Interest in upgrading shadow zones in new investment law of algeria 22-18

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Abstract:

The term shadow zones is new, used by President of Algeria Republic in a speech in 2020, and local television prepared a reportage, in which it explains residents suffering of some zones of country. The study aims to analyze law and show extent to which new law is able to achieve goals set by executive authority in country, which is to break zones isolation that have been suffering since country independence, and previous projects did not grant them same privileges that were granted to rest of regions.

Keywords: shadow zones, zones system, investment law 18-22.

I.Introduction:

The Algerian Republic President Abd-elmadjid Tebboune is first to use term shadow zones in 2020. Algerian Television (ENTV) has shown a video, showing these zones suffering. The Republic President also focused on development of these poor areas, and ordered officials to take them care. The central and non-central authorities have counted these zones and identified most important projects that need them. It conducted studies related to financial costs, and identified priority projects, which are represented in improving housing situation, supplying water, electricity and gas, and improving transportation, health and infrastructure conditions such as roads. It has started directly to carry out operations to improve citizens conditions in these zones, which face various obstacles, the most important of which is need

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for private investment to finance projects financially, which requires special incentives granted by state to investors.

Since its independence, Algeria has sought to develop legislation in investment field in development service. Law 22-18 is considered latest in development process, which amended Law 09-16 by adding a important sectors group, and allocating provisions for different forms development of investment. The legislator granted incentives to local and foreign investors with aim of developing shadow zones and breaking their isolation. The study relied on analyzing law content in order to explain its most important provisions related to these zones development, and to explain new name that was proposed to replace old name. Study importance lies in identifying most important techniques through which efforts to develop these zones can be embodied in new Law 22-18. It also answers following research problem: What is importance given by legislator to shadow zones development through Investment Law 22-18?

II.Concept of shadow zones.

The term shadow wones is new to Algerian political discourse. The Republic President mentioned this for first time when he order a public television survey entitled "Suffering of zones Shadow", which was shown to Cabinet and then on national television for first time in 16/02/2022. The report showed citizens suffering in isolated zones. It has become a widespread and widely used political and economic term that expresses level of underdevelopment associated with deterioration of living conditions in certain parts of country, which have suffered since independence from isolation, marginalization, poor services and limited development. The television broadcast was accompanied by a tragic suffering picture of countryside and zones most deprived of contemporary life conditions. Accordingly, the President ordered a comprehensive census of these zones across country, and ordered government to quickly implement plan to develop and develop these zones through Economic Recovery Program (2020-2024), and allocated a large part of financial coverage allocated for this program (Warda Haroush, 2021, pp. 8-18).

1. Defining shadow regions:

The term "shadow zones" has been used by jurists, economists and politicians. She explains it on basis of a criteria set related to limited life conditions in some zones of country. In this section, we summarize most

important definitions contained in ministerial instructions and thinkers' opinions and experts.

Instruction N°853-2000 defines these zones as:

«a remote, isolated, mountainous, and semi-urban zones." Instruction No. 10881-2020 defines them as: "remote and isolated areas that suffer from a fragility state, and whose residents witness harsh and miserable living conditions due to lack of vital infrastructure." And simplest life necessities, such as water, electricity, gas, schools, and job opportunities»

Algerian radio defines these zones as:

«zones that suffer from all manifestations of misery far from urban centers, lack minimum living conditions, and are difficult to reach in absence of appropriate roads and passages, and also suffer from a lack of electricity, gas, drinking water, sanitation, health coverage»

It means:

«remote or poor areas that are still suffering because they are deprived of local development. Its residents lack all or some of necessary requirements for life, which has negatively affected them. It also represents a group of zones that need real attention» (Warda Haroush, 2021, pp. 8-18).

Shadow zones are determined according to distribution of local groups as follows:

«Municipalities, villages and rural zones that are outside classification, lack basic necessities, suffer from lack of electricity and gas, interruptions in drinking water and water network, and poor health care., and lacks appropriate number of educational centers, and almost complete absence of entertainment» (Kahina Resham, 2022, pp. 119-143).

2. Characteristics of shadow zones:

Shadow zones are considered a village group that lacks all public services and infrastructure (Lahouazi Nourredine, 2021, pp. 177-192), which are described as isolated and remote zones, belonging to mountainous zones, steppes, or deserts, and them some are located in border with neighboring 280

countries, or regional borders between citys. They are considered to be uninhabited zones with a complete infrastructure lack, lack of paved roads and traditional rural roads. It lacks or does not have drinking water networks, schools and health centers, or there are buildings designated for teaching but they are closed, or they operate but lack minimum equipment, and they provide poor and insufficient services. These characteristics and data mean in legal jurisprudence absence of regional equality and a clear imbalance in regional balance (Saber Bin Maatouq, 2021, pp. 284-298).

About 08 million Algerians live in these zones, in living conditions that lack life basics, and most of them are located on cities outskirts or in countryside. Many examples are cited in various reports on shadow zones, from which a set of characteristics can be drawn, sometimes difficult to discern through academic discourses and studies. For example, village inhabitants of Souassi in Bir el-arsh in Setif have been living for decades outside of all known development plans. In winter, snow isolates population from municipality center (17 km), and its inhabitants still depend on firewood for heating and cooking. The village also lacks transportation. Kaf Al-Sahari village in Al-Masila suffers from same conditions as previous village. Its inhabitants rely on traditional farming and practice herding, living in houses made of sheet metal and mud. The situation seems more tragic in desert zones distributed in zones far from some citys, and they lack everything. The neglect of these zones contributed to non-enrolment or dropout at varying levels due to distance between the population and middle and high schools (Kahina Resham, 2022, pp. 119-143). Most studies summarize these characteristics as follows (hizia lessak, 2022, pp. 135-142):

Shadow zones live isolated from urban zones and cities.

- Its residents are dissatisfied with performance of local responsables and local elected officials.
- The phenomenon of children not joining or leaving school at relatively advanced levels.
- Generalizing the phenomenon of employing minors in forced labor away from supervision of bodies responsible for employment.
- Its population suffers from unemployment and scarcity of job opportunities.
- The phenomenon of illegal immigration is spreading in some zones, especially in border zones with African countries.
- The lack of health security in these zones and lack of health structures.
- Its inhabitants live in fragile, unsuitable housing.

- It Suffers from limited services and lack of communication and transportation means.
- It suffers from a lack of electricity and natural gas supplies.

3. Criteria for shade zones classification:

The central authority in country and local authorities rely on a set of criteria to define shade zones for their development purpose, as follows:

- Checking and correcting proposed operations, whether in terms of number or subject matter, or adopting objectivity in proposing operations only with actual resonance.
- Reducing proposal operations within framework of urban improvement.
- Focusing on operations that have a direct and rapid impact on citizen life, especially in remote zones, and speeding up their registration, taking into account elements: cost, short completion period, and positive and direct impact on those zones. Among these operations:
- Capturing water sources, preparing them, and placing them at the service of the citizens (in the form of a public spring), or the completion of small reservoirs with the water distribution network and supplying these reservoirs with tanks.
- Sewage (laying a sewage network with a filtration station that is treated periodically) (basin de decantation).
- Use of solar energy (whether for domestic use or for public lighting).
- Supplying these zones with propane gas tanks.
- Opening roads, and other operations that benefit these zones and can be accomplished in same way mentioned above, with need to involve technical interests of department.

These directives aim to extract shortcomings that shadow zones suffer from, and according to which they can be classified within these zones with accelerating aim development pace in them by comparing them with definition contained in Instruction 1253-2020 (Warda Haroush, 2021, pp. 8-18). Shade zones are divided according to these criteria into different groups according to deficiencies degrees that different zones suffer from and their necessary and urgent needs, and accordingly they are classified into:

A. First level: It represents zones that lack drinking water, are not connected to electricity network, and natural gas, and sewage networks, and have poor transportation services and health centers, or are completely absent. Its roads are considered unsafe, non-existent, or in poor condition.

B. The second level: It is represented in second-class neighborhoods, which are considered to have less needs than the previous level, their schools suffer from a lack of heating and overcrowded sections with a large number of students, and there are no entertainment, and there may be natural hazards in their vicinity such as their proximity to Wadi, or risks of erosion or desertification.

The classification is also based on a set of rules and data, most important of which are:

- Distance from municipality center (municipality headquarters).
- Approximate area of zones.
- Residents number in village.
- Distance to nearest elementary school and nearest middle school.
- Distance to nearest health center.
- Distance to nearest market (Zainab Iman Haraush, 2022, p. 25).

The shadow zones are similar to each other in their need for elements of comprehensive development, starting from level of living conditions, and they differ from each other according to need metopes, and first part of them is related to disparity and distance between these zones, villages and municipal centers plays an important role in determining priority system, and also varies in wealth level or poverty of natural resources. This is considered most important data adopted by legislator in dividing these zones levels in Law 18-22.

III.Algeria's efforts in developing shadow zones:

The republic president approved before Algeria's ministers council need to develop these zones, and he attached great importance to them. On his decision background, a number of projects and efforts were initiated, which we have summarized as follows:

1. Objectives of developing shadow zones through development projects in Algeria:

The process of developing shadow zones is at the heart of political neglect of the administration of President Abd-elmadjid Tebboune, and considers it a top priority. Since 2020, I have started implementing development projects in these zones. Ibrahim Murad (consultare to Republic President) says that political administration has allocated 480 billion Algerian dinars as financial coverage for these projects, and projects are proceeding at a steady pace to complete 32,700 proposed development projects. State interests have counted 13,587 zones in which 08 million citizens live.

He expressed project completion data in a statement to national radio, saying: «The efforts made it possible to finance 14,577 projects with a financial value of more than 206 billion dinars».

This percentage, according to the speaker, is 43%. Of the entire program, and the state relied on a policy of public spending to make plans a reality, Murad says, Thanks to everyone efforts, especially at state level, large sums have been allocated and directed particularly towards shadow zones, which enabled establishment of 8,905 projects in one year, which represent 62% of the projects, which were funded with a financial cover of 99 billion dinars, and are awaiting receipt of 2321 projects that are still under implementation, and it was revealed that state authorities are seeking to implement 3351 new development projects for these zones.

The same source defines goals of these projects by saying: «The aim of these projects is to break isolation of these zones, which will pass only through roads construction».

He added that 1,323 km of new roads have been completed and 2,800 km rehabilitated. Countryside trails have been opened in forest zones with a length of 884 km. Also, 2,700 km of water networks have been completed, with 495 km of old networks being rehabilitated, making it possible to connect 173,000 households.

He referred to solving problem of non-attendance or school evasion by establishing 175 new departments and rehabilitating 298 schools, in addition to 84 new school canteens to provide hot meals, rehabilitating 51 school canteens, and supporting school transport barn. Local and central authorities were able to strengthen country's ability to provide energy and gas to population by connecting 33,000 homes to electricity as of 2021 (Zainab Iman Haraush, 2022, p. 25).

We conclude from foregoing that developing process shade zones goes through three stages:

- Determine the most important shadow zones, and determine priority gradually.
- Financial control over amounts and investments through various incentives to invest in these zones.
- Completion of development projects in zones and start exploiting them.

2. Distribution of development projects by sector:

The table below shows that projects number and financial envelope is distributed among a group of sectors that play a major role in process of developing these zones. The total projects covered by Economic Recovery 284

Program (2020-2024) amounted to 12,841 projects, with an initial financial budget of 188.42 billion DZD. Initial projects represented 25% of total projects number (a quarter of projects number), then water supply projects with 19.20% of total number of development projects, then sanitation (13.53%), improving education conditions (11.18%), electrical connections (10.53% supply). Gas (7.77%), public lighting (5.40%), neighborhood health (2.83%), and playgrounds (2.77%). The combined percentage of sectors did not exceed 02% of the financial envelope, as shown in Figure N° (01).

Projects to reduce isolation consume most of the financial envelopes, as their financial percentage exceeded rest of projects, reaching 39% of financial coverage allocated to shading zones, as shown in Table No. (01) below, and in second place is drinking water supply (16%)), Followed by sanitation projects (13%), then gas supplies (12%), then electrical connections (08%), then improving educational conditions (06%), then public. Lighting (02%), then playgrounds and recreational centers (02). %) Then health sector (01%), and percentage of remaining sectors did not exceed (01%).

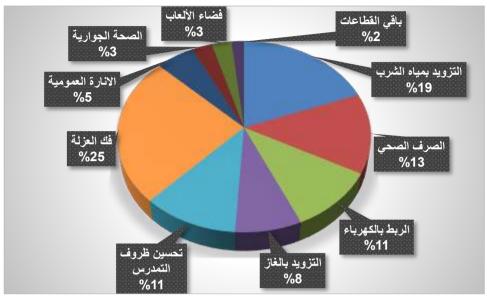
Table N^{\circ} (01): Number of shadow zones development projects in Economic

Recovery Program (2020-2024).

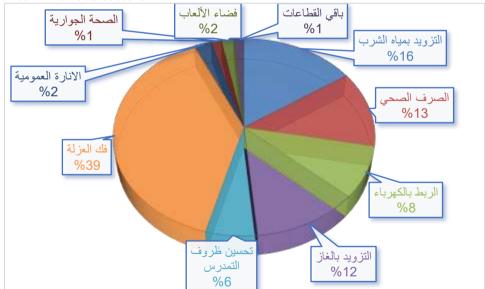
| Financial coverage (billions Algerian Dinar) | number | sector | Financial coverage billions of) Algerian Dinar) | number | sector |
|--|--------|------------------------|---|--------|--------------------------------|
| 4.75 | 693 | Public lighting | 30.66 | 2465 | Drinking water supply |
| 2.76 | 364 | Neighborhood Health | 24.69 | 1737 | sanitary sewer |
| 3.27 | 356 | Games area | 16.77 | 1352 | Electrical connection |
| 0.058 | 3 | Sand advance control | 23.96 | 998 | Gasification |
| 0.63 | 66 | security blanket | 11.49 | 1436 | Improving schooling conditions |
| 1.26 | 114 | Natural hazards | 0.93 | 41 | Public transport |
| 188.42 | 12841 | total | 67.73 | 3216 | Relieve isolation |

Source: zainab iman harwash, noureddine musaqam, suleiman shaibout, op.cit, p. 26.

Figure N $^{\circ}$ (01): relative distribution of shadow zones projects by sectors.



Source: Prepared by researcher based on data contained in Table N° (01). **Figure N**° (02): Distribution of financial envelope for development of shaded zones in various sectors.



Source: prepared by researcher from data in table n° (01).

3. The effects of achieving sustainable local development on shadow zones:

Development projects lead to achieving positive numbers in field of developing shadow zones, most important of which are (Saber Bin Maatouq, 2021, pp. 284-298):

- Motivating population to stay in these zones by rehabilitating them and reducing phenomenon of rural exodus.
- Reversed migration growth towards cities and urban areas to migration from cities to rural areas and villages due to equity.
- Reducing demographic pressure on cities by facilitating livelihoods in rural areas and villages.
- Making shadow zones more dynamic and mobile in economic process in general and in rural and local investment.
- Establishing social and economic gatherings in shadow zones, which contribute to activating state comprehensive development.

IV. The most important principles of new Algerian investment law 18-22.

Law 18-22 aims to define main principles of investment, and its first article states following:

«The purpose of law is to define rules governing investment, rights and obligations of investors, as well as applicable incentive rules. Investments in productive economic activities. Goods and services that are Submitted by natural or legal persons, national residents, foreigners or non-residents» (Law No 18-22 of July 24, 2022, p. 5).

It is clear from article that ultimate goal of new investment law is to achieve national interest by achieving growth in goods and services. This necessarily leads to economic growth and development: individuals and institutions are considered source of achieving desired development. To achieve this, law aims to attract foreign investment in addition to levels of national investment that benefit state and society. The article also includes two main principles:

1. The principle of investment freedom:

It is considered one of most important principles of new investment law, because in previous laws it was just an ordinary law, which, beginning with the 2016 constitutional amendment, and then 2020 amendment, turned into a constitutional principle. In Law 06-16 and then Law 18-22. The previous laws did not clarify the essence of the principle other than new law, and it clarified main beneficiaries, and by examining Article 3 in its first

paragraph to establish investment freedom, which is irreversible, and to identify persons concerned with type and basic criterion in order to benefit from investment, and what is related to choosing appropriate activity in accordance with applicable laws and regulations. The law provides for domestic and foreign investment for first time, and identifies persons concerned. It appears through Article 5 analysis of law defining resident and status of non-resident and referring it to text of Article 125 of Money and Credit Law. N ° 03-11 which you define as follows (Kahina Resham, 2022, pp. 48-51):

- **A)** Resident: A natural or legal person whose main center of activity is land of State, and therefore may be a foreigner, provided that he carries out production, distribution and investment activities within State.
- **B)** Non-Resident: A natural or legal person whose center of activity is located outside State.

2. The principle of equality and transparency:

Algerian legislator stipulated two important principles, equality and transparency, as follows:

- A) The equality principle: it means that investors, whether they are natural or legal persons, citizens or foreigners, benefit from equality of rights and duties stipulated in provisions of Law 18-22. They may also be allowed, without exception or discrimination, to engage in investment activity and benefit from same tax or customs benefits and incentives. Foreign investor is allowed to benefit from all privileges provided by investment law of host investment country, on an equal footing with national investor. This principle is based on international custom and most national legislation.
- **B)** The transparency principle: Transparency is a basic necessity for monitoring transactions, and law allows investor to follow up on investment activity in country permanently, which is feature stipulated in Law No. 18-22, which defines system of priority sectors or sectors stipulated in Article 24 of the law:

«Investments within limits of Article (4) of this law may, at investor's request, benefit from one of incentive programs mentioned below:

- 1 The system of incentives for priority sectors is called "sector system" in text.
- 2. The incentive system for regions that state attaches special importance to, and in text it is called the "zones system,"

3. Structured nature and referred to in text as a structured investment system» (Law No 18-22 of July 24, 2022).

Article 15 of law defines priority sectors by stating:

«The investor must respect following: Ensure compliance with applicable legislation and standards, particularly those related to environmental protection, public health, competition, work, accounting transparency, and tax and financial information». (Law No 18-22 of July 24, 2022)

The article defines priority zones for following sectors (Kahina Resham, 2022, pp. 18-51):

- Agriculture, aquaculture and fishing sector,
- Industrial sector,
- Higher education sector and tourism,
- New energies and renewable energies,
- Knowledge economy and information and communication technology.

3.Investor digital platform:

In order to achieve equality principles, justice and transparency in investment, algerian legislator approved establishment of digital platform for investors, which handles advertising process for projects, receives investor requests, guides them and facilitates their access to information.

Article 23 of law 18-22 states:

«Creating a digital platform for the investor, assigning the task of managing it to the agency, and working to provide all the necessary information to investors, especially investment opportunities in Algeria, real estate offer, investment-related incentives and benefits, as well as related procedures.

This digital platform, which is interconnected with information systems, allows agencies and departments in investment process charge to dematerialize all procedures and carry out all investment-related procedures via internet.

Digital platform is also a tool for guidance and accompaniment to investments and their follow-up, starting from their registration and during their exploitation period.

This platform running modalities are determined by regulation»

(Law No 18-22 of July 24, 2022).

According to article text, legislator identified a set of mechanisms through which the platform can be established, namely:

- Assigning digital platform management to national agency for investment.
- Agency undertakes task of disseminating investment-related information on platform.
- Presenting country investment opportunities from agency tasks , and presenting all incentives granted by law to investor.
- All relevant bodies and institutions participate in process of disseminating investment information.
- Agency is responsible for defining platform work mechanisms through regulatory texts.

Article also defines objectives of establishing platform, most important of which are:

- Providing all investment information in algeria.
- Explanation of tax and customs incentives related to investors.
- Facilitate access to information for investors.
- Digital marketing to invest in country.
- Achieving equality and justice principles in obtaining investment opportunities.
 - Getting rid of heavy papers and files to get projects from investors.
- Facilitate process of dealing with bodies and departments related to investment projects.

V.The status of shadow zones innew Algerian investment law 18-22.

The law emphasized zones system, and Republic President defined these zones as shadow zones since 2020 under the slogan (imbalance in development between different regions on national soil), and there are differences in development, which were confirmed by government meeting on 02/16/2020. Algeria was divided according to criterion of limited development into three categories. The first has economic and social structures, the second is relatively lacking in various structures, and there are other regions that are completely marginalized. The three zones need development investments, which are determined by Law 18-22 in the plateaus, the Great South, and some undeveloped northern regions (Kahina Resham, 2022, pp. 18-51). The study identifies, through Law No. 22-18, most important provisions related to shadow zones, and defines a new name for these zones after legalizing them among important new investment issues, and most important provisions of law in this field.

1. The zones system:

Law 18-22 defined shadow zones under a new name, as Article 24 provided for shadow zones in its third paragraph:

Text of "zones system." The Algerian legislator, through this article, gave great importance to aforementioned zones, placing them among most important investment zones that state attaches great importance to, namely "sectoral investments." And structured investments. It represents zones covered by Investment Law 18-22, which lack decent living conditions such as water, electricity, gas, roads, education and job opportunities" (Law No 18-22 of July 24, 2022).

2. The principle of developmental justice:

The law provides for equal development between different country regions, and Article 2 of it in its third paragraph states following: "Ensuring sustainable and balanced regional development" (Law No 18-22 of July 24, 2022). It follows from the text of the article that political authority, through legislative texts, aims to achieve equal opportunities between state regions, which means that law guarantees balanced investment among them, and that this is related to sustainable development. This leads us to a group of sectors where expectations indicate that investment will achieve expected development, most important of which are:

- Education and health.
- Renewable energy sources and the supply of electricity and gas.
- Investing in transportation-related infrastructure, such as paving and rehabilitating roads.
- Rural development through respectable housing and a network of sewage channels.
- Projects that create job opportunities, such as: agricultural and industrial investment, and the field of traditional industries.

Determination of zones: The Algerian legislator approved, through Law 18-22, incentives for investors in these zones through Article 24, which stipulated in its previous paragraph zones system, and Article 28 stipulated following:

«Investments in:

- High Plateau locations, South and Big South,
- sites whose development requires special support from state,
- -Sites that have valuable natural resource potential».

The list of sites that belong to zones that state attaches special importance to is determined by regulation. The legislator has defined a group of zones that fall within circle of zones system (shadow zones), namely:

- **A) Highlands**: These zones are famous for their rugged terrain and harsh climate, and we have mentioned some examples in province of Setif. People in these zones suffer from extreme cold in winter and high temperatures in summer. Their suffering is exacerbated by fact that they suffer from low levels of services, are far from city centers, and lack gas, electricity, and other basic life necessities.
- **B)** South and Great South: The Algerian desert is famous for its vast area, where isolated municipalities are located hundreds of kilometers from headquarters of some states, and they are villages that suffer from marginalization. In addition, some of its inhabitants are nomads, or those who practice pastoralism. These areas need to be developed in all sectors.
- C) Sites whose development requires special support: the legislator identifies regions and municipalities that are unable to create wealth, represented in zones that have no resources and are characterized by limited economic activity, and communes revenues from these zones are low and cannot cover their expenses. In this case, the state relies on public spending to achieve development in these zones by improving living conditions and creating job opportunities, as most of its citizens suffer from misery and poverty. The unemployment. These zones may be on outskirts of certain cities or near affluent municipalities.
- **D)** zones that have precious natural resource potential: There are zones in country that possess a source of wealth, and are characterized as being untapped for development. These zones can develop on their own in future if their resources are used rationally. We present some examples, including the Valley of Sulfur in Souk Ahras, which is rich in sulfur, and the country of Hadba in Tebessa, which is rich in phosphates. The legislator in this branch means that the state relies on attracting investments in various resources to obtain large returns, which contributes, on one hand, to zones development, and on other hand, supports state's income.

3. Incentives:

Article 29 of law defines incentive system in its first paragraph:

«In addition to tax and customs incentives stipulated in general law, investments that can benefit from advantages of "zones system", which include activities carried out by investor in

these zones. Which is excluded from benefits specified in this article»

The article also clarified system of privileges and incentives related to the regions system, which are as follows:

- **A)** Completion stage: the aforementioned article specifies that zones system will benefit from incentive system mentioned in article 27 which stipulates following:
- Exemption from customs duties for imported goods directly related to investment realization.
- Exemption from value added tax with regard to goods and services imported or acquired locally which contribute directly to investment realization,
- Exemption from property transfer payment fee against compensation and real estate advertising fee for all real estate acquisitions made within investment concerned framework,
- Exemption from registration fee instituted for formation of companies and capital increases,
- Exemption from registration duties and taxes on real estate advertising and the amounts of the national domain which include the right of concession on built and unbuilt real estate intended for the realization of investment projects,
- Exemption from property tax on real estate within investment framework for a period of ten (10) years from acquisition date.
- According to this article, investor, like rest of large sectors, is exempt from royalties and levies in event that he goes to shadow zones, according to which he can supply goods and equipment from abroad, provided that they are materials directly related to project realization. It is exempt from costs related to ownership transfer and real estate advertising, which are directly linked to project realization, and it benefits from other costs exemptions mentioned in period, provided that they are directly linked to project realization. National legislator has set the investment period at ten full years, which is maximum period, it extends from completion phase to operation start and completion end.
- B) Operation phase: article 29, in its third paragraph, stipulates: «for a period ranging from five (05) years to ten (10) years, from operation start date:
 - Exemption from corporate income tax,

- Exemption from professional activity fees»

Article text means that stimulating investment in shadow zones goes to second stage, stage begins after realization completion. In these zones, the investor enjoys same privileges as large investments in country. It is exempt from taxes for a period between five and ten years after its operation start. This means that project benefits realization is net. For investor without collection. Through this system, legislator aims to attract investments and divert them to these zones, which leads to wealth creation. And he benefits from an exemption from all fees for professional activity, which means, according to algerian law:

«a fee imposed on turnover achieved by persons carrying out an industrial, commercial or non-commercial (professional) activity, regardless of on foundation results, and its proceeds are distributed among municipalities, the states and local government common fund, according to certain percentages specified in laws annual funding»

Set by algerian legislator at 20%, of which 0.59% for state, 1.30% for municipality, and 0.11% is a share belonging to common fund of local authorities (Nadia Sodani, pp. 73-87).

VI. Conclusion

During past decades, Algeria has known great neglect of remote villages in different country regions, which contributed to decline of regional justice in country. The political authorities embarked on a new approach to these zones development, which was adopted by administration of President Abd-elmadjid Tebboune after his speech and accompanying television report. Local authorities and communities have adopted specific criteria for defining these zones, most important of which are:

Levels of providing population with electricity, gas and drinking water.

- Condition of sewage systems and roads.
- Jobs chances.
- Distance from health centers, public markets, and city centers.

Public authorities in country counted 08 million citizens living in 13,587 zones considered shadow zones. The executive authority has approved 32,700 development projects in various sectors according to these zones needs. These projects require a financial envelope of 480 billion Algerian dinars. The authorities implemented 14,577 projects in different locations in

country. The state treasury cost 206 billion Algerian dinars during (2020-2021). These efforts contributed to achieving zones development, which were included in Law 18-22 under the name of the "zones System", and need to be strengthened in field of meeting basic needs in: energy, water, transportation, roads, health, and job opportunities. Among most important zones of investment:

- Education and health sectors.
- Using renewable energy sources and developing electricity and gas supply process.
- Investing in transportation-related infrastructure, such as paving and rehabilitating roads.
- Rural development through respectable housing and a network of sewage channels.
- Focusing on economic projects that create job opportunities, such as: agricultural and industrial investment, and traditional industries.

The legislator divided shadow zones according to location into zones located in plateaus, south and far south, and zones whose development requires special support from state, and they represent poor zones in terms of wealth. Zones that have natural resource potential need rational exploitation to create wealth through investment. The law approved a set of customs and tax incentives and a set of royalties for a period of five to ten years, depending on situation in completion and operation phases. We conclude that Algerian legislator has already introduced a system of incentives to attract national and foreign investments in shadow zones, which has become known as zones system.

VII. Study suggestions.

In light of previous data, the study proposes a set of techniques through which appropriate development of shade zones can be achieved, most important of which are:

- **1.**Linking model of rural self-building with support in fields of agricultural production, animal husbandry and traditional industries. The style of rural housing adopted in past years is not economically feasible if it is not associated with job opportunities and wealth.
- **2.**Providing solar energy equipment within framework of self-construction assistance, and supporting use of self-generation means of energy in various ways.

- **3.**Working with the system of school annexes that consist of limited sections that form a network forming one school, which is a system suitable for remote areas and nomadic Bedouins, and the same system can be applied to health and security sector.
- **4.**Directing inhabitants of remote zones towards population centers through division of agricultural lands, to be distributed among people, and development of agricultural production capabilities for farmers, and this situation facilitates development of these zones, and provides a better life for farmers in countryside.
- **5.**Allocating pastoral zones for nomadic Bedouins, so that they form close groups, facilitating process of educating their children easily by using school transportation, providing them with electricity and gas networks when needed, or replacing them with renewable sources.

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الاهتمام بترقية مناطق الظل من خلال قانون الإستثمار الجديد 22-18. محمد حمادوش. طالب دكتوراه تخصص علاقات دولية وإستشراف جامعة الجزائر 3.

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ملخص.

أطلق المشرع الجزائري تسمية جديدة على مناطق الظل، وعرّفها بنظام المناطق، يُحدد كيفيات الاستثمار فيها ومحفزاته، وأقره في قانون الاستثمار 22-18 بعد أن كان رئيس الجمهورية خلف جهود وطنية لتنميتها منذ عام 2020. تناولت الدراسة موضوع محورية مناطق الظل في القانون، وخلصت لنتائج أنما حفزت المستثمرين لتوجيههم نحوها شأن باقي القطاعات الرئيسة، وقدمت مجموعة من الاقتراحات بعد الإجابة عن إشكالية تتعلق بأساليب تنمية مناطق الظل من خلال القانون سالف الذكر. تكمن أهمية الدراسة في ربطها النظري بين ما ورد في خطابات رئيس الجمهورية منذ 2020 وما جاء في القانون 22-

خلصت الدراسة إلى مجموعة من النتائج، تعتبر مناطق الظل كمصطلح سياسي جديد ورد من أعلى هرم السلطة التنفيذية في الجزائر، يعبر عن حالة البؤس التي تعيشها بعض مناطق الدولة، وتسعى السلطات لتنميتها من خلال جلب مشاريع مهمة إليها وفق ما جاء في القانون 22–18. الكلمات المفتاحية: مناطق الظل، نظام المناطق، قانون الإستثمار 22–18.