Rights and Obligations of Foreign Investors in Algeria

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Received: 22/07/2025 ; Accepted: 01/01/2026 ; Published: 01/08/2026

Abstract:

Foreign investments are considered one of the key drivers of economic growth, technology transfer and job creation, making them a strategic tool for comprehensive development in developing countries. In this context, the Algerian legislator, through Law No. 22-18 on investment, sought to establish a modern and integrated legal framework aimed at attracting foreign investors. This was done by granting them a set of rights and facilities, including tax advantages, sectoral incentives, institutional support and legal guarantees that protect their investments from risks, ensure legislative stability and safeguard investment freedom.

Conversely, this legal framework imposes a set of obligations and regulations on foreign investors including, respect for economic sovereignty, public health, the environment, labor law, principles of competition and financial and accounting transparency.

This legislative balance aims to protect the national interests of the host state while preserving the attractiveness of the Algerian market. It contributes to sustainable development and provides a stable and fair legal environment for all economic actors. The law falls within Algeria's broader efforts to enhance investor confidence and reaffirm its commitment to transparency and economic openness as part of its national economic diversification strategy.

Keywords: Foreign investor, Law 22-18, advantages, guarantees, obligations, economic sovereignty.

Introduction:

Legal and economic systems across the world generally agree that investment is one of the fundamental pillars for achieving economic growth and wealth creation. It is viewed as the process of acquiring tangible or intangible assets and mobilizing them within a framework of calculated risk with the goal of generating future profits. The investor—particularly the foreign investor—bases investment decisions on the desire to preserve and grow capital, a goal attainable only within a stable, transparent and legally secure investment climate.

In this context, foreign direct investment (FDI) is considered a strategic tool for developing countries to achieve sustainable development by attracting capital, transferring technology and creating employment opportunities. Recognizing the vital role of FDI in supporting its national economy, Algeria has, in recent years, undertaken a comprehensive revision of its legal framework governing investment. This effort aims to make its investment climate more appealing and open to foreign investors.

This reform culminated in the enactment of Law No. 22-18 on Investment[1], which constitutes the new legislative framework regulating investment activities in Algeria. Through this law, the Algerian legislator seeks to simplify administrative procedures, enhance transparency, and uphold the principle of equality among investors, while maintaining a delicate balance between protecting foreign investors' interests and preserving national economic sovereignty.

This research paper aims to address the legal framework governing the rights and obligations of foreign investors in Algeria, in accordance with the provisions of Law No. 22-18 on Investment. It evaluates the effectiveness of this framework in achieving a balance between attracting investment and safeguarding economic sovereignty, and offers legal recommendations to reinforce investor confidence and improve Algeria's attractiveness as a destination for foreign investment.

Based on the above, the central research question can be formulated as follows**: How has the Algerian legislator regulated the rights and obligations of foreign investors under Law No. 22-18 on Investment?**

To answer this question, the paper is divided into two main sections: the first examines the rights of foreign investors, while the second addresses their obligations**.**

1. Rights of the Foreign Investor:

For any country to maintain an attractive and effective investment climate, it must rely on a unified and well-defined legislative framework characterized by transparency, stability, and simplicity, free from complexity and ambiguity. This legislative framework should also offer genuine incentives to foreign investors, along with strong legal guarantees that ensure the protection and stability of their investments.

The Algerian legislator affirmed this approach through Law No. 22-18 on Investment, which aims to establish an integrated system of rights granted to foreign investors. These rights are reflected in the incentives, advantages, and guarantees introduced by the law, all intended to provide a secure and stimulating investment environment.

It is worth noting that the rights conferred by Law No. 22-18 on the foreign investor also constitute, in essence, a duty and obligation that the host state must fulfill. The rights granted to foreign investors take two principal forms: Rights materialized in the form of advantages and facilities; and Rights materialized in the form of legal guarantees.

1.1. Rights Materialized in the Form of Advantages and Facilities

The advantages and facilities granted by the state to the foreign investor represent the intersection point between the state's will and the investor's confidence. On one hand, the state continually strives for economic advancement and elevation, aiming to assert itself, particularly in global markets and international organizations. On the other hand, the investor consistently seeks a favorable investment climate that offers encouraging incentives, legislative stability, and rewarding financial returns.

Aligned with this orientation, Law No. 22-18 introduced a flexible and diversified system of advantages that takes into account the nature of the investment, its geographic location, and its alignment with national priorities. The Algerian legislator has established three main categories of

[1] - People's Democratic Republic of Algeria. (2022, July 28). Law No. 22-18 on Investment, dated July 24, 2022. Official Gazette, No. 50.

advantages, which are as follows:

1.1.1. Sector-Based Advantage System (Priority Sectors)

This system is based on the principle of directing foreign investment toward strategic priority sectors that hold particular significance for the national economy. The "priority sectors" system can be defined as follows:

A regulatory and strategic mechanism adopted by the Algerian state to identify a set of activities that are prioritized in the granting of investment facilities, based on their central role in achieving the overarching objectives and plans of national development—such as economic diversification, job creation, food and energy security, among others. [2]

Such facilities are granted within specific sectors, namely: quarrying and mining; agriculture, aquaculture, and fisheries; industry—including agri-food, pharmaceutical, and petrochemical industries; services and tourism; new and renewable energies; and the knowledge economy, including information and communication technologies (ICTs).[3]

After the foreign investor registers their project with the Algerian Investment Agency, they may benefit from the advantages granted under this type of scheme, which are provided in two main phases: the implementation phase and the operational phase.

- **During the implementation phase**, the investor benefits from several incentives, including:[4]
- **Exemption from customs duties** on imported goods that are directly used in the execution of the investment project.
- **Exemption from value-added tax (VAT)** on goods and services, whether imported or locally acquired, that are directly involved in the implementation of the investment.
- **Exemption from transfer duties and land registration fees** on all real estate acquisitions made under the concerned investment.
- **Exemption from registration duties** related to the incorporation contracts of companies and increases in share capital.
- **Exemption from registration duties, land registration fees, and national property charges** on the granting of concession rights over developed and undeveloped real estate designated for the realization of investment projects.
- **Exemption from property tax** on real estate properties used in the investment for a period of ten (10) years, starting from the date of acquisition.

- **During the operational phase:**

The operational phase refers to the actual commencement of the investment activity, which is materialized through the production of goods or the provision of services intended for sale, in accordance with the nature of the declared investment. This phase marks the transition from the preparatory stage to the project's functional stage, wherein the means of production—partially or fully acquired—are utilized. These means must have been previously declared in the list of goods and services necessary for carrying out the activity, as submitted during the investment registration process. [5]

[2] -Qenni, S., Zegguem, E. H. M., & Zegguem, F. M. (2025). The priority sectors regime under Algerian investment law. Journal of Applied Legal Studies, University of Constantine, Algeria, 2(2), 8.

[3] -People's Democratic Republic of Algeria, 2022, Art. 26

[4] -People's Democratic Republic of Algeria, 2022, Art. 27, para. 1

[5] -Boulafa, S. (2024). Investment advantages and incentives under Law 22-18. Algerian Journal of Human Security,

The granted advantages are activated upon entry into the operational phase, based on a formal request submitted by the investor. This request must be accompanied by an inspection report prepared by the Algerian Investment Promotion Agency, confirming the actual commencement of the investment activity.

Once the report is validated, the investor is granted a tax exemption for a period of three (03) years, starting from the date the project enters the operational phase. These facilities include:

- Exemption from corporate income tax (CIT);
- Exemption from the professional activity tax (TAP).[6]

1.1.2. Region-Based Advantage System (Priority Zones):

This system comprises a set of advantages and facilities granted to foreign investors who choose to establish their investment projects in areas designated by the state as having special importance. These regions include the High Plateaus, the South and the Far South, as well as areas requiring specific state-supported development initiatives and those possessing valuable natural resources with potential for valorization.[7]

As part of its efforts to diversify the national economy and promote regional balance, and in light of the evident developmental disparities among various geographic areas in terms of economic and social progress, the Algerian state has recognized the need to grant special privileges to underdeveloped regions—particularly the High Plateaus and the Far South.[8]

These privileges are granted in light of the abundant natural resources and promising investment opportunities present in these regions—resources that can be valorized to contribute effectively to strengthening the national economy. To achieve this objective, the state has taken a series of measures aimed at stimulating both local and foreign investment in these areas. These include the provision of special facilities and incentives, the development of infrastructure, and the offering of logistical support, all intended to break their isolation and transform them into dynamic development hubs that contribute to restoring long-term regional balance.[9]

Foreign investments established in these regions benefit from a range of advantages and facilities granted in two distinct phases:

- **During the implementation phase**: Foreign investments in these regions benefit from the same set of advantages granted to investments in priority sectors, as outlined in Paragraph 1 of Article 27 of Law No. 22-18 on Investment.[10]
- **During the operational phase:** Foreign investments established in the aforementioned regions benefit from a range of tax exemptions for a period ranging from five (5) to ten (10) years, starting from the commencement of the operational phase. These exemptions include: Exemption from corporate income tax (CIT); Exemption from the professional activity tax (TAP).[11]

University of Hadj Lakhdar Batna, 10(1), 384.

[6] -People's Democratic Republic of Algeria, 2022, Art. 27, para. 2.

[7] -People's Democratic Republic of Algeria, 2022, Art. 28

[8] -People's Democratic Republic of Algeria. (2022, September 18). Executive Decree No. 22-301 of September 8, 2022, establishing the list of sites located in zones of special interest to the State in the field of investment. Official Gazette, No. 60.

[9]-Boulafa, 2024, p. 385

[10] - Democratic Republic of Algeria, 2022, Art. 27, para. 1

[11] _People's Democratic Republic of Algeria, 2022, Art. 27, para. 2

1.1.3. Advantage System Based on Wealth Creation Priority ("Structuring Investments"):"Structuring investments" refer to those investments with a high capacity for wealth creation and job generation, which enhance the attractiveness of a given territory and serve as a driving force for economic activity in pursuit of sustainable development[12]. These investments contribute particularly to the following objectives: Import substitution, Export diversification, Integration into global and regional value chains, Acquisition of technology, and Operational efficiency.[13]

In order for foreign investments to benefit from the facilities and advantages granted under this type of system, they must meet the following eligibility criteria:[14]

- The number of direct jobs created must be equal to or exceed five hundred (500) positions;
- The investment amount must be equal to or exceed ten (10) billion Algerian dinars, These facilities and advantages are granted in two phases:
- **During the implementation phase of structuring investments:** In this phase, the same advantages stipulated by the Algerian legislator in Article 27 of Law No. 22-18 on Investment are granted, and these apply across all previously mentioned investment systems. It is important to note that the legislator has provided for the possibility of transferring these implementation-phase advantages to third parties contracted by the eligible foreign investor and entrusted with carrying out the investment project on their behalf. This measure aims to facilitate the project's execution and ensure greater efficiency during its implementation stages. [15]
- **During the operational phase**: Structuring foreign investments benefit from operational-phase advantages starting from the actual date of commencement of operations. These advantages consist of exemptions granted for a period ranging from five (5) to ten (10) years, including: Exemption from corporate income tax (CIT); Exemption from the professional activity tax (TAP).[16]

Structuring investments may also benefit from state support in the form of partial or full coverage of development works and basic infrastructure necessary for the realization of the investment project.

Basic infrastructure works refer to: "operations related to the connection to various networks and the construction of access roads up to the boundaries of the investment project."[17]

Such support is provided under a contractual agreement concluded between the investor and the Algerian Investment Promotion Agency, acting on behalf of the state, and is subject to prior governmental approval. [18]

1.2. Rights Materialized in the Form of Guarantees

Through Law No. 22-18 on Investment, the Algerian legislator affirmed a set of fundamental

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[12]- Amrouche, H. (2023). The new systems of advantages and incentives granted to investors in Algeria under Law 22-18. Journal of Politics and Law Notebooks, University of Kasdi Merbah – Ouargla, Algeria, 15(2), 5.

[13]- People's Democratic Republic of Algeria. (2022, September 18). Executive Decree No. 22-302 of September 8, 2022, establishing the criteria for qualifying structuring investments and the procedures for accessing operational benefits and evaluation networks. Official Gazette, No. 60.

[14]- People's Democratic Republic of Algeria, 2022, Art. 16

[15]- People's Democratic Republic of Algeria, 2022, Law No. 22-18, Art. 31, para. 1

[16] - People's Democratic Republic of Algeria, 2022, Law No. 22-18, Art. 31, para. 2

[17] -Abdelli، N. (2022). The substantive guarantees granted to foreign investors under the BOT contract. Journal of Legal and Economic Studies, University Center of Barika, Algeria, 5(1), 1081.

[18]-People's Democratic Republic of Algeria, 2022, Art. 31, final para.

rights for foreign investors, embodied in the form of multiple substantive legal guarantees. These guarantees aim to establish the principle of legal certainty and foster the necessary trust that enables foreign investors to make informed investment decisions under conditions of clarity and protection—ultimately enhancing Algeria's appeal as a regional and international investment destination, these guarantees are broadly divided into two main categories: Legislative guarantees, and financial guarantee.

1.2.1. Legislative Guarantees: These refer to the legal provisions enacted by the legislator under domestic law or through ratified international conventions and treaties. Algerian investment-related legislation includes a significant set of legislative guarantees which, in and of themselves, make the legal framework a stimulating and encouraging factor for both domestic and foreign investment in Algeria.

The legislative guarantees established by the Algerian legislator under Law No. 22-18 include the following:

- **Freedom of Investment:** This principle implies that every natural or legal person, whether national or foreign, resident or non-resident, has the right to freely choose the type and sector of their investment, provided they comply with the laws and regulations in force in Algeria.،[19]

In essence, any investor wishing to invest their capital in Algeria—regardless of nationality or place of residence—is free to determine the nature and field of investment without discriminatory restrictions, except for the obligation to adhere to applicable legislative and regulatory provisions.[20]

- **Guarantee of Legislative Stability:** Article 13 of Law No. 22-18 ensures that the investor benefits from the stability of the legal framework under which the investment project was initiated. Moreover, it grants the investor the right to choose between the former and the new legal provisions.

This means the investor has full freedom to opt for the legal regime they prefer. However, the application of this right is conditional upon a formal and explicit request submitted by the investor—this requirement is inferred from the phrase: "unless the investor expressly requests otherwise." [21]

1.2.2. Financial Guarantees: One of the most critical factors influencing a foreign investor's decision in selecting a host country is the availability of financial guarantees provided by that state. These guarantees are considered fundamental pillars for protecting the financial interests of both the investor and their investment project, such guarantees are diverse and include the following:

- **Guarantee of Access to Economic Real Estate for Foreign Investors:** Every foreign investor wishing to invest in Algeria has the right to benefit from the land base upon which their investment project is to be established.

Economic real estate is defined as: "a concept associated with assets allocated by the state for the implementation of projects related to economic activities such as distribution, production, and industry."[22]

The Algerian legislator defines economic real estate as: "any real estate property belonging to the private domain of the state and/or any other private property acquired by the Algerian Investment

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[19] - People's Democratic Republic of Algeria, 2022, Art. 3

[20] -Lamari, W. (2023). The legal consecration of investment freedom in strategic sectors. Annals of the University of Algiers 1, Ben Youcef Benkhedda University – Algiers, 37(2), 113.

[21] -Amqran, R. (2023). Investment guarantees under Law No. 22-18. The Academic Journal of Legal and Political Research, Ammar Telidji University – Laghouat, 7(1), 3418.

[22] - Hamidi, F. (2015). Economic real estate in Algeria: Reality and prospects. Journal of Real Estate Law and the Environment, Abdelhamid Ibn Badis University – Mostaganem, 3(2), 4.

Promotion Agency on behalf of the state, which is capable of hosting an investment project within the meaning of the investment law." [23]

However, the granting of this guarantee is subject to a number of conditions and procedures that the foreign investor must fully comply with.

- **Guarantee of Compensation in Case of Requisitioning the Investment Project:** The requisitioning of an investment project is an exceptional and temporary measure exercised by the competent administrative authorities, whereby ownership of the investment project—including its management, staff, workers, equipment, and assets—is placed at the disposal of public authorities. This is done to ensure the continuity of public services and maintain public order.[24]

Such requisition must be limited in duration and is accompanied by the obligation to provide the foreign investor with fair, equitable, and appropriate compensation.

In cases of requisition, the Algerian state guarantees that the foreign investor shall be compensated in a manner that is just, equitable, and proportionate to the value of the requisitioned project.[25]

- **Guarantee of Free Transfer of the Investor's Capital and Related Returns:** This guarantee is among the most fundamental rights of concern to foreign investors.

Capital transfer is defined as: "the outflow of funds from Algeria to foreign countries by individuals residing in Algeria and subject to Algerian law. This transfer is carried out for the purpose of financing planned investments abroad."[26]

The Algerian legislator has also affirmed the freedom to transfer financial returns generated from investment—whether in the form of profits or other revenues related to the invested capital[*]. Moreover, the legislator recognizes the investor's right to transfer proceeds resulting from the sale or liquidation of the investment[27], without imposing a restriction tied to the amount of capital initially invested. This provision reinforces investor confidence.

However, the law stipulates that the amounts transferred must effectively correspond to an actual liquidation process, in order to prevent abuse of this right for purposes such as money laundering or illicit capital flight.[28]

- **Guarantee of Protection of Intellectual Property Rights for Foreign Investors:**

The guarantee of intellectual property (IP) protection for investors has been introduced for the

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[23] - People's Democratic Republic of Algeria. (2023, November 16). Law No. 23-17 of November 15, 2023, establishing the conditions and procedures for granting economic real estate belonging to the private domain of the State for the realization of investment projects. Official Gazette, No. 73.

[24]- Khleifi, F. (2025). The reality of legal guarantees granted to investment under Algerian legislation (Doctoral dissertation, University Center of Aflou). p. 102.

[25] -Harouri Shirzad, H. (2017). Legislative guarantees for foreign investments: A comparative study (1st ed., p.153). University Thought Publishing House, Egypt.

[26]- Ben Oudia, N. (2010). *The legal framework governing the movement of capital to and from Algeria in the field of investment* (Master's thesis, Faculty of Law, University of Abderrahmane Mira – Béjaïa), p. 25.

[*] **"Proceeds"** refer to *all revenues generated from both direct and indirect investments، including profits, interest, capital gains, dividends, and currencies. Investment capital returns enjoy the same guaranteed freedom of outward repatriation, particularly in relation to transactions resulting from the transfer or liquidation of the investment.*

[27]- Touissat, A. (2017). *The principle of freedom to transfer funds for investors in Algerian legislation*. *Journal of Law and Human Sciences*, University of Ziane Achour – Djelfa, Algeria, 10(3), 222.

[28] - Ben Amierouche, R. (2023). *Algeria's experience in the field of investment: Between restriction and incentive* (Doctoral dissertation in Law, Faculty of Law, University of Tizi Ouzou), p. 40.

first time under Law No. 22-18 on Investment, marking a significant development not present in previous investment laws.

The inclusion of this guarantee aims to reinforce credibility and regulatory rigor in the Algerian market, while preventing the circulation of counterfeit products and ensuring fair competition. This enhances Algeria's competitive reliability, which is one of the key factors in attracting foreign investment.[29]

2. Obligations of the Foreign Investor

The Algerian legislator has imposed a set of legal obligations on foreign investors throughout the various stages of implementing an investment project—from its establishment to its operation and exploitation.

These obligations, in exchange for the rights granted to the investor, serve as a legal mechanism that enables the Algerian state to safeguard its national economy and ensure investor compliance with the principles of transparency and sustainable development, in this context, the key obligations can be summarized as follows:

2.1. Compliance with Environmental Standards: The Algerian legislator requires all investors to consider environmental aspects prior to obtaining approval for their investment projects. Investors are obligated, under the Environmental Law and its related regulatory texts, to comply with various environmental standards. [*]

Among these is the obligation to submit a risk assessment study before initiating the investment project. This study aims to identify both direct and indirect risks that may affect individuals, property, or the environment as a result of the proposed investment activity.[30]

It must also include all technical measures that can be employed to reduce the likelihood of accidents or environmental harm.

2.2. Preservation of Public Health: The deterioration of basic public health conditions leads to the emergence and spread of serious epidemic diseases, which pose a direct threat to the lives of citizens and the safety of society. For this reason, every foreign investor is required to uphold the obligation to preserve public health in Algeria by taking all necessary preventive measures to prevent the spread of epidemics and contagious diseases during the operation of their investment project, these measures include:

- **The safe and sanitary treatment and disposal of waste** generated by the project, given its direct impact on the environment and individual well-being.[31]
- **Ensuring the cleanliness** of work areas and industrial sites from the actual commencement of the project, including associated facilities and properties. [32]

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[29] - Derai, A. M. (2023). *Investment in technology and the protection of intellectual property in light of Law No. 22-18 on Investment*. *Critical Review of Law and Political Science*, University of Tizi Ouzou, Algeria, 17(2), 640.

[*] The risk assessment aims to identify both direct and indirect hazards that may endanger individuals, property, and the environment as a result of the institution's activity, whether the source of the risk is internal or external و See reference : People's Democratic Republic of Algeria. (2006, June 4). *Executive Decree No. 06-198 of May 31, 2006, regulating the system applicable to classified establishments for the protection of the environment*. Official Gazette of the Algerian Republic.

[30] - Mokhtari, F. (2022). *The legal framework of classified installations and its role in achieving sustainable development in Algeria*. *Dafater Journal*, University of Abou Bekr Belkaid – Tlemcen, Algeria, 18(2), 645.

[31] - Bousta, D. (2023). *Recent orientations of investment policy in light of Law No. 22/18 on Investment*. *Journal of Legal and Economic Research*, University Center of Aflou, Algeria, 6(2), 5.

[32] - Ben Abbas, M. (2018). The protection of public health between the requirements of public order and the consecration

2.3. Commitment to the Principle of Free Competition: Respect for the principle of free competition is one of the fundamental obligations incumbent upon foreign investors in Algeria. This obligation aims to ensure a fair and transparent economic environment.

It requires investors to refrain from establishing or imposing barriers to market entry for other investors, or from engaging in practices that could disrupt competitive balance—such as secret agreements, mergers designed to exclude competitors, or economic concentrations that lead to unlawful market dominance or control.[33]

Compliance with the principle of competition is essential for market stability and equal opportunity among economic actors. It also plays a key role in strengthening investor confidence in Algeria's investment climate.

2.4. Obligation to Respect Labor Law: The right to work is a constitutionally protected right under Algerian law. Therefore, foreign investors are required to comply with the legal framework governing labor relations, particularly the provisions of Law No. 90-11 on Labor Relations [34]

This obligation requires the investor to establish employment relationships based on clear and balanced rules that ensure the protection of workers' fundamental rights. These include respect for both physical and psychological safety, professional dignity, access to social services and work-related benefits, as well as the regular payment of wages, health protection, social insurance, and occupational medicine.[35]

2.5. Obligation of Transparency in Accounting, Financial, and Tax Information: This obligation requires the investor to record and monitor all accounting and financial operations accurately and consistently, and to prepare financial statements in accordance with applicable standards. These statements must be published truthfully and clearly, and within the prescribed timeframes, to ensure a comprehensive view of the investment project's status and to build trust among partners, auditors, and competent authorities. [36]

Moreover, the investor is prohibited from engaging in actions that violate the aforementioned legislation. This includes resorting to fraud or deceitful practices intended to evade taxes or reduce their amount. Examples of such behavior include: denying the existence of the taxable base, declaring an amount lower than its actual value, underreporting revenues, overstating expenses[37], failing to disclose part or all of the income, or concealing the generation or transfer of profits, whether directly or indirectly, through any formally structured legal arrangement.[38]

Conclusion: The Algerian legislator has sought to establish a modern and effective legal framework aimed at making the investment climate more attractive and open, particularly for foreign

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of the right to healthcare. Review of Social Law, University of Mohamed Ben Ahmed – Oran 2, 8(1), 10.

[33] -Zouach, C. (2021). The principle of freedom of investment and trade as a legal basis for free competition. Journal of Human Sciences, University of Mentouri – Constantine, Algeria, 32(3), 75 .

[34] - People's Democratic Republic of Algeria. (2022, July 20). *Law No. 90-11 of April 21, 1990, on labor relations, as amended and supplemented by Law No. 22-16 of July 20, 2022*. Official Gazette of the Algerian Republic, No. 49.

[35]- People's Democratic Republic of Algeria, 1990, Law No. 90-11, Arts. 5–6

[36] -Kdiri, A., & Ararabe, F. Z. (2023). The extent to which accounting disclosure on deferred taxes contributes to the quality of financial statements. Journal of Research, University of El Oued, Algeria, 8(1), 73.-

[37] - Taqi, A. S. (n.d.). The relationship between tax evasion and weak tax administration. Retrieved from https://www.iasj.net/iasj/download/c83fdcb4c267fec

[38] - Zouag, H. (2017). The importance of tax management in guiding investment in the economic enterprise based on tax system options. Journal of Economic Studies, University of Ziane Achour – Djelfa, 11(2), 340.

investors. This orientation has been reflected in a set of rights granted to foreign investors—either in the form of advantages and facilities or legal guarantees.

Conversely, the law imposes specific obligations on foreign investors, reflecting the Algerian state's commitment to protecting its national economy, upholding sovereignty, and safeguarding the public order. These obligations particularly concern public health, environmental protection, competition, labor relations, and fiscal and financial transparency.

Accordingly, it can be said that Law No. 22-18 has succeeded—to a considerable extent—in achieving a balanced equation between stimulating foreign investment through the provision of robust guarantees and safeguarding national economic interests by imposing clear legal duties and regulatory safeguards. This represents a significant step forward in building a more competitive and stable investment climate in Algeria.

Findings:

- Law No. 22-18 has successfully achieved a relative balance between the protection of foreign investors' interests and those of the Algerian state through the precise delineation of rights and obligations.
- The Algerian legislator has provided a variety of rights to foreign investors, some of which are materialized in the form of advantages and facilities, while others are established as legal guarantees.
- Law No. 22-18 includes special incentive measures for priority regions (such as the South and the High Plateaus), reflecting a strategic orientation toward a fair distribution of investment across

Recommendations:

- There is a pressing need to establish an independent Ministry dedicated to Investment in Algeria, given its potential to significantly improve the country's business environment. Such a move would enhance economic governance, streamline procedures, and coordinate investment incentive policies, thereby positioning Algeria as a regional investment hub capable of attracting capital and driving economic development.
- It is necessary to establish a transparent and effective legal environment grounded in strict accountability for individuals proven to be involved in obstructing or delaying investment projects. This can be achieved through the activation of legal and judicial oversight mechanisms, as stipulated by law, which would reinforce foreign investors' confidence in the seriousness of the Algerian state.
- In order to ensure the success of the investment movement, the Algerian state must intensify efforts to eliminate the informal market, which includes various forms of illegal trade, smuggling, and other practices that hinder foreign investment.

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3. People’s Democratic Republic of Algeria. (2022, July 28). Law No. 22-18 on Investment, dated July 24, 2022. Official Gazette, No. 50.
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