

Electronic Payment in Commercial Transactions According to Algerian Law

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Abstract:

The development of Information and Communication Technologies (ICT) has significantly enhanced electronic commercial transactions and electronic payment tools. Electronic commerce and payment systems maintain a symbiotic relationship that propels economic and financial growth. Electronic payment systems address the limitations posed by traditional payment methods, necessitating the creation of innovative tools that align with global trends, particularly in electronic commerce. Our study indicates that electronic payments not only augment the scope of e-commerce but also facilitate its integration into global markets. Presently, Algeria is making substantial strides in modernizing its cyber security and payment infrastructures to match the rapid advances in e-commerce.

Keywords:

Electronic payment systems; E-commerce; ICT in Algeria; Cyber security in financial transactions; Global market integration.

Received: 28/10/2024 & Accepted 15/12/2024&:Edited (date) :21/12/2024

to Cite the article:

BOUDIA Radia, FERROUDJ Sakina, "Electronic payment in the commercial transactions according to the Algerian law", *RARJ*, vol. 15, n°2, 2024, pp.581-597.

Available on: <https://www.asjp.cerist.dz/en/PresentationRevue/72>

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الدفع الإلكتروني في المعاملات التجارية وفق التشريع الجزائري

الملخص:

تسهم تقنيات المعلومات والاتصالات (ICT) بشكل كبير في تعزيز المعاملات التجارية الإلكترونية وأدوات الدفع الإلكتروني. تحافظ التجارة الإلكترونية وأنظمة الدفع على علاقة تكاملية تعزز النمو الاقتصادي والمالي. تعالج أنظمة الدفع الإلكتروني القيود التي تفرضها طرق الدفع التقليدية، مما يستدعي إنشاء أدوات مبتكرة تتماشى مع الاتجاهات العالمية، وخاصة في التجارة الإلكترونية. تشير دراستنا إلى أن الدفع الإلكتروني لا يعزز فقط نطاق التجارة الإلكترونية ولكن أيضاً يسهل اندماجها في الأسواق العالمية. حالياً، تقوم الجزائر بخطوات كبيرة في تحديث بنيتها التحتية للأمان السيبراني وأنظمة الدفع لمواكبة التقدم السريع في التجارة الإلكترونية.

الكلمات المفتاحية:

أنظمة الدفع الإلكترونية، التجارة الإلكترونية، تقنيات المعلومات والاتصال في الجزائر، الأمان السيبراني في المعاملات المالية، الاندماج في الأسواق العالمية.

Païement électronique dans les transactions commerciales selon le droit algérien

Résumé :

Le développement des technologies de l'information et de la communication (TIC) a considérablement renforcé les transactions commerciales électroniques et les outils de paiement électronique. Le commerce électronique et les systèmes de paiement entretiennent une relation symbiotique qui stimule la croissance économique et financière. Les systèmes de paiement électroniques répondent aux limitations imposées par les méthodes de paiement traditionnelles, nécessitant la création d'outils innovants alignés sur les tendances mondiales, en particulier dans le commerce électronique. Notre étude indique que les paiements électroniques non seulement augmentent la portée du commerce électronique mais facilitent également son intégration dans les marchés mondiaux. Actuellement, l'Algérie fait d'importants progrès dans la modernisation de ses infrastructures de cybersécurité et de paiement pour suivre les avancées rapides du commerce électronique.

Mots clés :

Systèmes de paiement électroniques ; Commerce électronique TIC en Algérie ; Cybersécurité dans les transactions financières ; Intégration au marché mondial.

Introduction

The integration of electronic payment tools into the trade sector, spurred by advancements in communication technology, has profoundly transformed business transactions. This shift has not only catalyzed the expansion of electronic trading but has also positioned it as a cornerstone of modern economies and market exchanges. However, this evolution brings with it complex legal and organizational challenges that necessitate a thorough reevaluation of existing payment frameworks. This study aims to critically analyze contemporary payment methods, advocating for significant updates to legacy systems to align with ongoing technological progress. It also seeks to systematically explore the dynamics of electronic commerce, including its key features, stakeholders, various types, contractual agreements, and payment mechanisms, to provide a comprehensive understanding of its operational and regulatory landscape.

In light of the foregoing, we introduce the following research question:

To what extent have electronic payment tools contributed to the development of commercial transactions?

To address this query, we will utilize a desk-based research approach, analyzing various legal statutes to assess the effectiveness of electronic payment systems in enhancing business transactions. Additionally, we will apply a descriptive analysis to elucidate the characteristics of these tools, aiming to provide a detailed understanding of their impact on the commercial landscape.

Chapter 01: Utilization of Payment Tools in Commercial Transactions

Electronic payment instruments have become integral in a diverse array of business transactions, primarily because they fulfill key objectives of commercial law: enhancing the speed of transactions and ensuring commercial credibility. However, their utilization is most pronounced within the realm of internet commerce. Before delving into the specifics of electronic commerce, it is essential to examine the features of electronic payment systems that ensure transactional integrity and electronic reliability. This discussion will set the groundwork for understanding their pivotal role in modern commerce.

Section 01: Understanding Electronic Commercial Transactions

Electronic commercial transactions can be defined in various ways, reflecting the diversity of techniques employed and their ongoing evolution. In this section, we aim to provide a precise description by examining the different forms and characteristics of electronic trading. We will explore these dimensions to offer a comprehensive understanding of electronic commercial transactions from this perspective.

Subsection 01: Definition of Electronic Commercial Transactions

At the core of any business are its commercial transactions. In this subsection, we will delve into both the legal and jurisprudential definitions of electronic commercial transactions to elucidate their concept and significance. This exploration aims to provide a foundational understanding of the role these transactions play in the digital economy.

A: Jurisprudential Definition of Commercial Transactions

Jurisprudential definitions of electronic commerce typically describe it as the lawful online display of products and services, facilitating consumer purchases¹. Furthermore, it is often characterized as a business process where two parties—the buyer and the seller—engage in transactions and market products online without a physical meeting, enabled by electronic signatures². These descriptions underscore that the primary tool used in these transactions is networks, predominantly the internet.

B: Legal Definition of Electronic Commercial Transactions

Electronic commercial transactions are defined in Article 6/1 of Law 18-05 concerning electronic trade as activities where an electronic supplier recommends or ensures the online provision of products and services to an electronic client via electronic communications³. The term "electronic trade" is further elaborated as business activities conducted by an online provider who proposes or assures the delivery of goods and services to an online customer. Additionally, Article 27 of Law 18-05 mandates that payments for these transactions must occur online or through authorized instruments in compliance with applicable laws. These online payments require the use of specialized systems operated exclusively by entities approved by the Bank of Algeria and Algeria Post⁴. Article 28 requires an electronic validation system to secure receipts issued by the electronic supplier's website. Furthermore, Article 29 states that the Bank of Algeria must oversee the electronic payment platforms established and utilized as per Article 27 to ensure data confidentiality and integrity⁵.

1- Cherif Mohamed Ghanem, the electronic money portfolio: a future vision, Arab renaissance house, Beirut, Lebanon, 2003, p. 7.

2- Abd al Fattah Bayoumi Hijazi, the legal system to protect the electronic trade (the system of electronic trade and its civil protection), Vol. 01, university thought house, Alexandria, 2002, p. 45.

3- Law 18-05 of 10 May 2018, on the electronic trade, official gazette 28 of 16 May 2018.

4- Abd al Fattah Bayoumi, op. cit., p. 46.

5- Boussairi Mahfoud, the Algerian electronic payment system as a mechanisms to develop the new payment tools, studies and researches journal, the Arab journal for human and social sciences, Vol. 11, issue 4, October 2019, year 11, p. 65.

Subsection 02: Types of Electronic Commercial Transactions

Electronic commercial transactions are akin to an electronic market where suppliers, buyers, and intermediaries interact, with goods and services being offered online. In this context, electronic commerce can be classified into distinct categories based on the parties involved. This classification helps in understanding the diverse nature of online commercial activities and the dynamics between the various stakeholders. In the following discussion, we will explore these categories in detail to elucidate the different forms that electronic commerce can take.

A: Business-to-Business (B2B) Electronic Commercial Transactions

This category has been prevalent since the advent of Electronic Data Interchange (EDI) systems over specialized networks. With the emergence of the internet, it became the preferred platform for exchanging electronic documents, effectively creating a commercial marketplace¹. In this setup, businesses send purchase requests to other businesses, facilitating the exchange of information and documents. An electronic contract for the supply of goods or services is then established between the parties. Depending on the terms of the contract and the nature of the goods or services, invoices are issued electronically, and payments can be processed either electronically or manually².

1: Business-to-Consumer (B2C) Electronic Commercial Transactions

This category epitomizes retail sales in traditional business transactions. With the rise of the internet, B2C transactions have expanded significantly, evidenced by the proliferation of online shopping centers that showcase businesses' products and services and facilitate commercial activities such as online sales and purchases. Typically, these transactions allow for various payment options, including cash on delivery or credit cards, accommodating diverse consumer preferences.

2: Consumer-to-Consumer (C2C) Electronic Commercial Transactions

This category has flourished with the expansion of the internet and its capabilities. In C2C transactions, consumers post online advertisements to sell products or offer services, typically within electronic marketplaces or fairs. These platforms facilitate direct transactions between individuals, allowing them

1- Lazhar Ben Said, the legal system of the electronic trade contracts, Houma house, Algeria, 2012, p. 26.

2- Mohamed Said Ahmed Ismail, the methods of the electronic protection of the electronic commercial transactions (comparative study), al Halabilegal publications, Lebanon, 2009, p. 40.

to engage in business activities with one another without the intermediation of traditional business entities¹.

B: Business-to-Government (B2G) Electronic Commercial Transactions

This category involves transactions between businesses and government entities. Such interactions typically occur through formal agreements that obligate businesses to fulfill specific duties or supply goods and services to the government. A prominent example is government procurement processes. In the United States, these procurements are often conducted online, enabling businesses to easily view and respond to public tenders with their offers of supply. This digital approach streamlines the procurement process and enhances transparency and accessibility².

Section 02: The Role of Electronic Payment Systems in Commercial Transactions

The concept of electronic commerce has become ubiquitous in our daily lives, largely due to the rapid global development of modern communication tools and their increased adoption by businesses. This section explores how electronic payment systems facilitate these commercial interactions.

Subsection 01: Definition of Electronic Payment Systems

Electronic payment systems are characterized by a variety of jurisprudential and legal definitions. In this subsection, we will delve into these definitions, illustrating the diverse perspectives that shape our understanding of electronic payment mechanisms.

A: Jurisprudential Definition of Electronic Payment Systems

Jurisprudentially, electronic payment systems are defined as the mechanisms that enable participants in electronic commerce to conduct monetary transactions electronically, eliminating the need for physical currency or checks³. These systems provide users with simple and secure online payment options, effectively replacing traditional invoicing methods to facilitate the electronic transfer of funds between accounts⁴. Moreover, they encompass a suite of additional services offered by financial institutions and banks designed to support secure electronic transactions. The effectiveness of these systems is underpinned by laws and regulations that ensure the confidentiality and security

1- Fateh Bahlouli, the legal system of the electronic trade in the Algerian law, PhD thesis in Laws, Faculty of Laws and Political Sciences, University of Mouloud Maameri, TiziOuzou, 2017, p. 41.

2- Boussairi Mahfoud, Op.cit., p. 67.

3- Mohamed Abd al Hassan al Tai, the electronic trade, the promising future of the coming generations, Vol. 02, culture house, Jordan, 2013, p. 178.

4- Hamad Nour Salah al Jedaya& Sana Jawdat Khalaf, the electronic trade, Vol. 01, al Hamed house, Oman, 2009, p. 231.

of the purchasing and service provision processes¹. Another perspective defines electronic payments as any monetary transfer or payment made directly online, emphasizing the digital process of transmitting data across networks and facilitating the monetary exchange for goods or services.

B: Legal Definition of Electronic Payment Systems

Various laws have defined electronic payments and their mechanisms to address the technological challenges they present. For instance, under US law, an electronic payment is recognized as any technique that produces outcomes comparable to traditional technology and may involve electrical, magnetic, digital, or visio-electromagnetic methods. Similarly, Egyptian legislation on electronic transactions defines it as fulfilling a financial obligation using an electronic instrument, such as credit cards and electronic checks².

In Algeria, the legal framework is extensively detailed. According to Article 69 of Law 03-11, any instrument allowing a monetary transfer, regardless of the binding or technical method employed, qualifies as a payment tool³. Further elaboration is found in Law 18-04, where electronic communications are defined in Article 10, paragraph 01, as the transmission or receipt of any type of mark, sign, writing, image, sound, data, or information via cables, optical fibers, or electromagnetic means. This law also recognizes electronic transfer methods, with Article 46, paragraph 04, stating that all written or electronic payment instruments are valid for monetary transfers⁴. Additionally, Article 60 permits the transfer of funds through electronic communications, including those facilitated by Algeria Post via electronic or postal services⁵. Finally, as per paragraph 05 of Article 01 in Law 18-05⁶, an electronic payment tool is defined as any licensed payment instrument that enables its holder to conduct payments online through an electronic system. This definition by the Algerian legislator is notably broad and adaptable, reflecting a comprehensive approach to regulating electronic payments within the national legal framework.

Subsection02: Requirements for Using Electronic Payments in Electronic Commercial Transactions Under Algerian Law

The Algerian legislator has specifically addressed the use of electronic payments in electronic commercial transactions through Law 18-05 on

1- Abd al Fattah Bayoummi Hijazi, op. cit., p. 57.

2- Mostefa Youcef Kafi, the electronic trade, Raslan house, Syria, 2010, p. 68.

3- Order 03-11 of 26 August 2003 on the cash and loan, official gazette of the Algerian republic no° 52 of 27 August 2003, supplemented and complemented.

4- Law 18-04 of 10 May 2018, on the general rules of post and electronic communications, official gazette of the Algerian republic no° 27 of 13 May 2018.

5- Boussairi Mahfaud, op. cit., p. 67.

6- Law 18-05 of 10 May 2018, on the electronic trade, official gazette of the Algerian republic no° 28 of 16 May 2018.

electronic trade. Section 6 of Chapter 2 of this law is dedicated to outlining the necessary conditions for electronic transactions across three key articles:

A: Licensing Requirements for Electronic Payment Tools

In the context of electronic commercial transactions, Article 27 of Law 18-05 mandates that electronic payments must be executed online or upon product delivery, and strictly through tools that are authorized by relevant legislation. Additionally, Articles 08 and 09 of this law specifically regulate electronic commercial transactions within the national boundaries of Algeria, ensuring compliance with domestic standards. Meanwhile, Article 07 addresses the regulation of electronic commercial transactions that extend across international borders, providing a comprehensive legal framework to manage these interactions effectively. This legal structure ensures that all electronic payments are processed through licensed and regulated channels, enhancing the security and reliability of online transactions.

B: Payment through Authorized Platforms

As stated by Article 27 of Law 18-05, electronic payments must be conducted through designated platforms established and managed by the Bank of Algeria and Algeria Post. These platforms act as intermediaries, connecting merchants, consumers, and financial institutions, thereby facilitating credit card payments¹.

In essence, these platforms ensure secure and efficient transactions by serving as a bridge between the online retailer and the bank responsible for authorizing or rejecting the payment. They can be described as technologies that streamline the seller's receipt of funds and the customer's payment process. When a customer initiates an online purchase, they input their credit card details. The payment gateway forwards this information to the customer's bank to verify the availability of funds. Once confirmed, the gateway authorizes the website to complete the transaction, ensuring a seamless and secure payment experience².

C: Securing Electronic Payments with an Electronic Ratification System

To safeguard electronic payment processes, Article 28 of Law 18-05 mandates that the electronic supplier's website must be integrated with an electronic ratification system. This system is designed to enhance the security and integrity of transactions. The ratification procedure is closely tied to electronic signatures, which are regulated under Law 15-04³.

According to Article 02 of Law 15-04, an electronic signature is defined as a set of data in electronic form that is logically linked to other electronic data

1- Bossairi Mahfoud, op. cit., p. 67.

2- Abd al Fattah Bayoumi Hijazi, op. cit., p. 46.

3- Law 15-04 of 01/02/2015, on the general rules of electronic signature and ratification, official gazette of the Algerian republic no° 06 of 10 February 2015.

and serves as a tool for authentication. This signature may consist of sounds, signs, or symbols that are logically connected within an electronic information processing system to verify authenticity¹.

Law 15-04 also introduces the concept of the "electronic ratification certificate." As defined in Article 02, this certificate is an electronic document that establishes the link between the signer and the electronic signature data. Furthermore, Article 15 specifies the requirements for a valid ratification certificate². The objectives of this ratification process include:

- Ensuring Trust and Security: By verifying the identities of the contracting parties and the terms of the contract, the ratification process enhances the reliability of electronic contracts.
- Maintaining Confidentiality: The ratification process employs encryption to protect the privacy of the information exchanged.

This system ensures that electronic payments are conducted in a secure environment, fostering confidence in the integrity and confidentiality of online commercial transactions.

Chapter 02: Tools Constituting the Electronic Payment System in Commercial Transactions

In this chapter, we will examine contemporary payment instruments, highlight their distinctive features, and explore the primary electronic payment systems shaping modern commercial transactions.

Section 01: Payment Tools in Digitalized Commercial Transactions

Payment tools are essential mechanisms for facilitating business transactions in everyday life. These tools have evolved significantly due to technological advancements, leading to the emergence of electronic currency, bills of exchange, and checks. In this section, we will discuss these traditional instruments and then explore the new elements introduced into Algeria's payment system.

Subsection01: Electronic Commercial Papers

Electronic commercial papers, particularly electronic checks, play a crucial role in the modern digital business environment. These instruments are based on electronic money transfers and offer secure and efficient transaction capabilities.

A: The Electronic bill of exchange

The Algerian legislator does not provide a formal definition of the bill of exchange but outlines its characteristics, recognizing it as a commercial act

1- Tharwat Abd al Hamid, the electronic signature, its nature, risks, methods of facing the risks, and its authority, the new university house, Cairo, 2007, p. 60.

2- Drici Kamel Feteihi, the electronic ratification as a guarantee in the commercial transactions through the modern tools in the Algerian law, journal of researches and studies, issue 24, 2017, p. 163.

under Article 332 of the Commercial Law. With the advancement of the banking system, the electronic bill of exchange has emerged as one of the key electronic payment technologies. Its digital format offers several advantages over traditional paper-based bills of exchange, including efficiency, speed, and enhanced security.

In Algeria, the electronic bill of exchange was introduced as part of the modernization of the banking sector's payment systems¹. It is a formal tripartite document processed entirely or partially through electronic means². This document involves:

- The Withdrawer: The party issuing the order.
- The Drawee: The party directed to make the payment.
- The Beneficiary: The party who receives the payment.

The electronic bill of exchange mandates that the drawee pays a specified sum of money to the beneficiary on a predetermined date and location³. This document must be processed and issued in compliance with the legally prescribed formats.

While legal scholars cannot precisely determine the historical origins of the traditional bill of exchange, there is consensus that it was formalized in France. The bill of exchange gained prominence following the findings of French committees that aimed to resolve administrative and financial challenges associated with its use. Notably, the Gillet Committee played a pivotal role in this development, leading to the formal adoption of the bill of exchange on July 2, 1973⁴.

The introduction of electronic bills of exchange represents a significant step forward in streamlining financial transactions, providing a reliable and efficient mechanism for modern commercial exchanges.

1: Types of Electronic Bills of Exchange

Like other electronic commercial instruments, the electronic bill of exchange exists in two primary forms: the paper electronic bill of exchange and the magnetic electronic bill of exchange.

1.1: Paper Electronic bill of exchange

This type begins as a conventional paper document but is subsequently processed electronically. After issuance in physical form, the data from the bill

1- Loucif Ammar, op. cit., p. 34.

2- Mostefa Kamel Taha, Wail Anouar Bondek, the commercial papers and the electronic payment tools, university thought house, Alexandria, 2005, p. 346.

3- Kordi Nabila, the electronic bill of exchange, al Nibras journal for the legal studies, Vol. 02, issue 02, March 2017, p. 93.

4- Waqed Youcef, the legal system of the electronic payment, Magister thesis in the international cooperation law, Faculty of Laws, University of Mouloud Maamari, Tizi Ouzou, 2011, p. 54.

of exchange is stored and managed online using electronic systems¹. It contains essential details, such as:

- The drawee's banking information
- All formal data typically required in a traditional bill of exchange

The electronic processing enhances the efficiency and security of transactions while retaining a paper trail for verification purposes.

1.2:Magnetic Electronic Bill of Exchange

Unlike the paper-supported version, the magnetic electronic bill of exchange is entirely digital from inception. It does not require any paper documentation. Instead, a magnetic tape or similar electronic medium captures and stores all the bill of exchange data immediately. This method offers significant advantages over traditional formats, such as:

- Faster processing times
- Greater security and accuracy in data handling
- Reduced reliance on physical documentation

This form represents a more advanced and streamlined approach to handling financial obligations in modern electronic commerce.

2:Deposit for Collection

In a deposit for collection, the bank acts on behalf of its clients to collect payments in exchange for a predetermined commission, thus saving them time and effort. This process eliminates the need for clients to travel to collect funds themselves. The collection process involves the following steps²:

- The bank collects the value of the electronic bill of exchange from the drawee by deducting the amount promptly.
- With the beneficiary's consent, the collected amount is transferred to the beneficiary's bank account.
- The beneficiary's bank then notifies both the beneficiary and the drawee of the transaction and credits the amount to the beneficiary's account.

3:Deposit for Deduction

Deposit for deduction is a service provided by banks to clients who need immediate liquidity by collecting the value of their bills of exchange in advance. Deduction (also known as discounting) is defined as an agreement between the bank and the client wherein the bank advances funds by subtracting an amount based on the remaining time until the bill's maturity date.

The process involves³:

- The client transfers the right to the bank by endorsing the bill of exchange.

1- Cherif Mohamed Ghanam, op. cit., p. 08.

2- Kordi nabila, op. cit., p. 105.

3- Cherif Mohamed Ghanam, op. cit., p. 08.

- The bank deducts an amount proportional to the remaining period until the bill's due date.
- The bank pays the client the discounted amount immediately, thereby providing liquidity.

In essence, the client grants the bank the right to collect the full value of the bill of exchange at maturity in exchange for receiving a reduced sum in advance¹. This service is based on the early transfer of the bill's ownership to the bank, enabling the client to meet urgent financial needs.

B: The Electronic Check

The electronic check is a modern payment method poised to replace traditional paper checks². It contains the same essential details as a paper check, including the amount, date, beneficiary, drawer, and drawee³. In electronic commerce, the buyer transmits these details to the seller online, including:

- Issuer Information
- Payment Amount
- Beneficiary Details
- Signature (represented by unique digital symbols)

An electronic check functions as a tripartite document processed entirely or partially through electronic means. It involves:

- The Drawer (the entity issuing the payment instruction)
- The Drawee (the bank processing the payment)
- The Beneficiary (the recipient of the funds)

The electronic check serves as a secure, verifiable document that the issuer sends to the recipient, who then submits it to an online bank. The process typically involves:

- The online bank debits the specified amount from the drawer's account.
- The funds are deposited into the beneficiary's account.
- The check is canceled and electronically returned to the recipient as proof of the transaction and expense.

Since electronic checks function similarly to traditional checks but use the internet as their medium, they align with the needs of electronic commerce⁴. This method ensures:

- Efficiency in transactions
- Security through encryption and verification
- Convenience by eliminating the need for physical check handling

Given the efficiency of electronic checks, traditional payment methods may become obsolete, as the mediator (the bank) seamlessly transfers funds from the

1- Kordi Nabila, op. cit., p. 93.

2- Loucif Ammar, op. cit., p. 34.

3- Cherif Mohamed Ghanam, op. cit., p. 10.

4- Waged Youcef, op. cit., p. 57.

customer's account to the merchant's account. This innovation meets the growing demands of digital commerce and enhances the speed and security of financial transactions¹.

Subsection02: E-Money and E-Wallets

E-money and e-wallets have emerged as essential digital payment tools, driven by advances in Information and Communication Technologies (ICT) and the growing complexity of business transactions. These digital tools facilitate seamless financial exchanges in electronic environments. This subsection explores these two primary methods of digital payment.

A: E-money:

E-money is a technical tool that supports online payments and the electronic storage of monetary values. It is typically prepaid and can be used for online purchases without the need for a bank account². The World Bank defines e-money as a monetary value used as a means of payment, represented by credit units stored electronically. Essentially, it is the digital equivalent of metal and paper currency.

E-money possesses several defining characteristics³:

- Electronically Stored Value: E-money consists of encrypted data stored on electronic devices such as plastic cards or computer memory, differentiating it from physical currency.
- Two-Dimensional Transfer: E-money can be transferred directly from the client to the merchant without the need for a third party to facilitate the transaction.
- Inconsistent Issuance: E-money is issued by different sources (e.g., private financial institutions), meaning its value can vary, allowing for the purchase of different quantities of goods and services.
- Portability: E-money is lightweight, compact, and easily transportable, making it more convenient than traditional physical currency.
- Specialized Issuance: Unlike traditional legal tender issued by central banks, e-money is often issued by specific credit companies or financial institutions.

However, e-money also presents certain challenges⁴:

Despite being a modern tool reliant on advanced technology, e-money functions similarly to traditional currency in facilitating payments. However, several factors influence its use:

1- Abd al Fattah Bayoumi Hijazi, op. cit., p. 46.

2- Weqed youcef, op. cit., p. 57.

3- Kordi Nabila, op. cit., p. 93.

4- Waged Youcef, op. cit., p. 57.

- Technological Variations: The adoption and functionality of e-money can vary between countries, depending on technological infrastructure and regulatory policies.
- Issuance Authority: While central banks oversee the issuance of traditional currency in alignment with monetary policy, e-money is typically issued by specialized credit institutions.
- Limitations in Banking Benefits: Unlike traditional money, e-money cannot be deposited into bank accounts, limiting its advantages. This limitation contrasts with monetary theory, which considers money a beneficial asset that supports savings and investment.

B:E-Wallets

E-wallets store digital money on a computer's hard drive or other electronic devices, which limits the amount of money available for online business transactions. Most e-wallets can facilitate payments anywhere by using smart cards that store e-money. In essence, an e-wallet is a virtual tool designed to make small payments directly or indirectly.

E-wallets emerged as a solution for customers who were enthusiastic about online shopping but grew frustrated with repeatedly entering payment and shipping information. They provide a secure space to store credit card details and electronic funds, functioning similarly to physical wallets. At a minimum, e-wallets store shipment details and invoices, including the customer's name, street address, city, province, country, and postal code¹.

In addition to holding e-money from various providers, most e-wallets can also store credit card numbers and customer names. This makes e-wallets versatile and user-friendly. The key features of e-wallets include:

- Convenience for Small Payments: E-wallets provide an efficient option for handling minor payments, eliminating the processing fees associated with checks and other paper-based payment methods for low-value transactions.
- Reduced Cash Usage and Fees: They minimize the need for physical money and help avoid transaction processing fees.
- Speed and Efficiency: E-wallets enhance the speed of commercial transactions, making them suitable for modern business needs.

E-wallet payments cover a wide range of uses, including ATMs, parking ticket machines, highway tolls, public phone cards, and various specialized cards like visitor cards and rapid photo cards. This flexibility and convenience make e-wallets an essential tool for contemporary electronic commerce.

1- WagedYoucef, op. cit p. 60.

Section 02: New Electronic Payment Tools

Electronic payment tools have evolved to accommodate various types of online transactions. In this section, we will explore the different kinds of modern electronic payment instruments.

Subsection 01: Credit Cards

Legal scholars have established a consensus on the definition of credit cards and provided various interpretations. The Algerian parliament regulated credit card terms in the 2005 amendment to the Commercial Law, specifically in Section 03 of Chapter 04 titled “*Payment and Withdrawal Cards.*” According to Article 543 Bis. 2, a credit card is defined as any card issued by a bank or legitimate financial institution that allows its holder to withdraw or transfer funds.

Unlike withdrawal cards, which only permit cash withdrawals, credit cards facilitate both fund transfers and withdrawals. The Algerian legislator’s definition highlights the functional versatility of credit cards. These cards offer several advantages, including saving time and effort for users while generating profits for banks through service fees and late payment charges¹.

Credit cards also enable holders to withdraw and pay in local currency, whether the transaction involves domestic or foreign amounts. To enhance security and prevent fraud and theft, credit cards are typically embedded with the cardholder’s photograph and other identifying features.

This dual-purpose functionality makes credit cards a vital tool in modern electronic payment systems, supporting the seamless execution of both national and international transactions².

A: Check Cards

Check cards function as a hybrid between checks and credit cards. When using a check card, the card captures the account number, name, signature, and the maximum amount the bank is authorized to pay. The client signs a check in front of the beneficiary and presents the card for verification. The beneficiary then checks the validity date of the check and records the card number on the back. After these steps are completed, the bank disburses the specified amount to the beneficiary, regardless of whether sufficient funds are available in the client’s account³.

B: Payment Cards

Payment cards allow holders to pay for goods and services at stores that accept these cards. The funds are directly transferred from the cardholder’s

1- Order 75-59 of 26 December 1975 on the Commercial Law, official gazette 79 of 1975, supplemented and complemented.

2- Abd al Mottalib Abd al Hamid, the electronic trade economies, university house for publication, 2014, p. 131.

3- Abd al Fattah Bayoumi, the electronic trade and its legal protection to the electronic trade system and its civil protection, Vol. 01, legal books house, Egypt, 2007, p. 112.

account to the merchant's account. Unlike credit cards, payment cards rely on the actual balance available in the customer's bank account. As a result, transactions are only authorized if sufficient funds are present, making these cards distinct from credit cards.

C:Smart Cards

Smart cards are plastic cards embedded with a microprocessor chip used to store funds and facilitate online purchases of goods and services. The chip can also store transaction history. If the cardholder attempts to use the same funds more than once, the transaction is automatically declined. For these cards to function, merchants must have card readers installed at their payment terminals¹.

Smart cards offer enhanced security and are used in systems like Secure Electronic Transactions (SET), providing a reliable method for conducting electronic commerce. Their ability to securely store data and transaction records makes them a versatile tool in modern digital payment systems².

Subsection02:Electronic Money Transfers

Electronic money transfers (EMTs) are facilitated by numerous banks participating in interconnected computer networks that handle millions of accounting entries electronically. These networks function similarly to traditional financial clearinghouses but operate with greater speed and efficiency. The use of satellites in international banking settlements is expected to further enhance the reach and effectiveness of these networks.

The primary objective of electronic money transfer systems is to expedite and streamline interbank transfers and settlements. This system allows local banks to³:

- Settle disputes regarding fund receipts and payments through central bank accounts efficiently.
- Improve the quality of services offered to clients.
- Facilitate client payments through electronic stock and check clearing systems.

The electronic money transfer process requires an approved transfer model to be signed by both the client and the recipient. This model authorizes the deduction of funds from the client's account based on an agreed schedule, such as daily, weekly, or monthly intervals. Unlike checks, the validity of this transfer model is limited to a single transaction.

To support this process, specialized software is typically provided by intermediaries working in collaboration with both the bank and the client. This

1- Saber Imane, the civil protection of the electronic trade, Master dissertation in business laws, Faculty of Laws and Political Sciences, University of Mohamed Lamine Debbaghine, Setif 02, 2017, p. 49.

2- Farouk Sayad Houcine, the electronic trade and its security, Vol. 01, Hala for publication and distribution, 2001, p. 30.

3- WagedYoucef, op. cit., p. 57.

technology enhances transaction security, reduces processing time, and improves the overall efficiency of financial services.

Conclusion

The advancement of information and communication technology has led to the development of electronic payment tools. While traditional payment methods, such as checks and bonds, are suitable for conventional business transactions where the seller and buyer interact in person and payment is made via cash or check, electronic commerce requires more sophisticated solutions. In e-commerce, customers select products online, often from international markets, necessitating advanced payment mechanisms to facilitate seamless online transactions.

To address the challenges associated with e-commerce and electronic payments, states must collaborate to develop comprehensive legislation that mitigates the risks and vulnerabilities inherent in internet commerce. A robust financial system capable of managing and coordinating online electronic payments is essential. This system should be supported by international conventions and regulations governing online money transfers to ensure security, efficiency, and reliability in the global digital economy.