



Algeria

Priority Areas

A background image showing several Bitcoin coins. One coin in the foreground is in sharp focus, showing the 'B' symbol and the word 'DIGITAL'. Other coins are blurred in the background.

Country Profile

2023

**Blockchain and Digital
Transformation in Africa.**

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Fintech

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Note: The information presented here highlights crucial focus areas for the country, especially in the context of the emerging industries of Fintech, DeFi (Decentralized Finance), NFTs (Non-Fungible Tokens), and cryptocurrencies. The information presented sheds light on several developments and pioneering enterprises that are fueling the country's digital progress in the blockchain domain. However, it is important to note that this is not an exhaustive list; rather, it provides a glimpse into the country's direction and ability to achieve key milestones in the blockchain sector.

Fintech

Digital Payments and Mobile Banking	<p>Edahabia: Algeria's national postal agency, Algérie Poste, launched Edahabia. It permits mobile bill payments, money transfers, and top-ups. This service promoted financial inclusion in rural areas with limited banking facilities.</p> <p>BaridiMob: Algérie Poste's mobile banking service allows consumers check their accounts, make transactions, and pay bills.</p> <p>PayDZ: PayDZ enables users to pay for goods and services online. It accepts credit cards and mobile payments.</p> <p>CIB Mobile Banking: Algerian commercial banks like Crédit International Bank (CIB) offer smartphone apps that enable consumers check balances, transfer payments, and pay bills.</p> <p>BEA Mobile: The Bank of Algeria (Banque Extérieure d'Algérie)'s mobile banking app "BEA Mobile" includes balance inquiry, fund transfers, bill payments, and more.</p> <p>TrustPay: TrustPay allows consumers securely pay for goods and services online. It supports mobile payments, prepaid cards, and more.</p> <p>Yassir Cash: Algerian ride-hailing platform Yassir Cash has a digital wallet that allows customers load funds and pay for journeys with their phones.</p>
Financial Inclusion and Accessibility	<p>Aaliyah Algeria, like the MENA area, faces economic issues exacerbated by the COVID-19 pandemic, including oil price drops. Algeria's recovery strategy relies on digital transformation. However, access to inexpensive financial services, especially for women, is limited. Fintech-enabled Digital banking Services (DFS) can improve accessibility, lower prices, and provide safe banking solutions¹. DFS can solve COVID-19 concerns by facilitating government support to vulnerable groups, cutting remittance costs, and improving fund distribution accountability, despite low mobile money uptake. Digital IDs and open APIs will help streamline customer registration and data integration. DFS will also aid online retailers and telecom carriers create new business models. DFS's full potential in Algeria requires supportive regulatory frameworks, technological support, and government cooperation. Safeguarding economic activity and resilience requires prudent regulation and control. Therefore, Algeria should promote DFS advantages to boost growth and people well-being after the pandemic</p>
Blockchain Technology	<p>Bitcoin's position in Algeria's financial system is unknown, but its economic impact is clear. Bitcoin's blockchain ledger provides fast, cheap transactions, transparency, and security. With</p>

¹ Dorothee Delortis ANDnd Isabelle Poupaert, "How Digital Financial Services Can Provide a Path toward Economic Recovery in Algeria," [blogs.worldbank.org](https://blogs.worldbank.org/arabvoices/how-digital-financial-services-can-provide-path-toward-economic-recovery-algeria#:~:text=In%20Algeria%20today%2C%2057%25%20of.), 2021, <https://blogs.worldbank.org/arabvoices/how-digital-financial-services-can-provide-path-toward-economic-recovery-algeria#:~:text=In%20Algeria%20today%2C%2057%25%20of.>

<p>and Cryptocurrency</p>	<p>expanded smartphone and internet connectivity, Bitcoin becomes a viable financial transaction option in a country where traditional banking is criticized for its slowness and high fees. The Algerian government's pursuit of blockchain technology for property registry and customs could improve transparency, efficiency, and eliminate corruption. Challenges remain. Investors are skeptical about cryptocurrencies' legality, which slows market growth. Bitcoin's poor public knowledge and understanding require instruction on its correct use and safety precautions to prevent misuse. Thus, Bitcoin trading offers lower fees, faster transaction times, increased accessibility, less fraud risk, and transparency, but there are hazards. The market's volatility, manipulation, irreversibility, and absence of regulation need cautiousness. Thus, investors seeking to profit from Bitcoin's financial potential must conduct thorough study and take precautions.</p>
<p>E-Commerce and Online Marketplace</p>	<p>Jumia Algeria: This popular African e-commerce platform operates in Algeria. It sells electronics, apparel, beauty, and more.</p> <p>Safex Algerie: Algeria's Société Algérienne des Foires et Exportations (Safex) arranges trade shows. It also has an online marketplace for product sales.</p> <p>Ouedkniss: Algerians utilize Ouedkniss for online shopping because it is a classifieds site with a large part for buying and selling new and used goods.</p> <p>Sarouty: An online real estate marketplace that links buyers, sellers, and tenants. It allows Algerians buy, sell, and rent properties.</p>
<p>Regulatory Framework and Compliance</p>	<p>Algeria's 2018 Financial Law enforces a ban on cryptocurrencies, prohibiting their purchase, sale, use, and possession, with legal consequences. This move was prompted by concerns of cryptocurrency's potential involvement in criminal activities like terrorism financing, money laundering, and tax evasion. The Finance Act of 2018 introduced tax changes, exempting medical materials from VAT and customs fees, implementing a 19% VAT charge on specific transportation services, and raising excise taxes on tobacco and fuels². Article 58 of the Act mandated electronic tax declarations and payments for DGE-registered businesses, a requirement that is set to expand to other taxpayer categories, including SMEs registered with local Tax Centers.</p>

² The Finance Act of 2018 introduced tax changes, exempting medical materials from VAT and customs fees, implementing a 19% VAT charge on specific transportation services, and raising excise taxes on tobacco and fuels. Article 58

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