

The perceptions of the national agency for self-employed entrepreneurs in Algeria

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Abstract:

In the context of contemporary cultural change, informal work has gradually become a phenomenon of social innovation. This study aims to assess perceptions of this new entrepreneurial model through an in-depth analysis of its application and impact on society. According to the survey results, the majority of the Algerian population expresses satisfaction with this agency, seeing it as a progressive and inclusive approach to economic participation. They hope it will play an active role in job creation and the fight against informal work. The agency's initiatives are viewed as a bridge between traditional employment models and the burgeoning gig economy, providing flexible opportunities that cater to diverse demographic needs. Respondents believe that by formalizing informal work, the agency can enhance social security, offer professional development, and improve overall economic stability. There is a strong sentiment that such innovations are crucial in fostering sustainable development, reducing unemployment rates, and promoting social equity. Furthermore, the survey highlights a growing recognition of the importance of adapting to global economic trends, viewing the agency as part of a broader movement towards more adaptable and resilient economic systems. This perspective underscores the value placed on social innovation as a catalyst for positive change and the enhancement of living standards across different communities. In conclusion, the favorable perception of this entrepreneurial model reflects a collective optimism about its potential to transform the economic landscape and align with contemporary cultural shifts and the aspirations of the Algerian people.

Key words: Informal sector, Algerian economy, ANAE, entrepreneurship, formalisation.

JEL Classification Code :H53, H55, L26.

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1. Introduction:

The Algerian economy has seen a significant growth in the informal sector, exacerbated by the COVID-19 pandemic. Although problematic, this trend is a new reality in the Algerian market that requires creative solutions. In response to the explosion of this phenomenon, the Algerian government created the Agence Nationale de l'Emploi (ANAE), a public agency under the Ministry of the Economy, Knowledge, Start-ups and Micro-enterprises. The online platform was launched on 20 January 2024. This agency will play a key role in promoting employment and reducing unemployment in the country. Its modus operandi is based on an online platform launched on 20 January 2024.

The aim of this study is to take an in-depth look at the demographic and socio-economic characteristics and perceptions of ANAE users in order to gain a better understanding of the challenges facing the agency and to identify areas for improvement. We have to notice that the data used in this study was collected through a sample survey¹ conducted among a sample of 218 ANAE users, approached through the Facebook platform. The main variables used in the survey were gender, age, level of education, employment status, perception of ANAE, use of its services and problems encountered.

This paper is structured as follows. It begins with a summary of the state of the art in the field. We then move on to an analysis of the responses to our survey, the main findings of which are presented in the conclusion of this article.

2. Literature review

Informal employment (ILO 2003) includes all work carried out in informal and formal enterprises by workers who are not subject to labour regulations, income tax or social protection. This is due to the absence of a declaration of employment or of a salaried employee, to temporary or short-term employment, to employment with working hours or wages below the established thresholds, or to a place of work outside the premises of the employer's business. The broad definition is based on the non-payment of social security contributions rather than the absence of social protection, since individuals may benefit from social protection thanks to the contributions of another family member (Charmes, J., et al ,2019). Informal employment or employment in the informal economy comprises three components : (i) employment in the informal sector (the largest component), (ii) informal employment in the formal sector and (iii) informal employment within the household. Employment (domestic workers). and household members) who produce goods and services

for their own final use). [2] . For the sake of synthesis and ease of reading, we have chosen to summarise the main literature on this subject in the form of a table (Table 1), explicitly listing the field of each study and its objective(s).

Table 1. State of the art on the informal sector

Domain	Objective	Reference
The sociology of work	The aim of this study is to compare formal and informal activity rates between male and female adolescents aged 15 in four Maghreb countries (Algeria, Tunisia, Morocco and Egypt).	(Guerbi, H., 2022)
Informal sector	The aim of this study is to analyse the institutionalisation of the informal sector in Algeria, focusing on standardised and normalised informal practices within small businesses in the province of Tizi-Ouzou. The study aims to understand the operational models of these businesses and the factors that contribute to the institutionalisation of the informal sector.	(Babou., O & Bounoua ; C , 2023)
	The aim of this study is to analyse the impact of price variations on the size of the informal economy in Algeria. The study aims to determine whether the informal economy reacts differently to price increases and decreases.	(Atmani, A., & Mouffok, N. E , 2023).
	The aim of this study is to analyse the role of the informal economy in Algeria's globalisation and to propose strategies for integrating the informal economy into economic growth indicators, particularly following the fall in oil prices.	(Benabbou, H et al. 2021)
	The aim of this study is to analyse the evolution of measures of the informal economy in Algeria and to identify ways of reducing it. The study aims to understand the factors that contribute to the prevalence of the informal economy in Algeria and to propose recommendations for more effective public policies.	(Ait Mimoun, K & Aya, A., 2019)
	The aim of this study is to describe the professional situation of women in Algeria and to analyse the challenges they face in the field of employment. The study focuses in particular on the decline in women's participation in the informal sector.	(Attar A. ,2021)
Labor economics	The aim of this study is to analyse the impact of Algerian employment policies on the informal economy. The study aims to identify the characteristics of informal workers, their motivations and the effects of employment policies on the size of the informal economy and unemployment in Algeria.	(Souag, A. 2018)
Female entrepreneurship	The aim of this study is to analyse the aspirations, motivations, constraints and obstacles of women entrepreneurs operating in the informal sector in Algeria. The study aims to understand the factors that prevent them from formalising their activities and to identify strategies to facilitate their integration into the formal sector.	(Kaci, A., & Amiar, L. 2023)

Source : by the authors

The principle of the auto-entrepreneur has already appeared in several countries, such as France, Morocco, Saudi Arabia and, more recently, Algeria. Table 2 briefly summarises some of the experiences with auto-entrepreneurship.

Table 2. The principle of the auto-entrepreneur in different countries

Country	Date	Description
France	2009	The Auto-entrepreneur Urssaf scheme was introduced in France on 1 January 2009. It is a simplified system for setting up and running a business in France, aimed at individual entrepreneurs engaged in commercial, craft or self-employed activities.
Morocco	2015	The status of self-employed worker in Morocco is a simplified regime for sole proprietorships established by law no. 114.13 published in the official proclamation in March 2015. It facilitates the creation of a profit-making business using administrative and social security processes and procedures.
Saudi Arabia	2021	As part of the Vision2030 economic reform programme, the government has introduced a number of initiatives to stimulate entrepreneurship and diversify the country's economy, including Muqawil (2021), a simplified tax and social security regime for micro-enterprises.
Algeria	2024	In response to the explosion in informality, the Algerian government set up ANAE, a public agency under the Ministry of the Economy, Knowledge, Start-ups and Micro-businesses, and on 20 January 2024 launched the online platform

Source : by the authors

The following table is showing the Conditions for becoming a self-employed entrepreneur in each country :

Table 3. Conditions for becoming a self-employed entrepreneur in each country

Country	Conditions
France	• Be of legal age or an emancipated minor • Not already be a self-employed person (TNS) • Registering your micro-business in France • If you are a non-EU national, you must hold a temporary residence permit authorising you to set up a self-employed business.
Morocco	• Doing business on your own • Carry on an industrial, commercial, craft or service activity • Comply with the legislation in force in the exercise of the activity
Saudi Arabia	• Be a natural person of legal age. • Not be a full-time employee. • Have an annual turnover of less than 1 million Saudi riyals. • Carrying on an unregulated commercial or craft activity
Algeria	• Legal age: Reaching legal working age • Algerian nationality: The applicant must be of Algerian nationality and resident in Algeria, or a resident foreigner in accordance with the applicable legislation and regulations. • Activity: To carry out an activity included in the list of activities eligible under the Basic Law on Self-Employment

Source : by the authors

The conditions required to be a self-employed entrepreneur differ from one country to another, but there are a number of points in common, notably compliance with the country's regulations and especially those relating to working age. Becoming a self-employed entrepreneur typically involves meeting legal criteria such as age requirements, obtaining necessary permits or licenses, and adhering to tax obligations. In some countries, there may also be specific regulations concerning the types of businesses that can be operated by self-employed individuals and the health and safety standards they must follow.

The following table summarizes the different risks covered in each of these four countries, highlighting both commonalities and unique aspects of their regulatory frameworks. For instance, all four countries mandate that self-employed entrepreneurs comply with minimum age requirements, ensuring that only individuals of a legally employable age can

engage in entrepreneurial activities. Additionally, they all require adherence to national labor laws, which may include provisions for minimum wage, working hours, and conditions of work. However, there are also notable differences. Some countries offer extensive social security coverage for self-employed entrepreneurs, including health insurance, unemployment benefits, and pension schemes, while others provide limited or no social security benefits, placing greater responsibility on individuals to manage these risks independently. Furthermore, the ease of registering a business, the availability of government support or incentives, and the overall business environment can vary significantly, influencing the attractiveness and feasibility of self-employment in each country. Overall, while the core requirements for becoming a self-employed entrepreneur share similarities across different countries, the specific risks and regulatory details can vary widely, impacting the decision-making process and operational strategies of aspiring entrepreneurs.

Table 4. Risks covered in each country (France, Morocco, Saudi Arabia, Algeria)

Country Risks	France	Morocco	Saudi Arabia	Algeria
Covered risk				
Disease	✓	✓	✓	✓
Maternity ward	✓	✓		
At /MP	✓	✓	✓	✓
Retirement	✓		✓	✓
Family	✓			✓
Survivor			✓	
Disability	✓	✓	✓	
Old age				
Unemployment				

Source : by the authors

The table shows the extent of the risks covered in each country, with France in first place, probably because of its long experience in this field.

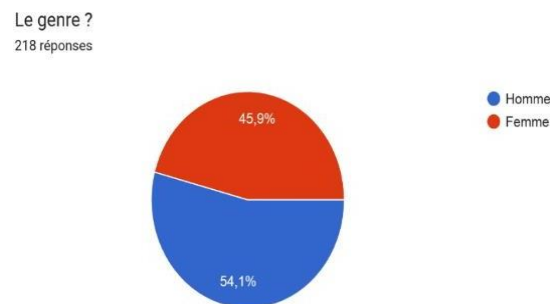
3. Methodology & results of the study

We adopted a quantitative approach, putting our 22-question questionnaire online to understand the profile of auto-entrepreneurs, from 10 January to 20 March. We have received 239 responses, and we have validated 200 questionnaires.

3.1. Respondents' profile :

In this part of the article, we begin by characterising the profile of the respondents in our sample. We then analyse their perceptions of ANAE's role in the national economy. The following figure shows the results :

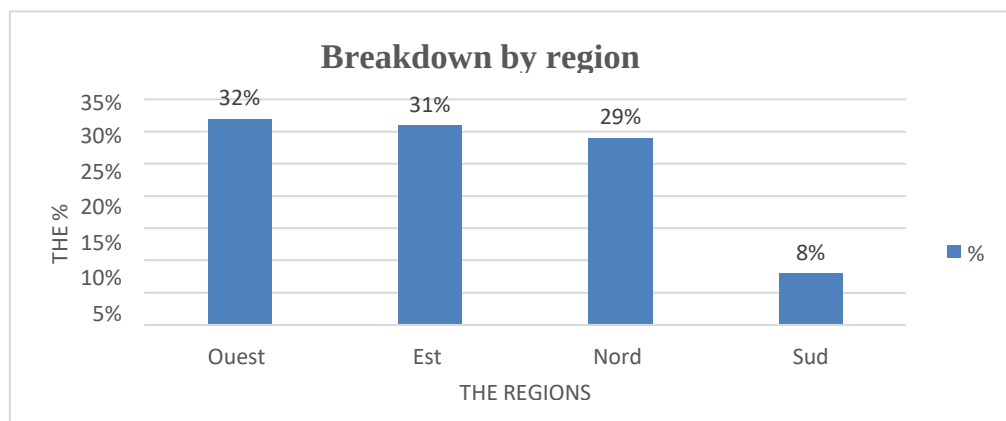
Figure 1. Structure of the sample by gender



Source: SPSS outputs

These data reveal that the proportion of men and women in the sample studied is roughly balanced, at 54% and 46% respectively.

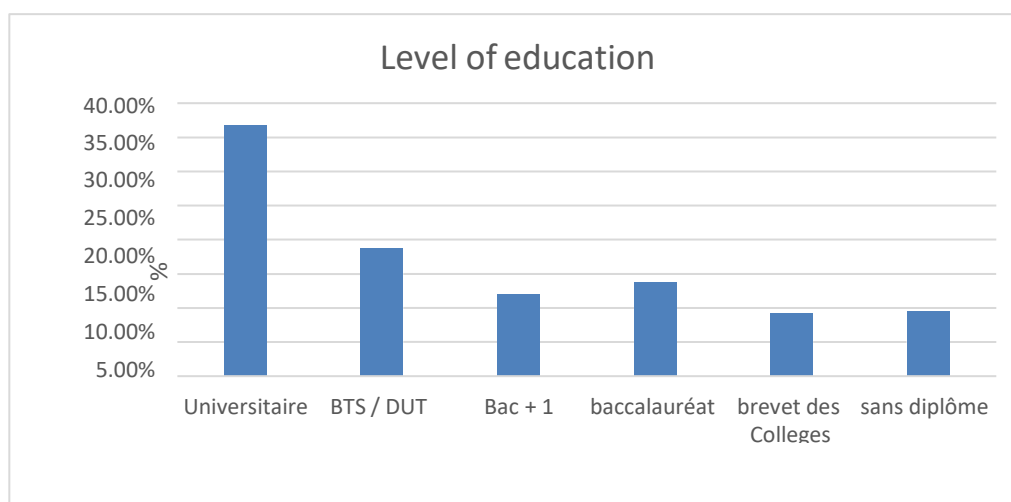
Figure 2. Structure of the sample by region



Source: SPSS outputs

The distribution between the different regions is fairly balanced, with a slight predominance in the West (32%), closely followed by the East (31%) and the North (29%). On the other hand, the South is less well represented, accounting for just 8% of the sample.

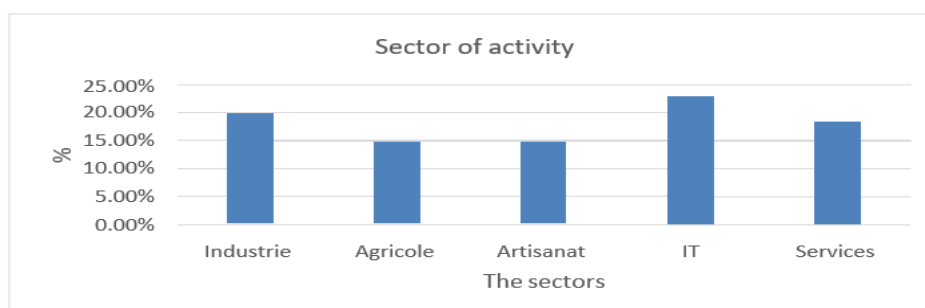
Figure 3. Structure of the sample by level of education



Source: SPSS outputs

Most of the respondents had a university education (36.7%), followed by those with a BTS or DUT (18.8%). A significant proportion of respondents also have a BAC +1 level of education (11.9%), while baccalauréat holders account for a considerable percentage (13.8%). Individuals with less advanced qualifications, such as certificates and those with no qualifications, have similar percentages, at 9.2% and 9.6% respectively.

Figure 4. Structure of the sample by sector of activity

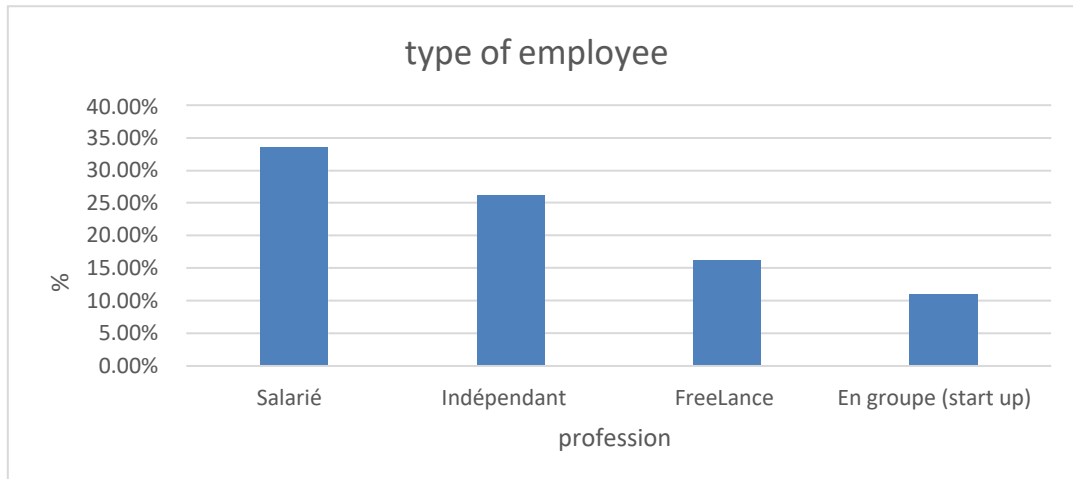


Source: SPSS outputs

The most predominant sectors include IT and technology (22.9%), closely followed

by industry (19.3%). Services (18.3%) and crafts (15.1%) are also well represented, while agriculture occupies last place at just 14%.

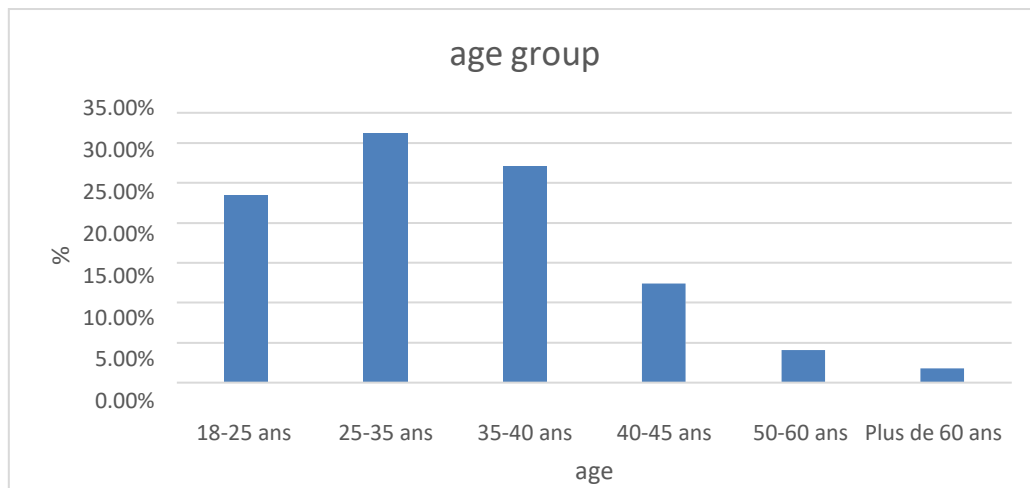
Figure 5. Structure of the sample by type of employment



Source: SPSS outputs

The majority of participants are employees (33.5%), closely followed by the self-employed (26.10%) and freelancers (16.10%). The proportion of start-ups is in the minority, at just 11%.

Figure 6. Structure of sample by age group

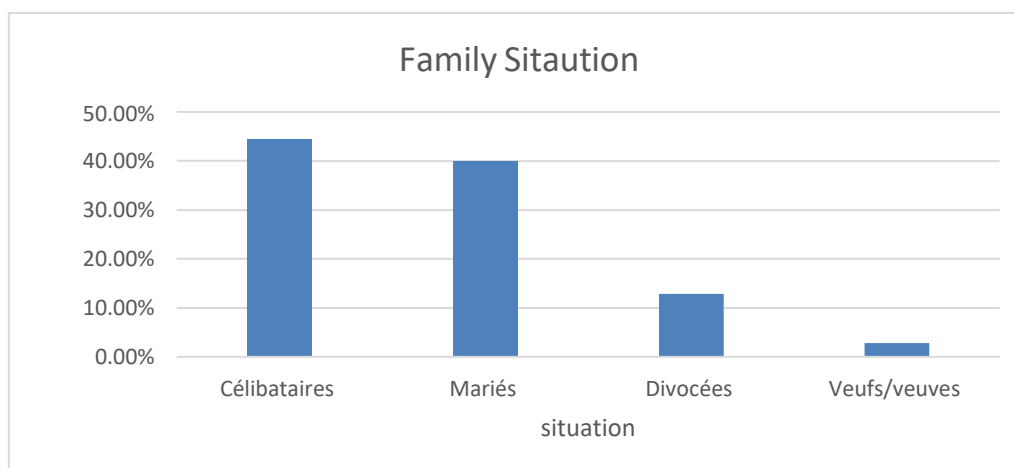


Source: SPSS outputs

The largest age group is 25-35 (31.2%), closely followed by 35-40 (27.1%) and

18-25 (23.4%), and 40-50 (12.4%). A smaller proportion is found among the 50-60 age group (4.1%) and the over-60s (1.8%).

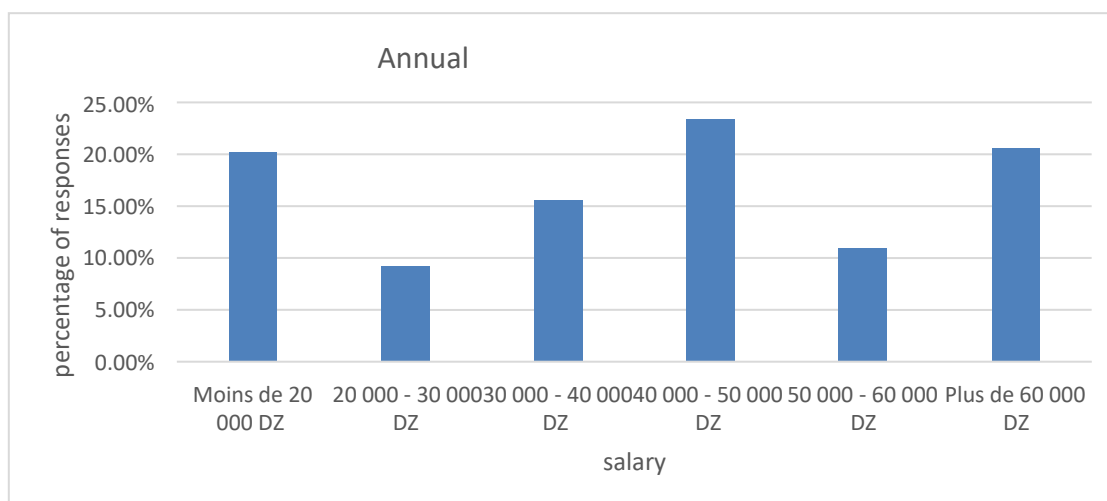
Figure 7. Structure of sample by family situation



Source: SPSS outputs

Most participants were single (44.5%). Two-fifths were married (40%).

Figure 8. Structure of sample by income bracket



Source: SPSS outputs

The most represented category is income between 40,000 DZ and 50,000 DZ, with around a quarter of respondents. Then we have the two extreme categories, those with incomes over 60,000 DZ and under 20,000 DZ, each accounting for a fifth of the sample. We will now analyse the data collected to find out how users perceive ANAE's services. For the sake of clarity, we begin

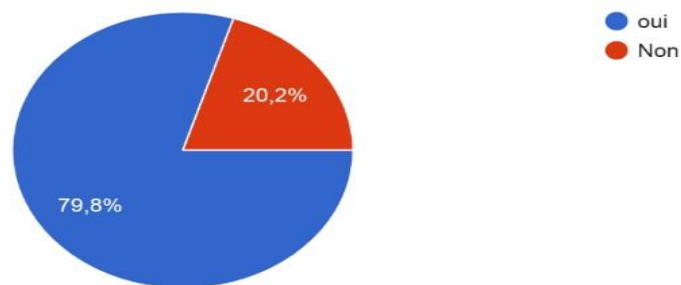
each time with a reminder of the question the respondents were asked to answer.

3.2 Results:

Question : Did you already know about the national auto-entrepreneur agency ?

Figure 9. Knowing about ANAE

Connaissiez-vous déjà l'agence nationale de l'auto-entrepreneur ANAE ?
218 réponses

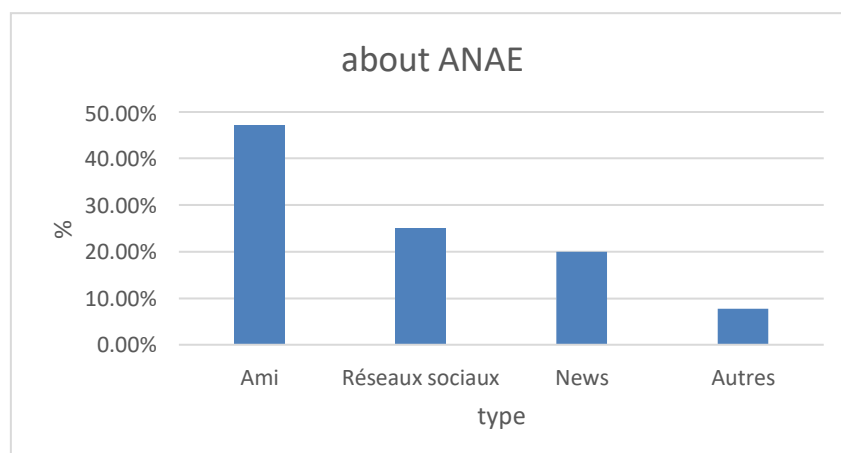


Source: SPSS outputs

Awareness of ANAE is widespread among those surveyed, with 80% declaring that they were aware of it. A further 20% said they were not aware of ANAE. This suggests an effective dissemination of information about this organisation within the sample studied.

- If so, from which source ?

Figure 10. ANAE's different sources of knowledge



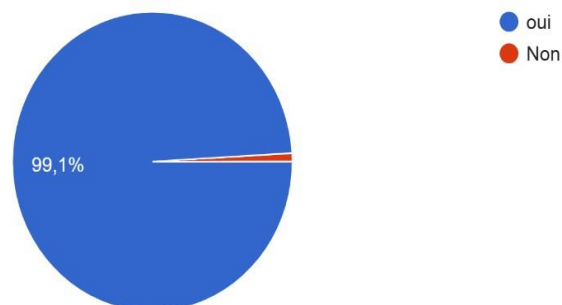
Source: SPSS outputs

Friends are the main source of knowledge within ANAE, accounting for almost half (47.40%) of all information acquired. Social networks follow closely behind, contributing significantly with 25% of the total. News accounts for 20% of sources of knowledge, while other, unspecified sources contribute 7.8%.

Question: Do you think the national auto-entrepreneur agency is a good idea?

Figure 11. Respondents' assessment of the Agence Nationale de l'Auto- Entrepreneur : Success or failure ?

Trouvez-vous que l'agence nationale de l'auto-entrepreneur est une bonne idée ?
218 réponses



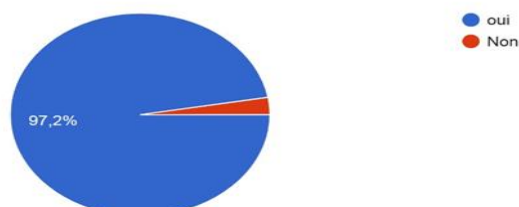
Source: SPSS outputs

The vast majority of respondents (99.1%) thought that the ANAE was a good idea, while 0.9% thought it was a bad idea.

Question: Do you think that the national auto-entrepreneur agency will help to combat unemployment?

Figure 12. Respondents' assessment of ANAE's contribution to reducing unemployment

pensez vous que l'agence nationale de l'auto-entrepreneur va contribuer a la lutte du chômage ?
218 réponses



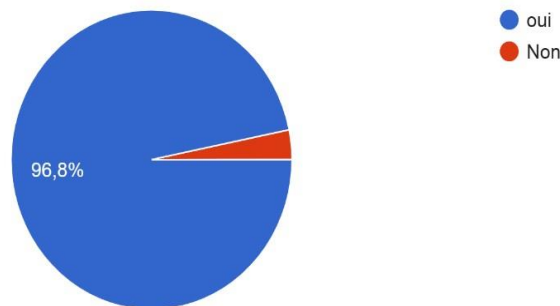
Source: SPSS outputs

The majority of respondents (97%) believe that ANAE helps to combat unemployment.

Question : Do you think that the National Agency for Self-Employment will reduce informal work ?

Figure 13. Impact of the ANAE on reducing informal work in Algeria

pensez vous que l'agence nationale de l'auto-entrepreneur va diminuer le travail informel ?
218 réponses

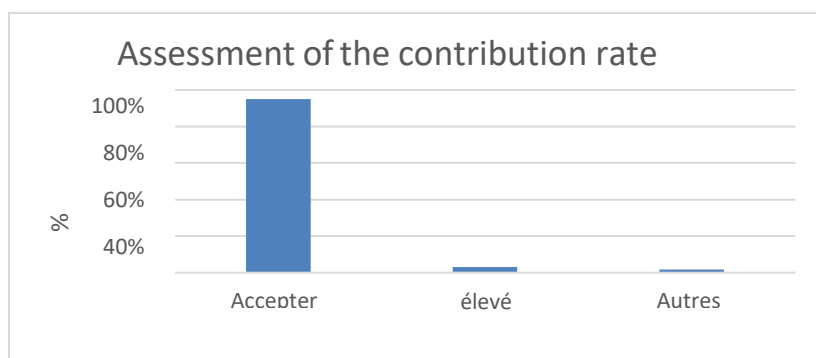


Source: SPSS outputs

Almost all respondents (97%) said that the ANAE plays a role in reducing informal work, while a small minority (3%) held the opposite view.

Question: How do you find the 5% contribution rate?

Figure 14. Respondents' assessment of the contribution rate



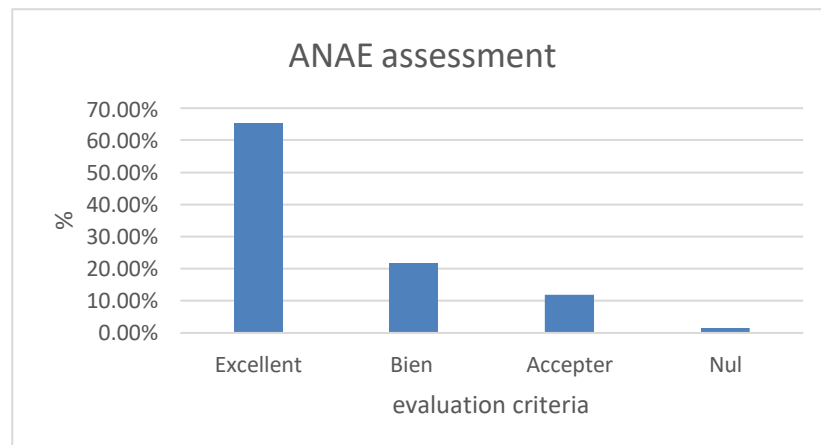
Source: SPSS outputs

The majority of participants (95%) consider the contribution rate to be acceptable; while 3.2% consider it high, and 1.8% have another unspecified

opinion.

Question : How would you rate the quality of service provided by the national auto-entrepreneur agency to date ?

Figure 15: Respondents' satisfaction with ANAE services

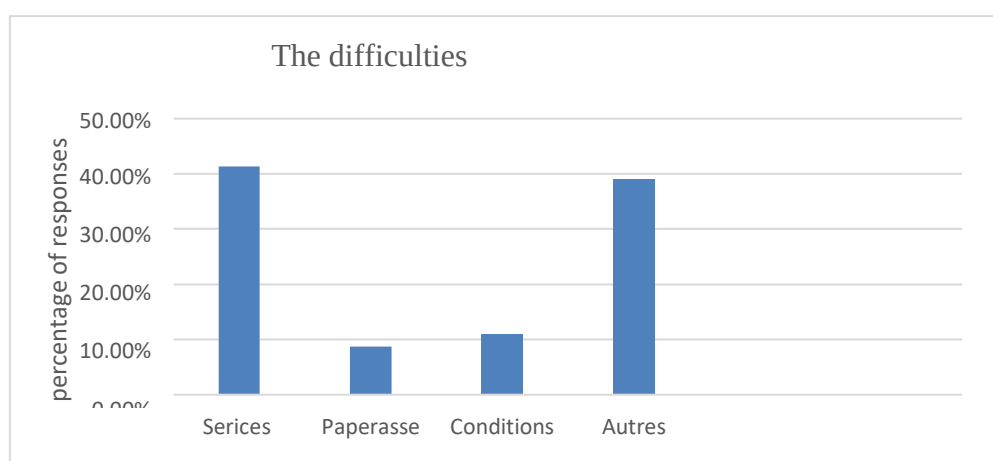


Source: SPSS outputs

Most respondents gave ANAE's services a positive rating, with 64% finding them excellent, 21.6% good, 11.8% acceptable and only 1.8% rubbish.

Question: What are the various difficulties you have encountered?

Figure 16. Difficulties encountered by Algerians when using the ANAE



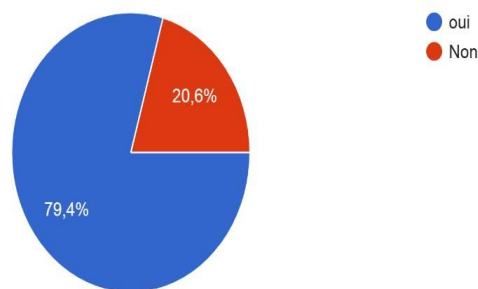
Source: SPSS outputs

The obstacles most frequently encountered with ANAE are related to administrative paperwork (8.7%), conditions (11%) and access to services (41.3%), while other unspecified problems account for 39% of the difficulties reported.

Question: Have you ever used the services of the national auto-entrepreneur agency?

Figure 17. Use of the services of the Agence Nationale de l'Auto-Entrepreneur in Algeria

Avez-vous déjà eu recours aux services de l'agence nationale de l'auto-entrepreneur ?
218 réponses

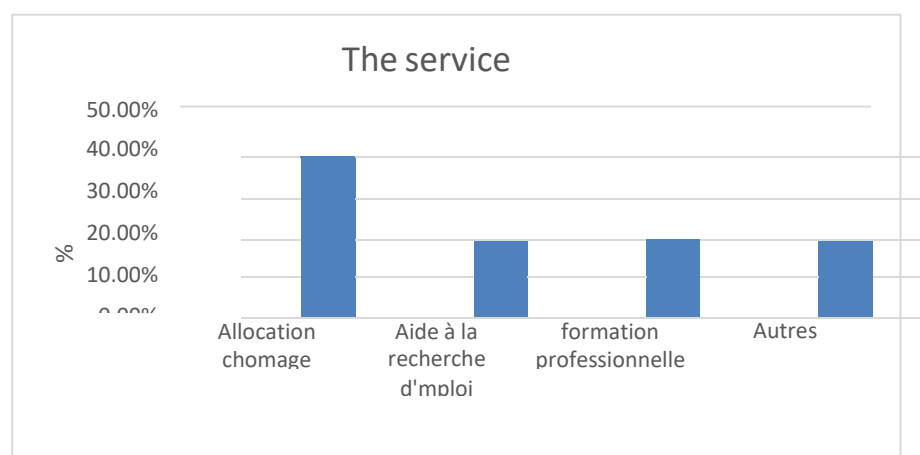


Source: SPSS outputs

Around eighty per cent (79.4%) of participants use ANAE services, while around twenty percent (20.6%) do not.

- **If so, for which service(s)?**

Figure 18. Respondents' answers regarding the service used



Source: SPSS outputs

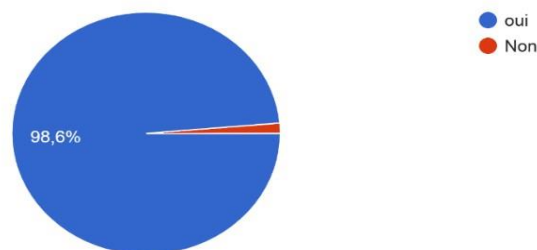
The most frequently used ANAE services include vocational training (21%), job

search assistance (20%) and, above all, unemployment benefit (41.5%).

Question: Do you think that the National Agency for Self-Employed Entrepreneurs is capable of meeting the expectations of Algerians?

Figure 19. Analysis of respondents' expectations of the National Agency for Self-Entrepreneurs

Pensez-vous que l'agence nationale de l'auto-entrepreneur est capable de répondre aux attentes des Algériens ?
218 réponses



Source: SPSS outputs

The majority of respondents (98.6%) felt that ANAE met the expectations of Algerians, while 1.4% thought the opposite.

3.3 Discussion:

Overall, the analysis reveals that respondents' perception of the ANAE and its role in the economy, particularly in terms of its contribution to job creation and the reduction of informal activities, is very favorable. The survey results indicate a strong approval of ANAE's initiatives, with the majority of respondents expressing positive views on these aspects. This favorable perception highlights the agency's success in addressing some of the critical challenges within the labor market, such as unemployment and the prevalence of informal work.

However, despite the generally positive feedback, the analysis also identifies several areas where improvements are necessary. Notably, respondents pointed out shortcomings in the accessibility and usability of ANAE's services. Many users find the current administrative procedures cumbersome and time-consuming, which can deter potential entrepreneurs and job seekers from engaging with the agency. Additionally, there is a need for more effective

and targeted communication strategies to ensure that information about available services reaches all potential users, including those in remote or underserved areas.

Moreover, the feedback suggests that ANAE should focus on developing services that are better tailored to the diverse needs of different user categories. This includes providing specialized support for various types of entrepreneurs, such as young graduates, women, and those from rural areas, to ensure that everyone can benefit equally from the agency's offerings. Respondents also emphasized the importance of understanding users' specific motivations and needs, which can be achieved through qualitative research methods. This deeper insight would enable ANAE to design more user-centric services and improve overall satisfaction.

4. **Conclusion :**

The analysis of respondents' perceptions of the ANAE (National Agency for Employment and Entrepreneurship) reveals a broadly positive view of the agency's role in job creation and the reduction of informal work within the Algerian economy. The favorable responses underscore the agency's potential as a crucial player in addressing labor market challenges and promoting economic development. However, the survey also highlights several areas needing improvement, particularly in accessibility, administrative processes, communication, and service customization to meet diverse user needs.

To capitalize on its strengths and address these challenges, the ANAE should focus on simplifying administrative procedures to make its services more accessible and user-friendly. Enhancing communication strategies is also vital to ensure that information about the agency's services reaches a wider audience, including those in remote or underserved areas. Additionally, developing services tailored to the specific needs of different user categories will improve the agency's effectiveness and inclusivity.

Conducting qualitative research to better understand users' motivations and needs will enable the ANAE to design more user-centric services, ultimately leading to higher satisfaction and better outcomes. By implementing these recommendations, the ANAE can enhance its operations, furthering its mission to foster sustainable economic development, reduce unemployment, and promote social equity.

In conclusion, while the ANAE has made significant progress, addressing the identified areas for improvement will allow the agency to fully realize its potential as a catalyst for

positive economic change. By aligning its strategies with the evolving needs and aspirations of the Algerian people, the ANAE can continue to play a pivotal role in transforming the economic landscape and supporting social innovation.

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