

Converting the permanent usufruct into a concession contract

Ben Bouaicha Shahinaz

*Professor of Lecture 'A, Faculty of Law,
University of Blida 02, aichour*



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Abstract

Algeria is currently operating under a new agricultural policy that differs from its predecessors in terms of the real estate policies pursued through various management mechanisms that came as a result of a series of economic, political, and social reforms. These reforms are embodied in the concession contract, which was established by the legislator to manage agricultural land belonging to the state's private property. The concession contract is seen as an appropriate option for the development of the agricultural investment sector. The legislator has embodied this through Law 10/03, which defines the conditions and procedures for the exploitation of

agricultural land belonging to the state's national private property, and Executive Decree 10/326, dated December 23, 2010, which defines the procedures for applying the concession right for the exploitation of agricultural land belonging to the state's private property, except that it defined many problems have caused the delay in the process of converting the permanent usufruct right into a concession contract, and this is due to the lack and emptiness of legal texts and their contradiction with other legal texts, which negatively affected the agricultural development, but it can succeed if it is well applied and this mechanism if this law is amended with the addition of all the shortcomings it has known, and

therefore it will contribute to the reorganization of the agricultural sector of private state property, and will contribute to the preservation of the agricultural property from fragmentation and loss of its agricultural character by changing its agricultural destination. Accordingly, I propose a set of recommendations, including amending the articles related to relinquishment under informal contracts and unregistered documentary contracts, and abandoning instructions to prevent the administration from being both the adversary and the judge. Additionally, suggesting the inclusion of explicit language allowing regional decision-makers to benefit from concession contracts. Increasing the provisions regulating partnership contracts in detail is also recommended. In this context, it is proposed to integrate the concept of the company into commercial law to facilitate the trading process.

Keywords: agricultural concession contract, exploitation of agricultural property, converting a permanent usufruct into a concession contract, national economic infrastructure, public authorities, agricultural concession.

* **Introduction**

The state has embarked on a national development plan, heralding

a positive shift in the agricultural landscape. This transformation led to the enactment of Law 08/16 on 03/08/2008, focused on agricultural guidance. Notably, it adopted the concession system, deliberately sidelining privatization options. The primary objective was to enhance food standards and cultivate agricultural development. The concession model, endorsed as a legal mechanism, facilitates the utilization of state-owned agricultural lands. This is detailed in Law 10/03, which outlines the conditions and methods for leveraging lands belonging to the state's national property. Its accompanying executive decree, 10/326 dated 23/12/2010, delineates the specific modalities for implementing the concession right to exploit agricultural lands owned by the state. Aligned with the principles of a free-market economy and entrepreneurial spirit, the beneficiary under the concession is now termed the "investor with the concession." This nomenclature bears significance concerning the rights accorded to them for achieving profitability and efficiency in agricultural exploitation. In effect, investment emerges as the sole recourse for elevating agricultural investors and farmers to contemporary management practices, embedding

these investments within the productive investment cycle. The conduit for such progress rests in concession contracts, deemed pivotal with far-reaching implications on development. Investors with concession contracts emerge as the pivotal contributors capable of revitalizing productivity and surmounting the bottlenecks witnessed in the agricultural sector. Consequently, the state endeavors to foster investment in the agricultural domain, beckoning capital and expertise from participants, private investors, and legal entities subject to Algerian law through concession contracts.

Based on the foregoing, we highlight the study and analysis of the legal difficulties faced by investors in converting permanent usufruct into a concession due to the apparent contradiction between the law and certain practical instructions and notes which sometimes result in the loss of their rights.

The significance of this topic lies in the fact that agricultural land owned by the state holds considerable importance for successive governments. It touches upon a sensitive and active sector that plays a pivotal role in driving the country's economic wheel, contributing to achieving self-sufficiency and food

security. My choice of this topic is driven by both personal reasons and objective considerations.

*** Personal reasons**

My interest in agricultural law in general stems from my full realization that the future of nations lies in their food security. Countries that eat what they do not produce are vulnerable to all forms of colonization. On the other hand, I want to contribute through this research paper to finding some solutions to the problems that this topic raises in practice, to help in the success of this mechanism that the government is betting on today and is trying hard to achieve its developmental and economic goals.

*** Objective reasons**

This subject stands as one of the most crucial topics in Algerian real estate law due to its significant economic, developmental, and social importance. Consequently, we will delve into all its legal facets, thoroughly examining the challenges that hinder the achievement of the desired state objectives. My exploration of the complications arising from the conversion of permanent usufruct into a concession contract is driven by a desire to propose solutions that contribute to economic development. The primary goal behind choosing this topic is my

understanding of the agricultural sector and its importance, compelling the government to work towards enhancing its legal framework for achieving self-sufficiency since independence.

Therefore, it was imperative for me, before delving into the concept of the concession contract and then the challenges it poses during the conversion of the permanent usufruct right into a concession contract, a higher requirement was to enter into the definition of the concession contract and to indicate all the procedures and stages at which the permanent right of use is converted into a concession contract and how it is waived, in addition to the repercussions and the process of termination, then delving into the challenges it poses during contract execution, excluding judicial disputes, as it is a complex matter to elaborate. I encountered significant difficulty in comprehending the legal texts and their regulatory counterparts due to their ambiguity and occasional contradictions with instructions and administrative memoranda that are supposed to assist in law application. Despite this, I carefully selected all necessary information, sought to understand all facets of the subject, proposed some solutions and recommendations.

Based on the provided data, we present the following challenges:

*** What is the concept of the process of converting a permanent usufruct into a concession right and do the problems raised about it prevent the advancement of agricultural development in Algeria?**

The nature of the topic determines the approach to be followed in the study. Given that our research focuses on legal texts, decisions, administrative instructions, and a set of specialized books, the descriptive and analytical methods are the most suitable for addressing this subject. To thoroughly examine the topic from all its aspects in an organized and sequential manner, I have divided it into the following two sections: First, I touched upon the agricultural concession contract, in which I devoted two requirements to the concept of the agricultural concession contract. The second requirement concerns the provisions of the agricultural concession contract. As for the second section, I dedicated it to studying the problems related to the execution of the agricultural concession contract, which I divided into two demands. The first addresses the issues related to the members of the investors within the framework of Law 87/19, and the second pertains to

the beneficiaries under contracts relinquishing the right of permanent usufruct.

The first topic: Understanding the essence of the agricultural concession agreement.

Algeria has established, through new legal and agricultural policy texts, a framework aimed at revitalizing and developing the agricultural investment sector. This effort has contributed to propelling the wheel of economic development and achieving food security. The Algerian legislator, by adopting the concession as a model for exploiting agricultural land owned by state private property, has effectively opened the door to agricultural investment, as reflected in Law 10/03. In this section, we will delve into the concept of the agricultural concession contract.

The first requirement: Definition and Nature of the Agricultural Concession Contract

The legal system has defined the concept of concession with various interpretations. In the civil law framework, it is addressed under Articles 999-1001, denoted as the "right of concession." This concept, both in definition and application, distinguishes itself from the administrative notion of concession, serving as a tool for managing public

facilities. It also differs from the investment law's concession contract and its various applications in real estate law, specifically granting industrial, touristic, and agricultural properties to investors (Aziz, 2019, p. 92).

Therefore, it is one of the methods established by the Algerian legislator to manage state-owned properties. Given its advantages, it proves to be a suitable and favorable option for investment, contributing to the development of the agricultural sector. To define the concept of the agricultural concession contract, we will delve into its definition, extract its legal nature, and highlight its legal nature and characteristics.

*** The first Section: Definition of Agricultural Concession**

Concession is a contract through which the granting authority allows an individual the right to exploit agricultural properties for a specified period in exchange for an annual fee (Law 08-16). The Algerian legislator has adopted similar elements in this definition and has defined the agricultural concession contract through Law 10/03. It is defined as a contract through which the state grants a natural person of Algerian nationality, referred to in the text as **the concessionaire investor**, the

right to exploit state-owned agricultural lands and the connected surface properties. This is based on specified conditions set forth by regulation for a maximum period of (40) years, renewable, in exchange for an annual fee. The determination, detailing, and allocation of this fee are regulated by the Finance Law (Rafik, 2017-2018, page 37).

Second Section: Nature of the concession contract

Based on the above legal definition; it becomes evident that the concession contract is an administrative decision taking the form of an administrative contract. The concessionaire has the right to exploit state-owned agricultural land for a specified period under the contract while retaining ownership of supervision and oversight in favor of the state, represented by the National Office of Agricultural Lands.

Third requirement: the characteristics of the concession contract

A concession contract is an in-kind right granted by the state to every natural person of Algerian nationality for a period of forty years renewable in exchange for payment of an annual royalty. Therefore, it has a set of features that distinguish it from others, and by extrapolating from the regulated legal texts, we

have shown that it is characterized by the concession contract that it has five characteristics that we draw from the above analysis, namely.

The first section: fixed term

By extrapolating the previous Law No. 87-19 dated 08-12-1987 on peasant investments (repealed) (87/19, 1987), according to which the state granted the peasants the right of permanent use for a period of 99 years, which resulted in many problems at the judicial level due to the permanent control of the peasants over this right, which made the state owner lose control in the right of ownership of its land, it turns out that the legislator under the concession law remedied the matter so that the state could better extend its control, and this by reducing the period to forty years, which is reasonable and specified in forty renewable years .

The second section: removable

Analyzing the provisions of the above-mentioned law 10/03, it turns out that the concession contract has a second advantage in that it is transferable, that is, the beneficiary's share of the agricultural concession right can be transferred to his heirs, as the law granted the heirs a period of one year starting from the date of death of their inheritor in order to settle their status.

Moreover, they have the right

to collectively choose one among them to represent and undertake their rights and obligations in the investment, while adhering to the provisions of family law in cases involving minors. They also retain the right to waive their inheritance share for compensation or gratuitously to one of them under the conditions specified in this law. However, after the expiration of one year and upon the heirs not claiming their rights, their legal entitlement in that regard expires (Rida, 2017/2018, page 214).

The third section: renounceable

The investor who owns the concession may assign his share, but he is not free to do so, but he is obligated to notify the National Office of Agricultural Lands, specifying the amount of the transfer and the identity of the prospective recipient of the concession. Other members of the investor are entitled to exercise the right of invalidity and if they refrain from doing so, the National Bureau of Agricultural Lands may exercise its right to do so. If neither the Bureau nor the other members of the investor choose to exercise the right of invalidity, the Bureau authorizes the concessionaire investor to continue to waive his right to concession to others (Ali, 2013, p. 173). This transfer holds significant

importance due to its association with the dynamism of the real estate market and the preferences of numerous private investors and other legal entities subject to the investment laws governing this critical sector (Mohammed, 2011/2012, page 70).

The fourth section : Mortgagable

The law enabled the owner of the concession contract to pledge the usufruct specified in the law for the benefit of the loan bodies for a period not exceeding the term of the concession contract. (Al-Aziz, investing agricultural real estate through franchising, 2019) he can also get exploitation loans, this is to encourage investment and finance it for the agricultural investor and its modernization (Ali, 2013, p .175) since the share of the franchisee investor is mortgagable, it is subject to reservation.

The fifth section : bookable

The concession contract pertains to an inalienable right susceptible to encumbrance, which is a permanent usufruct right, and this is within the conditions set by law 10-03 and the civil and Administrative Procedures Law. However, if it comes to booking a collective peasant investor, the number of applicants for bidding must be the number of members of the peasant investor to be

sold, otherwise the collective peasant investor will turn into an individual in case the auction is tied to one person, and this contradicts the objectives of this law.

The third requirement: Provisions and effects of the concession contract

The concession right shall be granted only if conditions are met by the investor, the concessionaire, the real estate vessel and the place of the contract. A series of legal proceedings must also be carried out so that the permanent usufruct right can convert his right into a concession contract in accordance with the provisions of the law and arrange its legal effects. We will study these conditions, procedures, and their legal effects in the following:

The first section: Terms of award of a concession contract

The law defines a set of conditions, which we will discuss in the following.

firstly: Conditions to be met in the concessionaire investor

Under the Algerian law 10/03 the Algerian legislature grants the beneficiaries of the provisions of Act No. 87-19 the right to permanent access to a concession contract, provided that they hold a well-known official contract in the real estate

governorate or a decision by the governor. The beneficiaries of the provisions of this Act shall be excluded from persons who have acquired the peasant land mentioned in article 2 of the same Act or who have paid and transacted or acquired usufruct rights or surface property in violation of the legislative and regulatory provisions in force. (Kahil, 2013, 225- 2230 pages).

The law also stipulates that beneficiary of Algerian nationality whose nationality is established by the national identification card (Baghli, 2019, p. 4), but the legislator omits the category of naturalized persons.

It excludes persons found to have behaved dishonorably during the liberation revolution. However, it did not specify how it would be established and the mujahideen and the martyrs' rights would benefit from the concession on a priority basis over the persons mentioned in article 17 of the same law. Priority would be given to the remaining concessionaire investors of the multi-concessionaire agricultural investor, investors who are adjacent concessionaires in order to expand their investments, persons who have Scientific or technical qualifications and present projects to enhance and modernize agricultural enterprise (108, 2011).

Secondly: Conditions related to real estate

The legislator has defined the scope of the application of this law to agricultural lands belonging to state private property, which were previously subject to Law No. 87-19. We will divide the study into two parts: the first is agricultural lands belonging to state private property, and the second is the surface properties associated with them.

A- Agricultural Lands Covered by the Provisions of Law 10-03

This encompasses agricultural lands subject to the application of Law 10-03, including lands under self-management in agriculture, which were abandoned by cultivators during the period of independence. The lands fall under the jurisdiction of the National Fund for Agricultural Revolution and consist of four types of agricultural lands owned by the state and its local communities. This excludes areas designated for scientific experiments and agricultural lands nationalized under the name "Arsh." The Algerian legislator has also exempted lands designated for model farms conducting experiments, farms belonging to training and scientific research institutions, or those affiliated with the Institute of Development. Additionally, it

includes abandoned lands without heirs that emerged after the completion of the agricultural revolution process. The term also encompasses available agricultural lands, which refers to those lands belonging to state private properties and not subject to any legal system at the time of the concession application (Ali, 2013, page 166).

B- Surface Properties Associated with Agricultural Lands

The legislator added surface properties, which constitute a group of properties attached to agricultural investments, particularly buildings, crops, and irrigation facilities, to the properties covered by Law 10/03. Furthermore, the legislator prohibited their transfer and stipulated that the agricultural land subject to the concession contract must be affiliated with state private properties. It should not be designated for the management of public facilities and should not be located in one of the designated areas.

Thirdly: Conditions related to contract conclusion.

The legislator, within Law 10/03 and its executive decree, along with the attached specifications, has outlined a set of conditions that must be met by both the individual and the property for an applicant to be eligible to obtain a concession

contract. When all the specified conditions are met, the concession holder is granted the concession contract. This will be further elucidated in the second section.

The second section: the stages of converting the permanent usufruct right into a peasant concession right

The preparation of the concession contract involves several well-regulated stages, as stipulated by legal provisions within Law 10-03 and its executive decree. The process begins with the conversion of the permanent usufruct right into the concession contract, starting from the submission of the application within the specified legal deadlines. It then proceeds to the examination of the file, followed by the preparation, registration, and notarization of the contract. All these points we will present them as follows:

With the issuance of Law 10-03, the Algerian legislator specifies that the agricultural concession contract follows fundamental stages. This involves submitting an application file for the grant of the concession right, followed by its examination by the National Office for Agricultural Lands. Upon acceptance, the concession contract is prepared, and ultimately, the registration and notarization process

take place at the land registry. This applies to the category of beneficiaries under agricultural investments within the framework of Law 10-03. Additionally, a new category outlined by Article 17 of Law 10-03 is eligible to obtain the concession right on agricultural properties owned by state private properties.

Firstly: Converting the permanent usufruct right into a concession contract

The agricultural concession contract is granted to members of the agricultural investment who have benefited from the provisions of Law 87-19, and who have fulfilled their obligations without violation, under the provisions of Law 10/03. This occurs when they individually submit their applications to convert the permanent usufruct right into a concession right, meeting the specified conditions in Law 10-03, to the National Office for Agricultural Lands within 18 months from the date of the publication of this law in the official gazette (Kahil, 2013, pages 140-141). The application is submitted using a predetermined form provided by the administration, along with a legally specified file. In cases where the holder of the permanent usufruct right fails to submit their application after the

previously mentioned deadline, the National Office for Agricultural Lands issues initial notices to the concerned party or their heirs through a judicial record. After a month, these notices are reiterated, and if there is no response, the investor or their heirs are considered to have waived their rights. In such a scenario, the National Property Management, through legal means, reclaims agricultural lands and surface properties, granting the concession right in accordance with the provisions of this law. Additionally, Article 07 of Law 10-03 prohibits individuals who acquired usufruct rights in violation of the law, lost their usufruct rights, or had their benefits revoked by the governors from benefiting from the conversion procedures of the permanent usufruct right into the concession right.

After the National Office for Agricultural Lands examines the file in accordance with the conditions specified in the provisions of Law 10-03, as mentioned above, and attached in Annex Three to this decree, the file is then sent to the National Property Management for the preparation of the concession contract in the name of each investor (Kahel, 2013, page 141). However, if the study of the file requires additional information or verification of documents or facts

declared, the National Office for Agricultural Lands sends these files to a provincial committee chaired by the governor for further examination. If the mentioned file is accepted, the governor, along with the committee's minutes, forwards it to the National Office for Agricultural Lands for the legal formalities. If the file is not accepted, the concerned governor informs the individual through a reasoned letter, sending a copy of it to the National Office for Agricultural Lands, indicating the rejection of the concession. In this case, the concerned party has the right to appeal before the competent judicial authority (Kahel, 2013/2014, page 60).

The National Property Management prepares, in the name of each qualifying investor according to legal specifications, a contract for the conversion of the permanent usufruct right into a concession right. In the case of a collective agricultural investor, the concession contract is prepared for the benefit of each investor sharing the usufruct equally. When the file is submitted by a representative of the heirs, the concession contract is prepared jointly and in the name of all the heirs. The concession contract is then prepared in the name of each investor, jointly and with equal

shares. If the file is submitted by the heirs, an administrative contract is prepared jointly for the heirs, each according to their specified shares in accordance with inheritance laws.

The National Office for Agricultural Lands, after studying the file and the formalities of signing the specifications outlined in the provisions of Law 10-03 and included in Annex Three to this decree, sends this file to the National Property Management for the preparation of the concession contract in the name of each investor. Accordingly, the file is sent along with the signed specifications by the concerned party, the Director of the National Office for Agricultural Lands, and the State Property Director at the provincial level. This is done to initiate the preparation procedures for the concession contract, and it must contain, according to the template prepared by this administration, essential information such as the name, date of birth, and address of the investor holding the concession, the shares acquired in usufruct when applicable, the duration of the concession, the location and legal status of the land, as well as any built surface properties in the property inventory.

After preparing the concession contract by the State Property

Directorate for the province, it must be registered and notarized with the competent authorities, as the registration and notarization processes are interconnected. Article 08 of Law 10-03 has exempted the investor from the registration and notarization fees, and it is the State Property Administration that handles the registration and notarization of the concession contract (Kahel, 2013, page 163).

Finally, after the notarization process, the National Office for Agricultural Lands registers the agricultural investor in the Agricultural Investors' Card, which is held for this purpose. This is in accordance with Decision No. 404 dated June 16, 2011, concerning the Agricultural Investors' Card. Subsequently, a copy of the concession contract is handed over to the investor holding the concession right.

Secondly: The category of new investors benefiting from concession contracts

New investors are those who hold remaining concessions from agricultural investors with multiple concessions, investors with adjacent concessions for the expansion of their investments, and individuals with scientific or technical qualifications who propose projects to enhance

agricultural investments and modernize them. They are required to meet the same conditions specified in Law 87-19, which include being natural persons, Algerian nationals, and having no behavior hostile to the Algerian revolution.

Available lands are granted after receiving approval from the governor for candidates who have specified how their candidacy will be announced and the criteria for their selection. The National Office for Agricultural Lands announces the candidacy through widely published advertisements (2017, 2017). Subsequently, the applications are studied by a special committee chaired by the Director of the National Office for Agricultural Lands, in accordance with Executive Decree 10/326. However, referring to the appendix attached to Circular No. 1809, it is found that this committee is chaired by the governor or his representative. This committee evaluates the submitted project based on criteria related to the investment program, scientific and technical qualifications, financial capabilities, job creation, completion deadlines, seed and seedling production, and any other criterion suitable for the agricultural development program. After reviewing the files, the committee prepares a report

including a list of accepted candidates. Then, an individual decision is issued granting the concession right to the accepted candidate. The candidate, if necessary, prepares a plan to determine and delineate the boundaries with the assistance of a real estate expert engineer. Based on the committee's report, the Director of the National Office for Agricultural Lands signs a specifications book with the accepted candidate. This book is then sent to the State property Director in the province to prepare, register, and notarize the concession contract (2017, 2017).

The third section : Consequences of the Concession Contract

The concession contract results in a series of consequences for both parties involved, whether it be the state or the investor holding the concession right. We will address each of these points in detail through the following:-

Firstly: Rights and Obligations of the State

The state is the proprietor of the agricultural investments; therefore, the law grants it the right to protect its interests. On the other hand, it imposes obligations on the state for the benefit of the investor holding the concession right.

1- State Rights

We will enumerate the various rights of the state as follows:-

A- The Right of Oversight

The State, as the owner of the agricultural lands belonging to the state within the framework of agricultural investment, the state exercises the right of oversight through the National Office of Agricultural Lands. It conducts oversight on agricultural investments at any time to ensure that the activities conducted comply with the provisions of Law No. 10-03, the implementing regulations, and the terms of the specifications. This includes verifying whether the concessionaire effectively exploits the property, maintains its actual purpose, and does not sublease it covertly.

B- The Right of Preemption

The state exercises the right of preemption through the National Office of Agricultural Lands, which acts as the holder of the right to exercise preemption on behalf of the state. If a member of the agricultural collective or an individual within the investment entity wishes to transfer the concession right or if all heirs renounce their inheritance rights, the state has the right of preemption (Kahil, 2013, p. 120). However, the Law No. 10-03 grants priority in

exercising preemption to the remaining members of the agricultural investment entity, followed by the state in the second position (Sawsan, 2008/2009, p. 241). An exception exists for individual agricultural investors who have the primary right to exercise preemption, with the National Office of Agricultural Lands having priority in this case.

C- The Right to Unilaterally Terminate the Contract

The legislator has granted the administration the right to unilaterally terminate the concession contract if the investor fails to fulfill their obligations. This means that termination is legally enforceable while respecting a set of prior procedures for termination. These procedures include the observation of the violation by the National Office of Agricultural Lands and the issuance of a warning by the National Office of Agricultural Lands to the investor holding the concession, aiming to encourage compliance with the provisions of Law No. 10-03, the executive decrees, and the commitments agreed upon in the specifications and the concession contract.

With the granting of specific deadlines within the warning addressed to the investor, in case of

non-compliance with the imposed obligations, and following specific legal procedures, the investor is given warnings. Subsequently, an administrative decision is issued by the State Property Administration, ordering the administrative termination of the concession contract. Non-compliance with obligations includes changing the agricultural purpose of the lands or surface properties, failure to utilize the lands and surface properties within one-year, internal leasing of lands and surface properties, and failure to pay the fee for two consecutive years. To protect the investor holding the concession from arbitrary actions by the administration and safeguard their rights, the termination of the concession contract is subject to appeal before the competent judicial authority within a period of two months from the date of notification of contract termination by the National Office of Agricultural Lands (Al-Aziz, Agricultural Property Investment through Concession, 2019, page 169).

D- Reclamation of Connected Lands and Surface Properties

The legislator empowered the state, through the State Property Administration, to reclaim agricultural lands and surface

properties in various cases. These include the governor's revocation of the rights of investors or their heirs due to the rejection of applications for the conversion of permanent usage rights into concession contracts by the provincial committee. Additionally, in cases of failure to submit conversion applications within the legal deadlines specified in Law 10/03 and its executive decree, expiration of the legal term of the concession contract without renewal, or at the request of the concession holder before the expiration of the concession period, and violation by the concession holder of their obligations.

2- State Obligations

The legislator imposes burdens and obligations on the state towards the investor holding the concession, including:-

A- Granting Agricultural Lands Subject to the Concession Agreement

The law imposes a set of obligations on the state, compelling it to grant agricultural lands and the connected surface properties as the subject of the concession to investors.

2- Preparation and Delivery of the Concession Agreement

The transformation of the administrative contract, which includes the permanent usufruct, into

a concession agreement is prepared by the State Property Management Services. If the case involves a collective agricultural investor, the concession agreement is prepared for each investor in common and with equal shares. In the case of heirs benefiting from it, a concession agreement is prepared in common in the name of the heirs. However, there have been delays in delivering the concession agreements for various reasons, including.

Firstly: the presence of conflicts among members of the collective agricultural investor or the actions of some beneficiaries of agricultural investments in the permanent usufruct rights through informal relinquishment to farmers outside the members of the agricultural investor.

Secondly: the non-payment by members of the collective agricultural investor of the accumulated annual fees for the years preceding the date of the request for the conversion of the permanent usufruct rights.

However, the state addressed this issue by issuing instructions aimed at simplifying procedures and eliminating the requirement to settle the debts of agricultural investments related to annual fees. It also encouraged land surveyors to expedite the declaration of

concession contracts and prioritize this process. Each director of land survey departments in the province was instructed to complete the process of converting permanent usufruct rights into concession rights. This involved giving necessary priority in identifying investors, delivering plans to the relevant parties, and ensuring monthly follow-up within a card containing all information related to agricultural investments, whether existing, subject to recovery, or new. This includes the total areas involved, the number of land survey plans, and issued land survey extracts. All of this is intended to complete the process within the shortest possible time, allowing the State Property Administration to issue concession contracts within the legal deadlines. The state is obliged to prepare three original copies, and after completing the registration procedures, two copies are handed over to the provincial director of the National Office of Agricultural Lands, who retains one copy and delivers the second copy to the investor holding the concession after completing the registration formalities in the card for this purpose.

3- Compensation at the end of the concession contract: The state recovers the lands granted for the

concession and the surface properties associated with them in their current condition. This results in compensating the concerned concession holders for the surface properties, as determined by the State Property Administration. In cases where the investor fails to fulfill their obligations, compensation is provided for the surface properties with a deduction of 10% for repairs. In all cases, debts owed to the State Property Directorate, as well as tax and banking debts, are deducted from the compensation. However, the amount of compensation can be contested before the competent judicial authority. Additionally, it is necessary to determine the value of the surface properties connected to the land, subtract concession fees and encumbrances that may burden the agricultural investor, and the remainder becomes compensatory.

Secondly: Investor Rights and Obligations

Law 10-03 specifies the rights and obligations of the investor, as outlined in the terms and conditions attached to the concession contract. These include:-

1- Investor's Rights: the legislator has defined a set of obligations for the concession holder, which include the following:-

A- Right to Exploitation: the investor with the concession has the right to freely exploit the land and surface properties under their control for agricultural purposes, as long as it complies with the provisions of Law 10-03, its executive decree, and the terms and conditions. The investor is required to directly cultivate the agricultural lands by plowing and irrigating them to make them productive, utilizing all productive means to increase national production in the agricultural sector.

B- Transferability of the Concession Right: the agricultural cooperative investor continues to operate in the event of the death of one or more of its members. This does not lead to the cessation of the regular exploitation of the agricultural lands and surface properties subject to the concession. The legislator has given the heirs the choice between specific cases defined in Law 10/03. The heirs can choose a representative among them to manage the inheritance, taking responsibility for its obligations, considering the provisions of family law in the case of minors, inheritance representation with or without compensation, or renouncing their rights according to the law. The right to claim these rights lapses after one

year from the death of the deceased (Ali, 2013, page 175).

C- Concession mortgage: Granting the beneficiary of the agricultural concession the right to mortgage their share before financial institutions for a period not exceeding the duration of the concession agreement.

D- Right to Form an Agricultural Cooperative: Concession-holding investors have the right to establish an agricultural cooperative under an official contract (Law 96-459, 1996).

E- Exiting from the commune: the legislator allowed the individual agricultural investor to form an individual investment to exit from the commune, respecting the reference area for the agricultural investor, as stipulated (Law 97-490, 1997). The legislator specified two cases for exiting the commune:

First case: after obtaining the applicant's approval to form an individual investor following the consent of the collective investors through a certificate bearing the signatures of the members, allowing the applicant to exit the commune, a division plan is prepared amicably based on two reports by a real estate expert outlining the new investors. The applicant then submits the request to the Provincial Director of Agricultural Lands, who verifies the fulfillment of all conditions and

required documents in the file. After signing the conditions, the file is forwarded to the State Property Directorate for the province to prepare the new franchise agreement for the concerned investor and modify the franchise agreements of the other members for the investor.

Second case : the investor with the concession seeking to exit the commune may resort to the judiciary if the partner investors reject it. In this regard, the judge examines the request to establish an individual investor in accordance with the provisions of civil law, Law 10-03, and Executive Decree 97-490, which outlines the conditions for the partition of agricultural lands. Based on the judicial ruling approving the investor's request to establish their individual investment, the National Office of Agricultural Lands prepares a new set of conditions to be signed by the concerned investor. The file is then forwarded to the State Property Directorate to prepare a new franchise agreement for the investor and modify the franchise agreements of other members (Elias, 2020, p. 640).

6- The Right to Enter into a Partnership Agreement: the legislator grants the investor, the holder of the franchise, the right to enter into a partnership agreement.

We will delve into this in detail due to the practical issues it raises.

A- Definition of the Partnership Agreement: the legislator defines the partnership through Article 21 of Law 10/03, stating that the agricultural investor can enter into a partnership agreement, subject to nullification if not executed through an official and registered contract with natural persons of Algerian nationality or legal entities subject to Algerian law. All shareholders in the partnership must hold Algerian nationality. The notary responsible for drafting the agreement must notify the National Office of Agricultural Lands accordingly. Therefore, the partnership agreement entered into by the beneficiary of the franchise (the investor) conforms to the legal concept of a contract under the provisions of Article 416 of the Civil Code (Kahil, 2013, p. 173).

B- Nature of the Partnership agreement: the partnership contract, within the framework of this law, is not considered a lease, a transfer, or a symbolic sale of agricultural investment lands. Instead, it is an agreement in which each partner contributes a portion of the means of production with the aim of increasing, utilizing, and enhancing the production capabilities of the agricultural investment, including its

facilities. The franchise owner must contribute to the work within the agricultural investment (Samia, 2011/2012, page 95).

Thus, the partner in the partnership agreement is not a partner in the permanent usufruct right and is merely a contributor to the means of production and funds. The partnership is an agreement in which each partner, whether the original franchise owner or the new investor, contributes a portion of the means of production according to an investment program subject to the supervision of the National Office of Agricultural Land. The aim is to increase, utilize, and enhance the production capabilities of the agricultural investment, bringing it into the modern age. A condition is imposed that the original franchise owner contributes to the work of the new investor (2017, 2017). From this perspective, it can be deduced that there are two contracts. The first contract is the original one concluded between the state and the franchise owner, establishing the real property right. As for the second contract, which the investor, as the franchise owner, concludes with the partners, it revolves around the material production resources and funds. Therefore, it pertains to transferred funds or funds designated for serving

the property, making it a dedicated property. Hence, the partnership contract can be considered different in terms of its parties and what it revolves around compared to the franchise agreement, rendering it entirely distinct (Al-Rahman, 2018).

C- How to prepare a partnership contract : Drafting a Partnership Agreement for Agricultural Investment, whether individual or collective, in accordance with Article 20 of Law 10/03. In this regard, individual partnerships in collective investments are excluded if the owners cannot obtain approval to withdraw from the commonality. This is because the contracting authority is reserved for the agricultural investor, considering that they have full legal capacity for stipulation, litigation, commitment, and contracting in accordance with civil law provisions. As for collective investors, a partnership agreement cannot be concluded for each individual investor independently. It must be concluded collectively to avoid clear contradiction with the considerations of Articles 20 and 21 of the law. Regarding the investing partner, certain legal conditions must be met, as highlighted by Sufian (2021, page 261), including being of Algerian nationality. The partner entering into the agreement with the

franchise holder must be a natural or legal person with Algerian nationality subject to Algerian law according to Article 21 of Law 10/03. The partnership agreement is signed with the investing partner, the franchise holder, in the case of the individual investor. As for the collective investor, the signing authority lies with the investor, provided they have official authorization.

C- Determination of contribution ratios: Forging the partnership is done with due respect to the specified participation ratios under the provisions of Article 62 of Decree No. 09-01 dated July 2009, which encompasses the Supplementary Finance Law for the year 2009. The contribution ratios, participation method, and profit sharing are valued at a percentage of 34/66% (2009, 2009).

D- Notification from the National Office for Agricultural Lands: The drafting notary of the partnership agreement must inform the National Office for Agricultural Lands immediately upon concluding the contract. It is the responsibility of the Office to verify through the partnership agreement that its subject matter does not pose a risk to the conversion of agricultural use and surface properties. In the event of non-compliance with the agreement

during the exploitation process, the Office has the authority to terminate the partnership contract.

F- Official Notification: In accordance with Law 10/03, a partnership agreement is a formalized contract that adheres to the legal formalities required under the provisions of Article 324 of the Civil Code. Therefore, the notary who drafts the contract must explicitly mention, under the penalty of nullity, all the formal conditions stipulated by the legislator in the text of Article 26 of Law 10/326. This law outlines the procedures for implementing the right of privilege on agricultural lands belonging to state-owned private properties.

E- Procedures for Registration and Notarization: The notary, after drafting the partnership agreement, is obligated to register it with the Registration Authority. However, it is noteworthy that financial laws enacted after 2010 did not include any provisions specifying the fee for this contract. The notary is also required to complete notarization procedures, as defined by Article 21 of Law 10/03, under the penalty of contract nullification.

It has become apparent that partnership agreements pose several challenges in practical terms, leading many notaries to refrain from

entering into such agreements. This hesitation is due to potential legal repercussions, highlighting the lack of clarity in legal texts and the inconsistencies between legal provisions, instructions, and memoranda. Specifically, the notarization of the partnership contract faces practical issues and legal disputes arising from ministerial joint instructions and directives issued by the General Directorate of National Properties and the National Office for Agricultural Lands.

These directives make notarization non-mandatory, as seen in Instruction 01044 dated January 2018. Additionally, the appendix concerning the implementation procedures of the privilege right established by Law No. 10-03 dated November 15, 2010, and Ministerial Joint Order No. 1809 issued on December 5, 2017, interprets the notarization mentioned in Article 21. The term "notarization" here does not refer to real estate notarization conducted at the land registry but involves registering the contract in the official local announcements bulletin since it does not affect a real estate right. The latter is reserved for the governor and the recommendations of the Provincial People's Council, in accordance with Article 120 of the Provincial Law.

Furthermore, considering the notary's national jurisdiction, the concept does not align. If the intention is to publish in the commercial registry for advertisements, this is not possible as this pertains to civil, not commercial, matters.

Adhering to the principle that "there is no interpretation beyond the text," notaries have refused to prepare these contracts, especially since the directives issued by the General Directorate of National Properties or the National Office for Agricultural Lands are not admissible in court.

Regarding the second issue related to participation ratios, the management by investors holding the privilege is direct and personal, as stipulated by Article 22 of Law 10/03 and Article 26 of the executive decree. Joint Ministerial Order 1809 issued on December 5, 2017, specified the participation ratios according to the Supplementary Finance Law for the year 2009, especially Article 62, setting the contribution ratios, participation method, and profit sharing at 34/66%. However, it was supposed to grant the investors the authority to manage and make decisions with a participation ratio not less than 51% (Rahman, 2018, page 14).

The third problem is related to contract drafting. The notary is committed to preserving the contracts they draft or receive for deposit and ensuring compliance with the legal procedures, including registration, announcement, publication, and notarization within the specified legal deadlines. However, the notary's official role alone is not sufficient for the contract to take effect. Post-notarization procedures are beyond the notary's authority and are controlled by administrative bodies. These procedures are regulated by administrative regulations that often contradict the law. While these procedures do not rectify a defective contract or cleanse an encumbered property, their purpose is mainly fiscal or informational. Nevertheless, the law stipulates that the failure to complete these procedures renders the contract ineffective. Therefore, resorting to official channels may not achieve the desired results.

In essence, the notary is only bound by the law, but adherence to administrative regulations to ensure the effectiveness of the contract is essential in practice. However, problems arise if these regulations violate the law or if their interpretation is incorrect, becoming a primary reason for notaries refraining from entering into

partnership contracts. Consequently, interested investors in agriculture miss opportunities to invest their funds, impacting the utilization of agricultural land as legally outlined.

7- The Right to Construction within the Agricultural: The investor, holder of the privilege, has the right to undertake any necessary development or construction for optimal utilization of the lands, while ensuring compliance with the legislative and regulatory procedures as stipulated. This is subject to obtaining prior authorization from the National Office for Agricultural Lands (ONA).

8- The right to acquire more than one privilege right: The investor, holder of the privilege, is allowed to acquire multiple privilege rights, provided that they form a contiguous parcel and do not exceed ten times the maximum reference area.

Secondly: Investor Obligations - The legislator imposes the same obligations as those mandated by the repealed Law 87-19, with the exception of the commitment to pay royalties, which was not included in the previous law.

1- Direct and Personal Exploitation by the Investor

The investor, holder of the privilege, is required to directly and personally manage the agricultural

investment. In the case of a collective investor, they must, through a non-binding agreement, determine their internal relations, including the appointment of the representative of the agricultural investor and the method of participation for each, in the operations of the agricultural investment, as well as the distribution and utilization of the revenues.

Utilization of Agricultural Lands and Preservation of their Agricultural Purpose:

The investor holding the privilege is obligated to fully utilize the land classified as agricultural or with an agricultural purpose and refrain from using it for non-agricultural purposes. The investor is also prohibited from using the buildings for purposes other than those designated for them or leasing them (Ali, 2013, page 175).

3- Payment of Annual Royalties

The concession is a contract through which the state grants a natural person of Algerian nationality, referred to as the investor, the right to exploit agricultural lands and the surface properties connected to them that belong to state-owned private properties for a period of 40 years, renewable, in exchange for the payment of royalties. Article 02 of Executive Decree No. 12-124 (2012, 2012), which determines the

agricultural potential zones used as the basis for calculating the royalties for state-owned properties under the privilege right, specifically mentions the areas with agricultural potential.

4- Commitment to Procure Insurance

The investor holding the privilege is required to procure an insurance contract. Additionally, the investor may obtain assistance under the National Solidarity program in the event of disasters or unforeseen risks, especially in cases where the investor does not insure against such catastrophes (95/07, 1995):-

Finally, the privilege contract concludes either by natural expiration at the end of the legally defined 40-year term for the agricultural privilege contract, if not renewed, or in an unconventional manner if the privilege holder violates their obligations. There are two scenarios (Ahmed, 2020, page 33):-

In professional translation, it is required, upon the request of the concessionaire before the expiration of the concession period, to terminate the concession by the investor's request for pre-termination. This termination should be requested through a notice, and the notice period should be one year. Alternatively, the termination can be initiated by the management, and the

termination is carried out by the State Property Directorate without resorting to the judiciary, at its sole discretion due to the investor's breach of obligations. This is after notification from the National Office of Agricultural Lands of the concessionaire's non-compliance following his excuses and the expiration of the excuse period. As a result, the lands and surface properties will be reclaimed, and the state has the right to reclaim the lands after terminating the contract on the basis of being the owner of the land. The concessionaire will be compensated for surface properties and property rights arising from the concession contract, and the concessionaire has the right to appeal the compensation before the judiciary specified by the State Property Directorate. In case of the concessionaire's breach of obligations, 10% of the specified compensation will be deducted to cover damages. According to Article 27 of the law, the compensation for surface properties will be burdened with all debts and mortgages undertaken by the concessionaire as excellent collateral in accordance with the provisions of civil law.

Second topic : Challenges Related to the Agricultural Concession Contract Process

The conversion of the perpetual usufruct right into an agricultural concession poses numerous challenges for members of agricultural investment, whether for original members under Law 19/87 directly or those who benefited from its exploitation through processes of relinquishing the perpetual usufruct right, as per the ministerial joint directive issued in 2002.

The first requirement: Challenges Related to Original Members of the Agricultural Investment under Law 87/19

The provisions of Law No. 19/87 granted provincial decisions to beneficiaries for the exploitation of agricultural lands, pending the issuance of officially registered administrative contracts. However, this has not been realized for all members of agricultural investments. Consequently, the Agricultural Lands Directorate found itself dealing with two categories of agricultural investors: one with officially registered administrative contracts and another utilizing agricultural investments based on provincial decisions. This situation has led to challenges that manifested as follows:-

First Section: Challenges Faced by Beneficiaries Under Officially

Registered Administrative Contracts

The group of beneficiaries under officially registered administrative contracts encountered several challenges while submitting their files for the conversion of their perpetual usufruct rights into concession contracts. The most notable of these challenges include:-

First: Beneficiaries Under Administrative Contracts under Law 87/19

The category of beneficiaries under administrative contracts faced numerous challenges, two of which are mentioned here as illustrative examples due to their significance:-

1- Surface Properties

The Law 03/10 obliges holders of administrative contracts to submit requests for the conversion of usufruct rights into concession rights at the Agricultural Lands Directorate. These contracts must meet both formal and substantive conditions, including specifying the properties being relinquished and the sale amount for these properties (Kahil, 2013, p.17). However, issues arise concerning the properties relinquished and the amounts paid by beneficiaries for their purchase. Under Law 19/87, the state granted members of agricultural investments ownership rights over all properties

comprising the assets of the agricultural investment, excluding land. After members of agricultural investments paid the value of these properties, the legislator reversed this in the Agricultural Concession Law. The legislator granted concession rights over both agricultural land and surface properties without providing any compensation for the surface properties purchased by many members of agricultural investments under Law 19/87. This constitutes a violation of the principle of acquired rights. As members of agricultural investments now have ownership rights over surface properties, many entered into lease agreements. However, with the enactment of Law 03/10, many lease contracts that have not yet expired are considered a breach of contractual obligations and are deemed, under Law 03/10, as an undisclosed lease.

2- Payment of the fee

The Law 87/19 mandates agricultural investors to pay an annual fee, and failure to do so may be considered a breach of contractual obligations by the investors. However, in reality, many agricultural investors have not fulfilled these payments, arguing that under Law 19/87, agricultural investors are considered civil companies. As legal entities, they are

responsible for settling debts with creditors rather than individual partners. Consequently, legal proceedings cannot be pursued against the partners, hindering the collection of these fees.

The second section : Beneficiaries under administrative decisions

The legislator grants administrative decisions to owners of agricultural investments, which serve as licenses for the exploitation of state-owned agricultural lands until the issuance of registered administrative contracts. These decisions confer only personal rights, and their holders are not entitled to benefit from the privilege. However, the legislator allows them to submit their files to the Agricultural Land Office, treating them similarly to holders of administrative contracts. This accommodation is made because the failure to fulfill the payments is often not the investors' fault but rather a result of administrative issues, such as the absence of survey plans or the failure of the Agricultural Services Directorate, which was responsible at the time, to forward their files.

The provincial administrative decision has raised several issues, two of which will be addressed, relating to the death of the holder of the provincial decision (Kahil, 2013, page 39):-

1- The administrative decision granted to the deceased, allowing them to exploit state-owned agricultural land until the issuance of an administrative contract, grants them personal rights that are not inheritable. At this stage, the right of use is directly granted to the deceased's wife, excluding other heirs. This has led to disputes, especially in cases of polygamy, where the right of use is granted to the wife of the deceased provincial decision holder, while the children of the second wife are deprived.

2- As an exception to the idea that administrative decisions have personal effects, the legislator has granted heirs of the deceased provincial decision holder the right to benefit from the privilege. They are allowed to submit the inheritance contract and the power of attorney signed by all heirs without exception. However, this was later addressed due to conflicts among heirs, as many refused to sign, relying on the signatures of the majority of shares only, according to the inheritance contract, to facilitate the process of obtaining privilege contracts.

The second demand: Beneficiaries under permanent usufruct transfer contracts

Law No. 19/87 grants beneficiaries of agricultural

investments the right to transfer their permanent usufruct rights, but the legislator delayed issuing the implementing texts. This created room for actions contrary to the law, such as transferring these rights through informal agreements. However, as the situation worsened, Joint Ministerial Instruction No. 07 was issued on 15/07/2002, aiming to clarify the general conditions governing such transfers (15/07/2002, 2005). Subsequently, notaries were authorized to draw up contracts for the transfer of permanent usufruct rights, resulting in two types of notarized contracts – some registered at the Real Estate Department and others unregistered – before being suspended on 18/01/2005, raising various issues.

The first section : Beneficiaries under notarized registered contracts

Beneficiaries under notarized registered contracts can transfer their permanent usufruct rights, including properties or surface estates. However, our field study of this matter revealed several issues that could impede the process of converting permanent usufruct rights into privilege rights.

1- Waiver

Law No. 19/87 incorporates the principle of waiving the right of

usufruct, including properties forming part of the agricultural investment. Subsequently, the aforementioned Joint Ministerial Instruction No. 07 was issued to clarify the general conditions governing waivers. It outlined the content of real property rights, including the right of permanent usufruct over all lands comprising the investment, ownership rights over all properties forming part of the investment (surface estates) within the scope of Law 10/03, and rights related to residential premises.

As stipulated in the instructions, the buyer must be Algerian and have the status of a worker in the agricultural sector, evidenced by a certificate of affiliation to the Social Security Fund or a certificate confirming agricultural training received from the training institution. Additionally, the buyer should not hold the right of usufruct in more than one agricultural investment and must obtain approval from the other members in case of a collective agricultural investment.

However, in practice, other means not specified in the ministerial instruction were employed and accepted by notaries, such as the farmer's card, which opened the door to manipulation. The instruction also specified other conditions, including determining the value of the usufruct

right, set at 60% of the actual value of the real estate unit. Due to the lack of regulation on property valuation in Algerian legislation, these conditions were not effectively adhered to in reality. Consequently, transfer transactions were carried out for minimal amounts. Therefore, the holder of the notarized and registered contract has the right to benefit from the privilege, given the transfer of the real property right represented by the right of permanent usufruct, in accordance with the provisions of Law 19/87 (2017, 2017).

2- Death of the Waiver Beneficiary

Legal actions affecting real property rights, including waivers based on formally documented contracts not yet registered, are transferred to the beneficiary from the date of death, deviating from the general rule regarding the transfer of real property rights from the date of their registration at the real estate level (74/75, 2018).

Second section : Beneficiaries under Unlawful Waiver Contracts

The freezing of the waiver of permanent usufruct rights (01, issuance of Instruction No. 01 by the Prime Minister on 18/01/2005, which suspended the waiver of permanent usufruct rights, 2005) - a vital measure contributing to the continuity of agricultural investments

- led to unlawful situations, such as unregistered waiver contracts and informal agreements resulting in disputes at the court level.

Firstly, Unregistered Notarized Waiver Contracts

Contracts related to the waiver of permanent usufruct rights that were not registered before the suspension of waiver operations due to the reluctance of real estate conservators to register them were deemed invalid. This was based on the notion that administrative decisions establish personal rather than real rights. However, this caused harm to the beneficiaries of the waiver as some fraudulent farmers insisted on their right to reclaim the waived permanent usufruct due to the absence of registered waiver contracts. In response to their requests, they were reinstated as beneficiaries in these agricultural investments at the expense of the original beneficiaries. The only recourse left for these individuals was to claim compensation based on unjust enrichment, attempting to recover the financial amount equivalent to the value of the waived usufruct right. Subsequently, they requested an expert opinion to assess the investments they made in the agricultural investment, a request that some judges responded to.

However, Ministerial Joint Instruction No. 654, dated September 11, 2012, addressed this issue. It allowed those who waived their permanent usufruct rights through an unregistered notarized contract at the real estate level to obtain a privilege contract if the conditions of the waiver were met. In case of a judicial dispute, the conversion of permanent usufruct rights into privilege rights is deferred until the legal authorities issue a final decision.

Secondly, Informal Waiver Contracts

Ministerial Joint Instruction No. 654, dated September 11, 2012, addressed informal contracts related to waivers, despite their legal invalidity. The instruction proposed settling such cases by confirming acquired rights, provided that these contracts meet the conditions specified in Laws 19/87 and 03/10. Otherwise, a decision could be issued by the governor rejecting the file, subject to appeal in court. The process of converting usufruct rights into privilege rights is also postponed in cases of judicial disputes until a final court judgment is issued (2012).

*** Conclusion**

The legislator has adopted a new approach represented by the franchise contract as an alternative to the permanent usufruct right within

the framework of the principles related to real estate guidance law. It has set goals aimed at empowering the agricultural sector as a strategic sector with the necessary financial resources to realize and implement plans and programs and ensure the sustainability of agricultural investments.

The introduction of franchise rights for trading through concession, partnership, and other methods works to attract investment, support farmers, and thereby drive the country's economic development. However, the Algerian legislator, in choosing to transform the permanent usufruct right into a franchise contract, has faced challenges in realizing the desired expectations in utilizing this system effectively. This is evident in the legal cases before the judiciary and the delays witnessed in this process for various reasons, summarized as follows:-

1- Delays in the examination of files at the Office of Agricultural Lands due to disputes and cases of non-response by the heirs of members of agricultural investments, leading to continued operation in agricultural investment without addressing the resulting problems.

2- The franchise system has introduced various issues in practice, prompting those involved to rely on

instructions to resolve challenges, even though these instructions often contradict the legal text due to the deficiencies in Law 10/03 and its executive decree.

3- Heirs of beneficiaries often delay initiating the process of converting the permanent usufruct right into a franchise contract, leading to missed opportunities and legal disputes over their rights.

To address these challenges, a joint ministerial instruction, No. 654 dated September 11, 2012, aimed at securing more farmers and encouraging optimal utilization of infrastructure and vast areas with confirmed production capabilities. Despite this, several files remained pending at the level of state committees, leading to the amendment of the joint ministerial instruction No. 654 with the joint ministerial instruction No. 1808 dated December 5, 2017, to overcome obstacles and ensure the continuity of the agricultural sector.

It is suggested that the success of this mechanism requires further amendments to the law, addressing its shortcomings. This will contribute to the reorganization of the agricultural sector under state-owned properties and the preservation of agricultural land from fragmentation while maintaining its agricultural character.

Therefore, several recommendations are proposed:-

- 1- Amend the texts related to concession by adding articles related to concession through customary documentation/non-registered contractual agreements, and abandon the instructions to avoid administrative discrepancies.
- 2- Explicitly allow holders of regional decisions to benefit from franchise contracts.
- 3- Introduce detailed regulations for partnership contracts, explicitly stating that partnership contracts are not subject to registration.

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