

Enabling Social Innovation in Algeria

Country Snapshot

Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ¹

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Algeria's social innovation ecosystem.

 Direct focus on social innovation  Connected but indirect focus on social innovation  No focus on social innovation

INSTITUTIONAL FRAMEWORK

Official Definition of Social Innovation

While Algeria does not have a standalone legal definition for social innovation, the government increasingly integrates the concept through the framework of the "Social and Solidarity Economy" (SSE) and "Innovative Startups," focusing on socio-economic utility and collective interest ². The Law on Startups (2020) defines innovative enterprises based on their potential for high growth and technological/social impact ³.

Government Body for Social Innovation

Rather than a single dedicated department, responsibility is shared across key bodies:

- **Ministry of Knowledge Economy, Start-ups and Micro-enterprises (2020):** Oversees the ecosystem for innovative entrepreneurship and social startups ⁴.
- **National Observatory of Civil Society (2021):** A consultative body under the Presidency tasked with promoting civic engagement and social participation in development ⁵.

Government Strategy for Social Innovation

Social innovation objectives are embedded within the **Algeria 2030 Vision** and the **National Action Plan (2021)**, which prioritize digitalization of social services, youth employment through innovation, and the promotion of the social economy ⁶.

Policies, Laws & Regulations

- **Executive Decree No. 20-254 (2020):** Established the "Startup" and "Innovative Project" labels, providing tax exemptions and simplified administrative procedures for impact-driven ventures ³.
- **Law No. 12-06 on Associations (2012):** Regulates NGOs and civil society organizations, serving as the primary legal enabler for community-led social initiatives ⁷.
- **Finance Act 2024:** Includes specific tax incentives for investments in research and development (R&D) and environmental sustainability projects ⁸.

Official Statistics

The government tracks the social sector through the **National Office of Statistics (ONS)**, which monitors employment in the associative sector and the growth of micro-enterprises ². Recent data indicates over 120,000 active associations contributing to social development as of 2023 ⁵.

Government Programs



- **ASF (Algerian Startup Fund) (2020):** A public venture capital fund that finances innovative startups, including those addressing health, education, and environmental challenges [10](#).
- **ANGEM (National Agency for the Management of Micro-credit):** Provides small loans for home-based social activities and artisanal projects, specifically targeting vulnerable rural populations [11](#).

ECOSYSTEM

Stakeholders



- **National Observatory of Civil Society (2021):** Coordinates non-governmental actors to align social initiatives with national development goals [5](#).
- **Algerian Confederation of Citizen Employers (CAPC):** Represents businesses engaged in CSR and inclusive entrepreneurship [12](#).
- **Prominent Support Organizations:** Incubators such as **Algeria Venture (2021)** and **Sylabs** provide technical mentorship and coworking spaces for social entrepreneurs [13](#).

Support Initiatives



Leading initiatives focus on digitalization and youth empowerment. **Algeria Venture** operates a national network of accelerators that provide "soft landing" programs and technical training for projects with high social utility [13](#).

Collaboration



Partnerships are increasingly common between the **Ministry of Higher Education** and the **Start-up Ministry**, leading to the "Diplome-Startup" initiative which turns university research into social ventures [14](#).

- **Key Events:** The **Algeria Disrupt** regional summits focus on connecting innovators with public funding and regulators [4](#).
- **Awards:** The **President of the Republic's Prize for Innovative Youth** recognizes outstanding social and technological innovations [4](#).

FINANCE

Financing Schemes



- **Algerian Startup Fund (ASF):** Manages a capital of approx. 58 billion DZD (approx. \$430 million) available for startups through equity participation [10](#).
- **Key Providers:** Public subsidies (ANGEM/ANADE), public venture capital (ASF), and international grants from agencies like **UNDP Algeria** and **GIZ**, which focus on green innovation and inclusive growth [15](#).
- **Inclusivity:** Financing is highly targeted toward **youth (under 35)** and **women in rural areas**, with specific micro-credit quotas through ANGEM [11](#).

SOCIETY

Public Awareness of Social Innovation



Social innovation is gaining traction in media discourse, primarily through the lens of "entrepreneurship as a solution to unemployment" and "digital transformation of the state" ¹².

Research



- **CREAD (Center for Research in Applied Economics for Development):** Conducts academic studies on social economy, youth employment, and inclusive development ¹⁶.
- **Practitioner Research:** The **National Economic, Social and Environmental Council (CNESE)** publishes annual reports on social trends and economic inclusion ¹⁷.

Education & Human Capital



- **University Incubators:** Over 90 incubators have been established within public universities to foster social and technological innovation among students ¹⁴.
- **Curricula Integration:** Entrepreneurship and innovation modules are mandatory in most technical and economic higher education degrees as of 2023 ¹⁴.

Entrepreneurship



EIU Business Environment Ranking



Innovation Capacity

Algeria is ranked 112th globally, reflecting growing investments in human capital and infrastructure¹⁸



Social entrepreneurship prevalence

NECI Score GEM: Algeria's entrepreneurship context is improving; recent assessments highlight strong physical infrastructure but a need for more commercial R&D¹⁹

Social & Environmental Consciousness

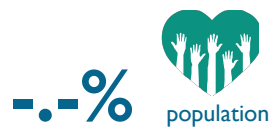


Solidarity

The **World Values Survey** indicates high levels of informal social solidarity and religious-based charitable giving (Zakat) ²⁰



Political participation



Volunteering

Ranked in the middle tier of the **World Giving Index**, with strong community-based volunteer networks (Touiza) during crises ²¹



Sustainability

with significant focus on energy transition and water security ²².

Environmental Performance Index (EPI) 2024