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The Legal Framework and Practical Implications of Economic Real Estate Concession Contracts in Algerian Legislation: An Analytical Study of Law No. 23-17 and Executive Decree No. 23-487

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Abstract
This study provides an in-depth legal and institutional analysis of the concession contract for economic real estate in Algeria, focusing on the framework introduced by Law No. 23-17 and Executive Decree No. 23-487. The concession contract is formally classified as an administrative contract, distinguished by its temporary nature and public-interest orientation, and is designed to allocate unutilized state-owned or private property to eligible investors for investment purposes.
The article first outlines the nature, subject matter, and characteristics of the concession contract, highlighting its temporary usufruct model that ensures land remains a public resource while being productively exploited for investment. It then analyzes the eligibility criteria for investors, the stages of application and approval, and the institutional role of the Algerian Investment Promotion Agency (AAPI) in monitoring, granting, and potentially converting concessions into ownership transfers.
The findings demonstrate that the Algerian concession system provides a standardized and transparent legal mechanism to facilitate access to economic real estate for investors, thereby enhancing investment attractiveness while safeguarding state interests. The novelty of this research lies in its systematic legal dissection of the concession regime, with emphasis on the transformation option from concession to ownership upon full compliance with operational and legal obligations.
The study concludes that while the Algerian concession framework has strengthened investor confidence and streamlined procedures, practical challenges remain concerning bureaucratic delays, coordination between state agencies, and the enforcement of compliance mechanisms.

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Introduction

The concept of investment is essential to any legal system. Investment is one of the most vital pillars of the economy, and a strong, healthy economy relies on solid investment contributed by both domestic and foreign sources. Investment is a key to development in any country. Therefore, any legislation should focus on promoting investment by enacting laws that support its growth and protection, enabling the economy to flourish.

The Algerian legislator is among those in international legal systems who work diligently to promote investment by issuing laws that support it. Therefore, Law No. 22-18 related to investment was enacted, establishing mechanisms to encourage investment and stimulate it through various privileges. It also defines investment as any acquisition of tangible or intangible assets intended to develop new activities, expand existing production capacity, or usually to reestablish discontinued activities. Contributing capital to an institution in the form of cash or shares, or transferring productive activities from abroad, is also considered an investment. As a result, investment is categorized into construction investment, expansion investment, rehabilitation investment, and includes the transfer of activities from abroad.

In Law No. 22-18, the legislator stipulated numerous privileges and incentives to benefit investors, encouraging them to invest in Algeria. Still, the most significant incentive approved by the Algerian legislator is what was stated in the text of Article 6 of this law, which is the possibility for investors to benefit from land that belongs to private state property, through which the investor can make their investments. This led to the legislator's recognition of the importance of real estate for investors, as it serves as the foundation for investment projects. Without facilitating investors' access to investment real estate, investors will face a significant and insurmountable obstacle in providing investment-oriented real estate, which could lead to investors withdrawing from investing in Algeria. Therefore, the legislator took the initiative to remove this obstacle from their path.

In implementing this legislation, the Algerian legislator issued Law No. 23-17, along with the accompanying decrees, which establish the framework for this law. They designated the property intended for investors as "economic real estate" and approved the concession as an exclusive and sole mechanism for investors to benefit from this economic real estate. Investors are encouraged by this arrangement to bring their capital and invest in Algeria, as they no longer need to worry about the availability of real estate for their investments.

The importance of the subject matter is highlighted in The Importance of Real Estate to Investment, which describes how accessible real estate is essential in mobilizing capital, stimulating economic growth, generating employment, and financing infrastructure. It promotes business expansion, industrial parks, and residential communities, increases property values, and enhances government revenues. By making it easier to access land and properties, governments and institutions can improve investor confidence, stimulate urban development, and foster long-term, sustainable growth.

Accordingly, the current study aims to define the concept of the economic real estate concession contract, which was approved by the legislator as an exclusive mechanism for exploiting economic real estate granted to every investor wishing to invest in Algeria, to facilitate the provision of real estate for their investments. We also define the characteristics of this contract and what is meant by economic real estate as the subject of this contract. Additionally, we explain the conditions and procedures for granting the concession, and finally, the conditions and procedures for converting the concession into a waiver under Law No. 23-17.

Accordingly, the following question arises: To what extent has the Algerian legislator regulated the concession of economic real estate convertible to waiver under Law 23-17?

To answer this question, we have employed the descriptive method, which is the most suitable approach for studying the subject, as it involves gathering information and data. We did this by collecting all relevant information and data on the economic real estate concession, whether from previous studies or basic sources, including the legal texts related to the contract. Then, we carefully analyzed and examined this information to ultimately reach a conclusion and a practical fact that helps answer the problem.

Accordingly, we divided this study into two main sections. In the first section, we discussed the general concept of the economic real estate concession contract, including its definition, characteristics, legal nature, conditions, and the subject of the concession contract. The second section covered the procedures for granting the economic real estate concession, from the initial stage to the signing of the contract. We also examined how to convert the financial real estate concession into a waiver of ownership for the investor by reviewing the terms and procedures for converting a concession into a transfer.

1- The concept of the concession contract.

The Algerian legislature has established regulations for the exploitation of economic real estate through Law No. 23-17 and Executive Decree No. 23-487. These two texts utilise the concession contract as a mechanism for exploiting economic real estate. By analyzing these legal texts, we can determine what is meant by the concession contract, as well as its characteristics, legal nature, and the conditions for benefiting from this contract.

1.1- The definition, characteristics, and legal nature.

The Algerian legislator has passed Law No. 23-17, which sets the concession contract as the sole form of exploitation of economic real estate. The law defines the expression “concession contract about economic real estate” and determines its nature and legal character.

1.1.1- The definition of the concession contract

The Algerian legislator has not defined the concession contract related to economic real estate in either Law No. 23-17 or in Executive Decree No. 23-487, which is associated with Law No. 23-17. In contrast, the legislator did define the concession of investment projects under Order 08-04, which has since been repealed by Law No. 23-17. Specifically, the preamble to the second book of conditions attached to Executive Decree No. 09-152, which implements the concessions outlined in Order 08-04, defines a concession as an agreement in which the state grants the use of available land that belongs to its private property. This use is granted for a specified period to a natural person or legal entity to facilitate an investment project (Executive Decree No. 09-152, 2023, the book of conditions attached).

The jurisprudential definition of the concession contract on economic real estate is still evolving, as this subject is relatively recent. Therefore, jurists have not yet sufficiently researched this type of contract, and there is currently no established jurisprudential definition for it .

However, based on the provisions of Law No. 23-17 and Executive Decree No. 23-487, we can define the economic real estate concession contract as an agreement in which the state grants a usufruct right for a temporary period. This right applies to available land owned by the state that is part of its economic real estate portfolio. The concession is granted for the benefit of a natural or legal person to facilitate an investment project. After the project is completed and actual exploitation begins, there is a possibility of converting the concession into a waiver (Law No. 23-17, 2023).

1.1.2- Characteristics of the concession contract.

A real estate concession contract is characterized by several distinctive features that distinguish it from other familiar private law contracts. These characteristics are named as follows.

1.1.2.1- The economic real estate concession contract as an administrative contract

According to Article 14 of Law No. 23-17, the Algerian legislator has classified the economic real estate concession contract as an administrative contract, because he ordered the contract to be prepared in the form of an administrative contract prepared by the State Property Directorate, and the subject of the contract is part of private state property. The contract contains a set of clauses that are unusual in private law contracts, to protect the national interest. All of this demonstrates that the concession contract is an administrative contract by law(Executive Decree No. 23-487, 2023, art. 10).

1.1.2.2- The concession contract is temporary.

The concession contract is classified as a time contract. The contract's duration is regarded as one of the pillars of the economic real estate concession contract. Therefore(Belkaibat, 2011, p62), the legislator establishes, in Article 14 of Law No. 23-17, the duration of the economic real estate concession at 33 years, subject to renewal, making the concession a temporary contract (Executive Decree No. 23-487, 2023, art. 14).

1.1.2.3- The concession contract determines a usufruct on private state property

The most essential characteristic specified by the legislator in Law No. 23-17 is that the subject of the concession contract is land that belongs to private state property. The concession is granted only for unallocated national private property, which is part of the economic real estate portfolio. The concession is determined based on this land, with a usufruct period of 33 years, renewable at the discretion of the concessionaire (Law No. 23-17, 2023, art. 2 and 4).

1.1.2.4- The economic real estate concession contract includes a set of unusual clauses

The economic real estate concession contract includes several unusual conditions or clauses not found in private law contracts. The most notable among such conditions is the state's right to terminate the concession unilaterally. It may impose some financial loads and rights upon the investor, but without any obligation on the part of the state. These conditions tend to safeguard the public interest and accord the public administration a privilege over the investor in the contract (Al-Harazin, 2015, p 26).

1.1.3- legal nature

The economic real estate concession contract is deemed an administrative contract by law, as the Algerian legislator stipulated in Article 14 of Law 23-17 that the contract between the Algerian Investment Promotion Agency and the investor benefiting from the land must be concluded in the form of an administrative contract prepared by the State Property Directorate. Therefore, the concession contract is considered an administrative contract under the law (Law No. 23-17, 2023, art. 14).

An administrative contract is an agreement made between a public entity and aims to manage a public utility in the service of the public interest. It includes a set of terms and conditions that are unusual in private law contracts, developed to protect the public interest. This contract is subject to the administrative judiciary in the event of disputes. Returning to the economic real estate concession contract, it is concluded between the Algerian Investment Promotion Agency, which is originally a public institution of an administrative nature (Ammar, & Dhebih, 2020 , p134), as stated in Article 2 of Executive Decree No. 22-298. Therefore (Executive Decree No. 22-298, 2022, art. 2), the concession contract is concluded between a public law entity and the investor, similar to an administrative contract, and the subject of the concession contract is management. The economic real estate utility serves the public interest, specifically investment promotion, just like the administrative contract. The concession contract, like the administrative contract, also includes a set of unusual terms and conditions in private law contracts to protect the public interest and safeguard the state's rights. Finally, the economic real estate concession contract, like the administrative contract, is subject to the administrative judiciary. Thus, the economic real estate concession contract is a type of administrative contract (Nourine, 2025, p105).

1.2- Subject and Terms of the concession contract.

The Algerian legislator established the procedures for granting economic real estate through the concession contract in Law No. 23-17 and Executive Decree No. 23-487. This legal text outlined the conditions that must be fulfilled by both the investor applying for the concession and the real estate. Underlying grants within the concession contract, along with the requirements that the authority granting the concession must satisfy, are also specified in the same law.

Additionally, the Algerian legislator established the subject of the concession contract in Law No. 23-17 and Executive Decree Nos. 23-487 and 23-486.

1.2.1- Terms of the concession contract

Granting the concession is subject to a set of legal conditions specified by the Algerian legislator in Law No.23-17 and Executive Decree No.23-487. These conditions include those related to the investor, the real estate subject to the concession, and the authorities that grant the concession. All these conditions must be met for the concession to be given.

1.2.1.1- Conditions that the candidate must fulfil.

The Algerian legislator specified one condition that must be met by the candidate for the concession, as stated in Article 13 of Law 23-17 and Article 6 of Executive Decree 23-487: the candidate must be either a natural person or a legal entity. The legislator also permitted every national or foreign individual, whether resident or non-resident, as defined by Law No. 22-18 relating to investment, to apply for the concession. Thus, the legislator opened the way for any person with a project, whether a natural or legal entity, national or foreign, resident or non-resident, to compete for the concession (Executive Decree No. 23-487, 2023, art. 6).

However, the legislator restricts the opportunity to run for the concession by requiring that the candidate have a significant and priority investment project for the state (Law No. 23-17, 2023, art. 9-14). This candidate must also have adequate funding and financial capacity to complete the proposed project after benefiting from the concession (Executive Decree No. 23-487, 2023, art. 6).

1.2.1.2- Conditions that the real estate must fulfil.

The Algerian legislator has specified the conditions that must be met by the land subject to the concession contract in Articles 6 and 7 of Law No. 23-17. These conditions require the property to be an economic real estate belonging to the private state, and it must not be allocated or in the process of being allocated. It is located in durable or reconstructable areas. Additionally, the property must be prepared by the competent authorities before it is granted within the concession.

According to Article 6, first paragraph, the property subject to grants within the concession must be an economic real estate, that is, it should be real estate in the economic property portfolio described in Article 2 of Executive Decree No. 23-486. The property should also be owned by the state so that all real estate assets awarded through the concession form part of the state's private property. All the state's or local authority's property, for purposes of property and economics, falls under this.

Furthermore, this real estate must not be allocated or be in the process of allocation, as per Article 6, second paragraph. Allocation occurs when real estate or movable assets are designated for the service of public institutions of an administrative nature to fulfil public interest or needs. Therefore, it must be ensured that any land designated for grant within the concession is not allocated or under allocation (Nwasria, nd , p19).

Regarding the third condition, all properties designated for grant under the economic real estate concession must be situated in accommodation sectors. Here, the accommodation sector is intended to occupy designated land for development and reconstruction to accommodate buildings of a residential or economic nature, or even expansion within the urban area. Constructable sectors are any land designated for development and reconstruction to support buildings or facilities in the medium term (Law No. 90-29, 1990, arts. 20–21).

The final condition stipulated by the Algerian legislator concerning the lands subject to grants under the concession contract is outlined in Article 7 of Law No. 23-17, stating that private authorities must prepare the property subject to grants. The process of preparing economic real estate involves equipping the land with urban infrastructure, such as water, sewage, road networks, lighting, and buildings, that facilitate the utilisation of the property (Law No. 23-17, 2023, art. 7).

1.2.1.3- Conditions that the authorities must fulfil.

The Algerian legislator has limited the authority to grant economic real estate concessions to a single authority, the Algerian Investment Promotion Agency. This agency possesses all the necessary authority and has been entrusted with numerous tasks related to economic real estate, including the primary responsibility of managing the economic real estate portfolio. It is accountable for establishing and acquiring economic real estate for the state, whether through purchase or by using administrative preemption. The agency also manages and grants these properties to investors, oversees the exploitation of economic properties, and is responsible for imposing penalties against any investor violations, which may include revoking the concession (Laamer, & Maqri, 2025, pp.1059-1060).

The Algerian Investment Promotion Agency is a public administrative institution, affiliated with the Ministry of Industry, headquartered in Algiers, and managed by a general director and a board of directors. As noted earlier, this agency oversees the economic real estate portfolio and performs other responsibilities related to investment promotion. It assists investors from the stage of registering their projects to the execution of their projects. It helps them in overcoming any problems they face while executing their Investments in Algeria. The legislator has mandated that the state governors and other administrative bodies assist and facilitate the mission of this institution concerning investment and economic real estate. This institution operates through a single, decentralised window at the state level to support investors, bringing administration closer to investors and easing the investment process in Algeria (Law No. 23-17, 2023, art. 8).

As a result, the granting of such concessions has been reserved for the Algerian Investment Promotion Agency, which is associated with governors and state governments, as well as regional municipalities and other state-level public agencies. Thus, the legislator has removed the state governor's responsibility for granting economic real estate concessions, a power previously held exclusively under Order 04-08 (Order No. 08-04, 2008, art. 5).

1.2.2- Economic real estate as a subject of the concession contract.

The Algerian legislator has specified, within Law No. 23-17 and Executive Decree No. 23-486, that the subject of the concession includes its economic real estate. This type of real estate consists of the categories outlined by the legislator in Law No. 23-17, as well as Executive Decree No. 23-486.

1.2.2.1- The definition of economic real estate.

The Algerian legislator defined economic real estate in Article 2 of Law No. 23-17. According to this text, economic real estate refers to any real estate owned by private national entities or acquired by the Algerian Agency for Investment Promotion for the state's benefit, which can be utilized to implement investment projects (Law No. 23-17, 2023, art. 4).

1.2.2.2- Types of economic real estate.

The economic real estate portfolio comprises a group of types specified in Article 2 of Executive Decree No. 23-486. These types include industrial zones, activity zones, state-owned and private real estate properties within expansion areas, tourist sites, technological parks, economic real estate near new cities, assets, and surpluses of economic public institutions. Every property is prepared to receive an investment project.

The economic real estate portfolio is formed by a set of legal methods regulated by the Algerian legislator, as outlined in Executive Decree No. 23-486.

1.2.2.2.1- Types of economic real estate.

The economic real estate portfolio consists of the following categories:

1.2.2.2.2- industrial zones:

Industrial zones are any building or real estate built or designated for construction, constructed and equipped with development and reconstruction tools, and allocated to accommodate an investment project of an industrial nature, and in the form of a gathering of a group of national or international institutions of an industrial nature, within a geographical area that is far from Population centers to protect the environment and public tranquility. These institutions aim to achieve public benefit (Belkaibat, 2017, p.16).

1.2.2.2.3- activity zones

Areas of activity are defined in Report No.533 issued by the Ministry of Contributions and Investment Promotion. They are areas defined by development and reconstruction tools designated to receive activities of a local nature or multi-service activities. They are areas jointly owned by local groups and state agencies for real estate management and organization, as well as occupant properties (Khoudadjia, 2015, p. 61).

1.2.2.2.4- Tourist real estate.

Tourist real estate refers to any property owned by the private sector, situated in areas of expansion and tourist sites, encompassing both tourist sites and protected areas, all of which are suitable for hosting a tourist investment project (Law No. 03-03, 2003, art. 2).

1.2.2.2.5- technological parks.

The Algerian legislator did not define technological parks in Executive Decree No. 04-91. Although legal scholars did not provide a definition, the text of Executive Decree No. 04-91 establishes technological parks as properties developed and reconstructed according to specific rules, designated for hosting small local or foreign institutions or emerging institutions active in modern technologies (Executive Decree No. 04-91, 2004, art. 2).

1.2.2.2.6- Economic real estate in the vicinity of new cities

This type of economic real estate is a property belonging to private state property, but it is located within the vicinity of new cities. Therefore, the legislator included it among the categories of economic real estate due to its ability to receive investment projects (Executive Decree No. 23-486, 2023, art. 2).

The new city refers to urban agglomerations with a specific population size, characterized by administrative, social, economic, urban, and cultural goals (Hichour, & Ben Omar, 2023, p.183).

1.2.2.2.7- Assets and surpluses of public economic institutions.

The legislator stipulated this type within the text of Article 2 of Executive Decree No.23-486. It was one of the types of economic real estate, specifically the surpluses of public economic institutions. This means that every real estate or part of a real estate owned by one of these institutions, or at its disposal, falls under this category. Still, it has become no longer exploited by these institutions. Therefore, it is surplus to the needs of this institution, so the state recovers it to redistribute it to investors.

The assets of public economic institutions include all real estate that was owned by these institutions or at their disposal. After these institutions were dissolved, the property remained unexploited, so the state reclaimed it and regranted it to investors (Law No. 23-17, 2023, art. 4).

1.2.2.2.8- Prepared real estate.

The Algerian legislator did not restrict the types of economic real estate to those shown above; instead, at the end of Article 2 of Executive Decree No. 23-486, it opened the way for any prepared property to be equipped to receive investment projects within the economic real estate portfolio (Executive Decree No. 23-486, 2023, art. 2).

The prepared real estate, as defined in Article 4 of Law No. 23-17, refers to any real estate property belonging to private state property, and it is equipped with the various roads and grids necessary for its exploitation (Law No. 23-17, 2023, art. 4).

2- Granting the concession contract

The Algerian legislator outlined the issue of exploiting economic property in detail in Law No. 23-17 and Executive Decree No. 23-487. Through these two texts, it specified the methods and procedures for granting economic property to investors. It also touched on, within the same two texts, the procedures for converting this concession into a waiver.

2.1- The process of granting the concession

The Algerian legislator established the procedures for granting an economic real estate concession to benefit investors in Law 23-17 and issued Executive Decree No. 23-487 to clarify the methods for granting the concession stipulated in Law 23-17. The procedures for granting the concession pass through three stages: an initial stage, a stage for announcing the start of receiving the files, and finally, a stage for studying the files and granting the concession.

2.1.1. - the initial stage

Based on Law No. 23-17 and Executive Decree No. 23-487, the process of filing a file is preceded by an initial stage in which the real estate offer and availability are recorded. First, the Algerian Investment Promotion Agency must recover each economic real estate asset and integrate it into the portfolio of economic real estate assets, following the procedures outlined in Executive Decree No. 23-486 (Nourine, 2024, p.226).

Once the economic real estate portfolio is established, the relevant real estate agencies for economic real estate are involved: the National Agency for Industrial Real Estate for industrial properties, technological parks, the National Agency for Tourism Real Estate for land in expansion areas and tourist sites, and the National Agency for Urban Real Estate for existing lands. These agencies prepare the lands by providing the necessary infrastructure to exploit them properly (Belhattab, & Benyattou, 2025, p.242).

After the preparation process is completed, the Algerian Investment Promotion Agency, in collaboration with the State Property Directorate, establishes a list of lands suitable for forming the real estate offer intended for investment. These lands are recorded in a database associated with the agency, and the list is published for thirty (30) days, allowing investors to review it and select the appropriate real estate assets for their investments. This concludes the initial stage of granting the economic real estate concession (Nourine, 2025, pp. 140-141).

2.1.2- The file submitted stage.

According to Executive Decree No. 23-487, this stage begins immediately after the available lands on the digital platform are deposited, accompanied by an announcement aimed at investors who wish to acquire land to complete their investments. This notice also specifies the start and end dates for filing, the site, and the content of the file required.

The application must be submitted on the platform provided by the Algerian Investment Promotion Agency. It must be in a digital format, including details of the activity to be performed, the area and address of the site chosen by the investor, the funding arrangement, and a detailed description of the investment project. After submitting the file electronically through the platform, a deposit receipt is provided to the investor, which includes the submitted documents and the date of deposit (Khenouch, & Barkat, 2025, p. 665).

2.1.3- Reviewing the submission stage.

According to Law No.23-17 and Executive Decree No.23-487, the process of reviewing the submission and granting the concession begins at the end of the filing period, which is set with the conclusion of the legislator's thirty (30) day announcement regarding real estate availability. Once this period ends, the platform for announcing the availability of real estate for investment is closed, along with the electronic registration platform. The review and adjudication of the submission then commence, within 15 days at the latest from the closure date of both portals. A two-stage review is conducted. Submissions are reviewed in the first stage on formal grounds to ensure that all supporting documents required by the Algerian Investment Promotion Agency are submitted. After this first stage, investors receive notifications regarding the formal acceptance or rejection of their submission. Once a submission is accepted, the investor confirms their submission and gets an initial registration receipt issued by the digital platform (Executive Decree No. 23-487, 2023, art. 4-7).

Following the review of submissions accepted on a formal basis, a second phase begins, focusing on studying the submitted applications from a substantive standpoint, adjudicating them, and selecting winning candidates. This phase is conducted at the decentralised office of the Algerian Investment Promotion Agency, with consultations involving state authorities and the governor himself. Submissions are analyzed and ranked based on an evaluation criterion that includes factors such as the nature of the activity, contributions to diversifying exports, enhancement and evaluation of local resources, integration rate, project operational capacity (number of employees), value and amount of investment, and the percentage of the investor's funds contributed to the project. Each application is assigned a score from 1 to 1000 based on this framework (Executive Decree No. 23-487, 2023, Annexe No. 1 (Evaluation Grid) attached), after which they are ranked in order of highest to lowest score. Accordingly, investors whose submissions are accepted and selected will receive preliminary decisions, along with a timeframe for appeals for those whose applications were rejected. Once the appeal period concludes, the initial decisions become final, leading to the issuance of a final decision granting the concession. Based on this decision, the investor is summoned to the decentralised office of the Algerian Investment Promotion Agency to subscribe to the conditions book for granting the concession by mutual agreement (Executive Decree No. 23-487, 2023, art. 7).

The final file, comprising the identity document, final decision, conditions book, commercial registry, and foundational law for legal entities, is submitted to the State Property Directorate. This Directorate is responsible for preparing the concession contract and publishing it in the Real Estate Governorate within eight days of receiving the file.

The process for acquiring real estate property must be formalized by the investor through a report prepared by the decentralized office of the Algerian Investment Promotion Agency, immediately following the registration of the concession contract (Nourine, 2025, pp. 142-143).

2.2 - Convert the concession into a waiver

Under Law No.23-17, the Algerian legislator grants every investor who meets the legal conditions outlined in the same law the right to convert their concession into a waiver. Therefore, any investor fulfilling these conditions can initiate the process of converting their concession into a waiver, as specified in Law No. 23-17 and Executive Decree No. 23-487.

2.2.1- The condition of waiver

The Algerian legislator, under Law No. 23-17 and Executive Decree No. 23-487, granted every investor who benefits from land owned by the state's private property the right to convert this concession into a waiver, meaning ownership of the property lex loci to the concession. For the investor to benefit from the waiver, specific legal conditions must be met.

The first condition is that the investor must complete the agreed-upon investment project outlined in the conditions within the specified deadlines of the concession contract and put the investment project into operation to qualify for the waiver (Khenouch, & Barkat, 2025, p. 666).

The second condition requires the investor to obtain a conformity license upon completion of the project. The conformity license serves as proof that the investor adhered to the building permit issued to him and that the project complies with the aménagement and reconstruction regulations. The investor obtains this license from the authority that initially issued the building permit (Executive Decree No. 23-487, 2023, art. 15).

The third condition stipulates that the investor must pay the value of the waiver, which is the market value of the land as determined by the State Property Directorate. Investors who fulfil the deadlines receive a discount equal to the amount of royalties previously paid during the concession period. Those who fail to adhere to these deadlines, as specified in the conditions book, do not receive this discount and must pay the full value (Bouchagoura, & Amrouche, 2025, p. 13).

The fourth requirement the investor has to meet is to have the mortgage on the property, which was bought using the bank to pay debts incurred during the concession, cancelled. To prove that the mortgage has been cancelled, he should produce the bank receipt of discharge(Ben Laamer,, & Maqri, 2025, p. 1086).

The fifth requirement is that the investor makes a request for transfer to the Algerian Investment Promotion Agency within the prescribed legal timelines. This allows them to equate the amount of the royalties paid and the value of the waiver. A receipt is issued while requesting (Law No. 23-17, 2023, art. 17).

2.2.2 - The procedures of waiver.

To allow the investor to convert the concession into a waiver, they must comply with the procedure established in Law 23-17 and Executive Decree No. 23-487. Upon completion of the investment project, the investor submits a request to the relevant state or municipal authorities for the grant of a conformity license, which signifies that the project complies with the building permit, urban planning, and reconstruction regulations. After the investor receives this license, they can apply to borrow a mortgage from the bank (Executive Decree No. 23-487, 2023, art. 15).

Once the mortgage has been lifted, the investor submits a request to convert the concession into a waiver to the Algerian Investment Promotion Agency. The request is accompanied by a file that includes a copy of the building permit, the certificate of conformity, the project handover minutes issued by the National Agency for Technical Control of Construction, and a bank report confirming the release of the mortgage (Nourine, 2025, p. 149).

After the file reaches the Algerian Investment Promotion Agency, the agency schedules a field inspection to verify that the investor has completed the project and put it into operation, and subsequently prepares a report. If the report is Positive, the agency informs the investor to pay the amount of the waiver. This waiver process is formalised in an administrative contract prepared by the State Property Services at the request of the agency, within 15 days of transferring the file to the State Property Directorate. The legislator has established a 3-month timeframe during which the agency must provide a final decision on the waiver request (Executive Decree No. 23-487, 2023, art. 15-16).

Conclusion

The economic real estate concession contract in Algeria, as regulated by Law No. 23-17 and the implementing decrees, reflects a deliberate effort by the Algerian parliament to establish an institutional and legal framework that encourages and governs investment. However, the law does not provide an explicit legal definition of the concession contract, its defined characteristics, procedures, and conditions.

The economic real estate concession contract is a unique type of administrative contract, characterized by its temporary nature, involvement with private state property, and inclusion of special clauses that serve public interests. It falls under administrative law and is supervised by the Algerian Investment Promotion Agency, which is the principal authority that grants, manages, and can turn concessions into waivers.

The awarding of the concession is a sequential process that begins with the identification and preparation of suitable land, followed by a competitive selection process conducted through a computerized system. It culminates in the signing of the agreement. The conditions and terms imposed by investors on law and properties enable concessions to fulfill their purpose, ensuring serious, genuine, and strategic investment undertakings that contribute to national economic objectives.

Furthermore, the possibility of converting a concession to a waiver upon fulfilling certain conditions—completion of the project, operational status, and financial balance—reflects a favorable policy for property transfer that compensates investors with potential ownership and encourages long-term investment.

In short, the Algerian economic real estate concessions law serves as an investment-attracting tool and a means of economic assistance. It strikes a balance between state control and stimulating investors in a manner that enables public capital to be invested efficiently and in line with national priorities.

Findings

1. The concession contract is legally confirmed as an administrative instrument that temporarily transfers usufruct rights while preserving state sovereignty over land.
2. Law No. 23-17 and Decree No. 23-487 create a comprehensive framework that reduces ambiguity in investment procedures and eligibility.
3. The role of the AAPI is central in ensuring both investor facilitation and state oversight, balancing private benefit and public interest.
4. The possibility of converting concession into ownership represents an innovative mechanism that incentivizes investor compliance and long-term project sustainability.

Novelty and Contribution

This study provides one of the first comprehensive legal assessments of Algeria's new concession regime under Law No. 23-17. Its novelty lies in:
- Offering a comparative reading of usufruct vs. ownership transformation in Algerian investment law.
- Highlighting the administrative contract dimension of concessions, which differentiates them from purely civil or commercial agreements.
- Presenting a legal and institutional critique of the procedural stages and monitoring mechanisms in concession granting.

Methodology

The research adopts a doctrinal legal methodology, relying on:
- Primary sources: Law No. 23-17, Executive Decree No. 23-487, and related Algerian legislative texts.
- Secondary sources: Legal commentaries, academic studies, and official AAPI reports.
- Comparative analysis: Benchmarking Algerian concession law against similar frameworks in Maghreb and international administrative law practices.

This approach ensures both a descriptive and analytical treatment of the topic, with emphasis on legal interpretation and institutional practice.

Ethical Considerations

The study respects principles of academic integrity, transparency, and neutrality. No confidential or non-public government information was used. All sources are duly acknowledged. The authors confirm that the research does not involve human subjects or sensitive personal data.

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Conflict of Interest

The authors declare that there are no conflicts of interest regarding the publication of this article.

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