through private capabilities and bringing in investors (initial financing for the project) - developing the idea of the product or service and defining the market - building an integrated work team.

The start-up progresses through the different stages, and if it adheres to the basic

requirements required in the first stage, it moves to the blue color (the second stage) and enters this stage when an investor believes that this start-up has a great product or service and has a plan and talent to expand. The start-up goes through a complex transitional stage from the ability to develop and expand to a stage that is expected to achieve the specified milestones for investors. It may have additional funding from the "A" series, but the first funding is often the most influential.

Finally, the third stage, indicated in light blue, is late-stage start-ups. At this stage, the company is in an advanced position that has made investors trust the company's performance, and it has more additional funding opportunities than the previous stages, as it has become a matter of performance, as an example bringing funding through the company's performance. Investors are usually private equity firms, traditional venture capitalists, growth companies, venture capitalists and family offices. (<https://www.svb.com/startup-insights/startup-growth/what-are-the-three-stages-of-a-startup/>, 2025)

Is there a way out? Perhaps this is the only question that every entrepreneur who founded a start-up, regardless of its type, thinks about, even if he pretended at some point that he did not care much about proposing or thinking about it. So what is the end of all this? What is the fate of this start-up in a crowded, restless market in which new companies appear every day and different standards appear every time, which may cause those sitting at the top to suddenly fall to the bottom, or vice versa?

Usually, the answer to this question is three options, the first: that the company achieves sufficient liquid financial revenues to enable it to continue in the market in an upward manner and ensure its continuity. The second option: that the company's shares are converted into cash by selling them or offering them on the stock market. As for the third option, which always seems to be the ultimate and saving goal for aspiring entrepreneurs, it is for the company to be acquired by major institutions, thus ensuring its survival under the umbrella of another company with better capabilities and greater opportunities, and this is what actually happened to institutions such as Shazam which was sold to APPLE company.

3- The study (an analytical side):

3-1 The regulatory and legal framework for emerging institutions in Algeria

Referring to Executive Decree dated on 15 September 2020, N° 20-254 set out the legal and regulatory framework that defines the conditions for granting the "Startup" label. It also addressed business incubators and how to establish them. Executive Decree No. 21/422 then amended some provisions of the previous decree relating to the "Innovative Project" and "Business Incubators" labels.

According to Article 11 of Executive Decree 20-254, any institution that:

- She is not more than 08 years old
- , That the institution's business model is based on innovative products services, a business model or any idea, This paragraph has been amended pursuant to the provisions of Article 7 of Executive No. 21-422 dated November 4, 2021, as follows

The organization must propose an innovation in its products and/or services and/or business model and/or organizational model

- The annual turnover shall not exceed the amount determined by the National Committee for Granting the "Start-up" Label
- Enterprise's capital must be owned at least 50 % by , natural persons "approved investment funds, or other institutions that have obtained the "Start-up label
- That the growth potential of the organization is large enough
- .The number of workers shall not exceed 250 workers

We note that the crucial thing in the legal organization of start-ups in Algeria is the nature of innovation, indeed it is related to the business model, the idea of the institution itself, its products or services.

Capital ownership to start-ups, provided that at least 50 % of the funding is provided by natural persons, approved investment funds, or other institutions that have obtained the "start-up" label, this is due to the policy adopted by the Algerian government in the mixed financing method between self-financing of the institution and financing by banks or the National Fund for Financing Start-ups, as this fund financed more than 100 start-ups across 22 states between 2020 and 2023.

3-2 How do Algerian start-ups develop:

Before applying the legislative frame that organize start-ups, the number of start-ups was limited in Algeria due to the lack of a legal environment that governed its activity, so companies such as Yassir, which were established in an environment outside Algeria in 2017, were considered an exception to what effectively considered a reality of start-up institutions in Algeria before 2020.

They witnessed a noticeable development during the year 2020, making them a promising sector, a number of measures taken by the higher authorities and legislative

texts that were adopted to support and accompany this field, which gave a strong impetus to the establishment of an entrepreneurial ecosystem based on initiative, innovation and knowledge.

The “National Self-Employer Agency” and the “Self-Employer Platform” will also be launched at the beginning of 2024, which will enable a large number of young people who practice profitable activities outside the formal framework to engage in the formal economy.

Moreover, entrepreneurship has been directly integrated into the university community in joint coordination between the Ministry of Higher Education and Scientific Research and the Ministry of Knowledge Economy, Startups and Small Projects through the establishment of the “Emergency Projects Certificate”, Patent Certificate” device, in addition to To create the status of “student contractor” and “student contractor certificate”.

The Minister of Knowledge Economy, Start-ups and Micro-enterprises, revealed during the government meeting with the media, that his ministerial department has registered more than 5,000 start-ups, more than 1,100 of which have obtained the label of a startup company or an innovative project.

The Minister said in a speech he delivered, in a meeting, the opening of which was supervised by the president of government, that the numbers recorded by Algeria so far in this sector are “exceptional and a source of pride,” as “more than 5,000 startup companies have registered themselves on At the ministry level, more than 1,100 companies got the label of a startup or innovative project, and the number of incubators increased from 14 to 60 between the years 2020 and 2023 across the country.

As for financing, the minister stated that the National Fund for Financing start-ups was able to benefit from investment funds at the state level with a total cover of 58 billion dinars, that is, one billion dinars for each Wilaya, which will enable it to “significantly increase its investments in start-ups,” noting that The fund invests between 5 million and 150 million DZD in one project.

(<https://www.aps.dz/ar/economie>)

But if we want to highlight innovative projects that require advanced imported financial capabilities, this may require larger amounts than what was allocated by the authorities, so financing remains an obstacle in the way of projects that need assets in amounts exceeding 1 billion Algerian dinars for instance, considering that it is in the early stage of its life cycle and does not often resort to bank financing, but rather starts from simple self-financing.

START-UP RANKING classification:

Algeria ranked second in Africa, directly after Nigeria. The number of Algerian institutions, reached 800 companies in various activities. However, there are criteria that this classification adopts in ranking start-ups which made the few , Algerian institutions occupy advanced ranks, such as :

“Y ASSIR - “Legal Doctrine -Siamois QCM -Zawwali with a rating ranging between 1053 and 3487

According to the tracxn website on January 30, 2025, the leading start-ups

in Algeria are: 1-YASSIR, 2-TOD, 3-Coursa, 4- Banxy , 5- Fast Delivery.

There are 857 startups in Algeria including YASSIR ,TOD ,Coursa , Banxy ,Fast Delivery .35 o f these startups have been funded, 2 of which have received A+ funding ,.and 1 has achieved unicorn status (Top startups in Algeria, 2025)

This table below shows the development of the number of start-ups that "have obtained the label "Start-up", "Innovative Service", "Innovative Product or "Innovative Business Model" according to the time development from 2020 to 2024:

Table 2: the development of the number of start-ups in Algeria

Year	2020	2021	2022	2023	2024
Number of startups in Algeria	200 institutions	624 institutions	About 1000 institutions	About 2000 institutions	More than 2300 institutions

Source: Prepared by the student

The Minister of Knowledge Economy, Startups and Micro-enterprises stated in a television interview with the Algerian Public Television Corporation in July 2024 that the rate of progress in the number of start-ups from 2021 to 2023 reached 228 %.

This is a positive indicator shows that the legal environment has allowed this type of institution to be active, provided that it has an innovative idea or an innovative business model.

3-3 Example of Algerian start-ups:

Algeria has been witnessing a budding startup ecosystem in recent years, with entrepreneurs focusing on various sectors such as technology, e-commerce, fintech, and renewable energy.

Table 3: List of some examples of Algerian Startups and Area of Operations:

Area of Operation	Startup Name	Score	LOGO
App for on demand, ride-hailing, last-mile delivery, payment services and more	Yassir	55,473	
E-training platform (Medecine)	Siamois QCM	52,916	
Online learning platform	Herd Academy	35,598	
Connect Users to Retailers with the Best Price	ZAWWALI	34,722	
Fitness solutions for athletes	Spart	17,115	
ePayment & eCommerce solutions	UbexPay – payment	18,419	
Web's applications	UbyMedia	14,195	
Hardware/software solutions	Ingeniway	12,463	

Source: Start-up blink.com

If it is necessary to compare the best one Algerian start-up to others all over the world here in this following table is the ranking among them refers to start-up ranking:

Table:4 Comparing of Startups and Area of Operations:

Rank	Area of Operation	Startup Name	Country	Score
0001	OpenAI is a leading AI research and deployment company committed to harnessing the potential of artificial intelligence for the betterment of humanity.	Open Ai	USA	80,610
.....				
1217	App for on demand, ride-hailing, last-mile delivery, payment services and more	Yassir	Algeria	55,473
.....				
3005	Prott - Free prototyping tool for iOS and Android Mobile Apps. Create wireframes, add animation, and get instant feedback with Prott.	Prott	Japan	38,123

Source: Start-up Blink

3-4 The main factors that **make** start-ups in Algeria accelerating their activities :

The main factors that encourage start-ups in Algeria to grow and become active are external and internal factors, but we may not be exaggerating if we say that the ideas, team of the project and its business model are the closest to the success of these enterprises, because the strength of the project idea and choosing a business model that does not cost the enterprise much as much as it earns it greater profits are the main factors for its success. This study sees that this method has been adopted by some Algerian start-ups and has succeeded in doing so, such as: Banxy, Crypto Recharge, Monadim, Zero Cash, maykiHA

To distinguish between internal factors and external factors this study divided these factors in two parts as following:

a- Internal Factors:

the internal factors that makes startups grow and increase their profits and capitals, is their choosing a specific customer's needs and adopting a good business model, choosing a specific specialty to attract customers like digital services such as looking for works job, traveling, food ...etc.,

- **Business Idea:**

It should:

- Get to a genuine market need
- Give to the enterprise unique value
- Have profitable and scalable potential
- Be realizable with the help of available resources
- Be adequate to the changes in the market

It should focus on the market it targets.

- **Business model as a startup success factor:**

It describes the logic that an enterprise follows to create, deliver, and capture value (whether economic, social, or other). The process of building a business model is part of strategic management of any enterprise.

Customers may be able to see the value of an organization through its business model. The model describes the company's relationship with its customers, partners, and suppliers. It also shows the skills and resources needed to:

Build, market, and deliver value

Create sustainable, profitable revenues

When using the right business model, startups can maximize revenue and make the business scalable. Any startup can create a unique business model, which can do any of the following:

Modify revenue generation methods with new pricing or value proposition
(www.techreviewer.co)

,Choosing a business model is essential for the success of startups in Algeria especially those that cost less and return large profits. For example, the Algerian company maykiHA , a company specialized in the field of startup acceleration and fundraising in the Middle East and North Africa region, is a famous in making financing available and effective. Its platform acts as a bridge between innovative ideas and investors seeking profitable projects) .maykiHA and Exness Go: Connecting MENA with Global Financial Growth(2025 ‘ ,By monitoring the results of its activity it was confirmed that its business model was effective, as evidenced by receiving .more than 300 projects and more than a thousand investors

It is also noted that most start-ups in Algeria were established at the lowest costs due to the chosen business model (the service and digital areas)

Therefore, choosing the adequate business model is one of the common factors for the success of startups in Algeria.

- **Skilled team:**

Building the right set of professional teams is essential to ensure that a business idea is transformed into a successful product or service. Team members must share the vision, passion and dedication to run the business and take it to new heights. Moreover, leadership is crucial, as it is difficult for any startup to succeed without the right team members.

By securing the right team, a company can ensure significant progress from idea to delivery of the final product or service to the customer. Initially, it is essential to focus on adding dedicated, skilled and willing team members.

(www.techreviewer.co)

A good and skilled team is a cornerstone of the success of any startup and a key factor in the creation of startups

External factors

- **Business Incubators and Accelerators**

Business incubators are a supportive environment that includes mentoring, training, business consulting, co-working space, and various services. In addition, some incubators may provide seed funding or help entrepreneurs connect with investors and funding sources, which is essential in the early stages of a start-up. The primary goal of a business incubator is to accelerate the growth of start-ups and increase their chances of success. By providing resources and support, they also help entrepreneurs overcome common obstacles, such as lack of business experience, marketing and sales, lack of funding, etc. Business incubators are usually limited in duration for each incubated company, usually from one to three years. During this time, companies work closely with the incubator to develop their business model, validate their product or service, and prepare for growth and market entry.

For instance: The National Agency for Valuation of Research Results and Technological Development (ANVREDET) provides many support and escort services to emerging institutions. It relies mainly on university incubators to support and accompany emerging institutions (Sara, Larab 2024 p 465)

- **Analyze the competitors**

Diagnosing the competitive environment and competitors is the most effective way to gain better insights into the target market and business environment. Knowing the competitors will help startups learn more about their approach and develop their successes and failures. Some of the areas where startups can gain insights include:

- Product improvement and development
- Pricing
- Marketing strategies
- Sales approach

Information from the external environment of the organization can also help startups come up with unique value propositions that will be well received by the target customers. When used in conjunction with research information about customer preferences and purchasing behavior, data about competitors helps in creating new and effective approaches.

- **Market research**

The survival of any startup depends on market research. Companies should conduct thorough market research as it helps to

- Analyze and understand the target market.
- Diagnose the problems faced by consumers.
- Identify realistic competitors
- Keep up with market trends.
- Maintain a competitive advantage.

Market research can be conducted at different stages of the life cycle of any startup. Conducting research from the initial stages will help in shaping a strong business approach and establishing and growing the business competitively.

- **Funding**

The Algerian government's provision of financing tools such as the National Fund for Startups has made innovative project owners increasingly willing to impose their ideas on the ground by registering on the electronic platform and obtaining the innovative institution, brand or business model "label", thus increasing their chances of implementing their projects.

Similarly, there are other financing institutions to which the Algerian government has issued recommendations regarding this type of institution, such as the National Investment Agency And others.

3-4 Start-ups in Algeria (examples):

Startups in Algeria tend to the service side more than other sectors, not because of the lack of opportunities in other sectors, but because of the low cost and risks in the field of services.

Although the government authorities have provided the climate to motivate project owners to realize their ideas and translate them into institutions, the obsession with uncertainty about the success of the idea and the high cost of the project is considered the most important obstacle or challenge facing them despite the positive factors they have, such as the work team and technology.

For example, the idea of establishing an institution specialized in the restoration of secondary roads with asphalt concrete or any other material according to innovative and modern technical methods in the field of public works is an applicable idea, but the challenges it faces are the first of which is the legal support for it to enter the world of entrepreneurship, then the opportunities to participate in the implementation of this type of services in what is called participation in public requests, and finally how to finance this kind of project. Therefore, the tendency of young project owners to service projects more is nothing but a picture of the impact of the business environment on the entrepreneurial spirit of student project owners.

3-4-1 YASSIR start up:

The birth of Yassir : In 2017, in Palo Alto, California, Nouredine Tayebi imagined a new way to help every Algerian move through their daily lives. This is how the idea of Yassir, the first ride-hailing service in Algeria, was born, and the rest is history in the making.

Yassir is a transportation technology company that offers ride-hailing and delivery services, similar to Uber and other such platforms, but tailored to the Algerian market.

The step forward: In 2019 Yassir raised \$13 million in a seed round, which allowed him to launch e-commerce and delivery domains

The boost: In 2021, Yassir caught the attention of the world's largest startup incubator, YCombinator. and secured a prestigious \$30 million in funding from the United States, which was significant support for its expansion plan.

The overview: In 2022, Yassir raised \$130 million in Series B funding, 5x more than its previous funding, with blue-chip investors such as BOND and Y Combinator. At the same time, Yassir has opened a tech center in Europe and is looking for talent to take part to this expansion.

The growth : Over the years, Yassir has accumulated more than 6 million users and 130,000 partners in 45 cities in Algeria, Morocco, Tunisia, South Africa, Senegal, Canada and France. More than 450 employees worldwide, from more than 15 different nationalities

Yassir now offers on-demand services such as ride-hailing and delivery. Building

on this infrastructure, it is actually introducing financial services to help our users pay, save and borrow digitally. We are helping to bring the continent into the era of the digital economy (Yassir/Curious to know us, 2024)

Although the idea of establishing the Yassir Foundation was outside Algeria (in California) about five years ago, the impact of its services in Algeria has become a tangible reality, from transportation services, eating, shopping...etc., and perhaps my experience with this institution dated 10/ 07/2024 at 8:30 in the morning when I was in Ain El-Beniane , as I was scheduled for a meeting (work mission) in Algiers at the headquarters of (CNAT, the National Center for Technical Assistance – Hussein-Day city) at 9:00 in the morning, and I requested the service from the application. It is only a few minutes until the service arrives, and this is evidence of The Yassir Foundation's services expands, and there are other similar services, this also explains the strategy followed by the organization in attracting customer trust (personal experience).

3-4-2 Top 10 startups in Algeria for February 2025

Start-up Blink ranks Yassir, TemTem and Fatoura by Brainiak in Algeria along with 28 other startups based on an algorithm that scores startups based on total investment, employee count, and quarterly website traffic. Algeria startup ecosystem ranks #115 globally and #4 in Northern Africa. (<https://www.startupblink.com/top-startups/algeria>, 2025)

Table 5 : Top 10 startups in Algeria for February 2025

Name of start-up	Area activity	City Rank (Algiers)	Regional Rank (Northern Africa)	Global Rank (World Wild)
Yassir	Software and Data	1	1	580
Tem Tem	Transportation	2	222	59083
Fatoura by Brainiak	Software and Data	3	241	65510
Zawwali	E-commerce and Retail	4	334	86757
Moufid Bl	Software and Data	5	351	88642
3S Pay	Fintech	6	375	91795
Legal Doctrine	Software and Data	7	377	91970
Opticharge	Transportation	8	379	92189
TalabaStore Prime	Software and Data	9	385	93116
UbexPay Limited	E-commerce and Retail	10	414	97752

Source: Start-up Blink web site

We notice from the table above that the Yassir Foundation leads the rankings with the first startups across the world, while the rest of the Algerian startups compete for the middle ranks globally. Even if we take a look at the rankings at the African level, they are good in the rankings.

4. CONCLUSION

The work of start-ups in Algeria confirms the complexity of the environment in which they operate, from the organizational, structural and technological side, which imposes many challenges on them, especially with regard to how to finance the project in the early stages of establishment, which is necessary for the actual launch of its activity, and accurate studies of the possibility of success in the market to be reached on the other hand. The experiences discussed in this study do not give a complete picture of the reality of start-ups in Algeria, but they clarify aspects or strengths in them, such as the applicability of the idea in the Algerian economic environment and its effectiveness in reality, sources of funding to expand activity and attract competencies for the good running of the organization's branches. We also concluded from this study that startups in Algeria need more than funding, and it relates to internal factors such as the project idea, business model, and efficiency of the work team, analyzing competitors and searching for suitable markets for their products or services, as we mentioned in this study.

In the last three years, Algeria has sought to provide the appropriate environment by implementing a number of legal, regulatory and even incentive measures to provide all forms of support and assistance to these institutions to ensure their launch and sustainability to achieve their goals. Due to its inability to keep up with the circumstances, and although we did not discuss business incubators and accelerators in detail in this study, they had a share in these procedures, and theoretical and applied studies have proven their effectiveness.

Here are some suggestions and recommendations for the success of startups in Algeria:

- Facilitating financing procedures through all regulatory and legislative methods and removing bureaucratic barriers and increasing the amount of credit (it refers to the cost of starting project).
- Expanding the field of activity locally by searching for agents for the organization in different regions, locally or internationally, and this is what happened in the experience of the Yassir Foundation, for example.
- developing their business model is crucial to keep start-ups progressing and expanding their activities.
- Focusing on the organization's work team, developing its skills, and exploiting everything that is creative and achievable.

This study is only an attempt to shed light on the status of Algerian startups, monitor their position in the global classification, and know the basic factors for their growth, expansion, and stability.

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