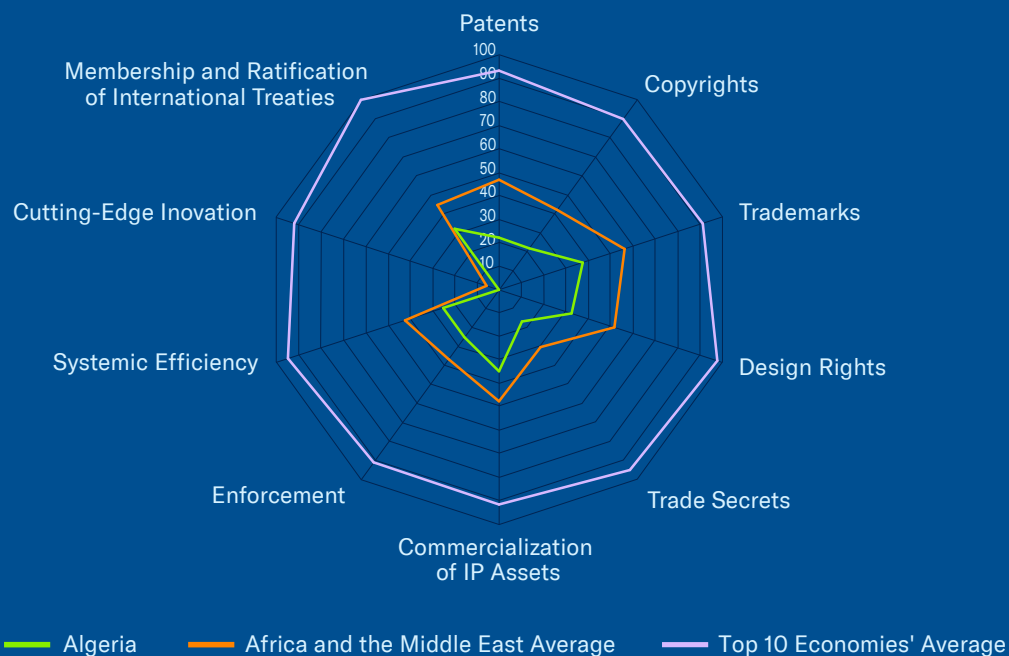


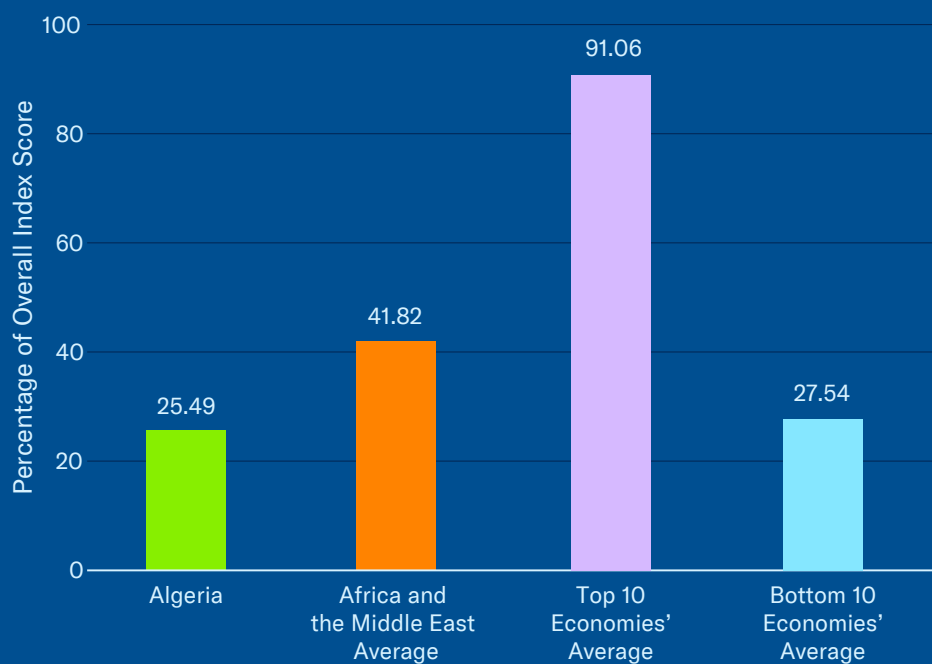
Algeria

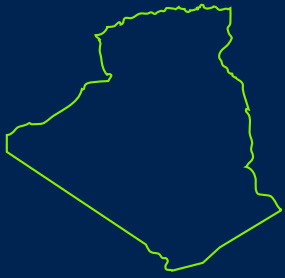
Rank
53/55

Category Scores



Overall Score in Comparison





Algeria

Rank
53/55

Key Areas of Strength

- Finance Law 2023 introduced new R&D-specific tax incentives
- 2022–2023 judicial reforms and the introduction of new “specialized commercial courts”
- Reforms in 2019 and 2020 removed the 51% to 49% local ownership rule and could amount to a sea change in Algeria’s openness to
- Basic framework for IP protection in place
- Contracting party to WIPO Internet Treaties, Patent Cooperation Treaty, Patent Law Treaty, and Madrid Protocol

Key Areas of Weakness

- No special IP incentives for orphan medicinal product development
- Historically a difficult localization policy environment with import substitution, bans, and local ownership requirements; 2021 Finance Law appears to reinstate some of these requirements
- Continued lack of clarity on local ownership
- Weak patenting environment with basic rights missing
- Major holes in copyright framework; limited coverage and applicability of the existing framework to the online environment
- High piracy rates
- Not a WTO member or TRIPS signatory

Indicator	Score	Indicator	Score
Category 1: Patents Rights and Limitations		Category 7: Enforcement	
1. Term of protection	1.00	29. Direct government intervention in setting licensing terms	0.50
2. Patentability requirements	0.00	30. IP as an economic asset	0.25
3. Patentability of CILs	0.00	31. Tax incentives for the creation of IP assets	0.33
4. Plant variety protection	1.00	Category 8: Systemic Efficiency	
5. Pharmaceutical-related enforcement	0.00	32. Physical counterfeiting rates	0.32
6. Legislative criteria and use of compulsory licensing	0.00	33. Software piracy rates	0.18
7. Pharmaceutical patent term restoration	0.00	34. Civil and precedural remedies	0.25
8. Membership of a Patent Prosecution Highway	0.00	35. Pre-established damages	0.25
9. Patent opposition	0.00	36. Criminal standards	0.25
Category 2: Copyrights and Limitations		37. Effective border measures	0.25
10. Term of protection	0.53	38. Transparency and public reporting by customs	0.25
11. Exclusive rights	0.25	Category 9: Cutting-Edge Innovation	
12. Expeditious legal remedies disabling access to infringing content online	0.00	39. Coordination of IP rights enforcement	0.50
13. Cooperative action against online piracy	0.00	40. Consultation with stakeholders during IP policy formation	0.00
14. Limitations and exceptions	0.50	41. Educational campaigns and awareness raising	0.50
15. TPM and DRM	0.00	42. Targeted incentives for the creation and use of IP assets for SMEs	0.25
16. Government use of licensed software	0.25	43. IP-intensive industries, national economic impact analysis	0.00
Category 3: Trademarks Rights and Limitations		Category 10: Membership and Ratification of International Treaties	
17. Term of protection	1.00	44. IP incentives for orphan medicinal product development	0.00
18. Protection of well-known marks	0.25	45. IP incentives for orphan medicinal product development, term of protection	0.00
19. Exclusive rights, trademarks	0.25	46. Restrictions on the effective use of existing IP incentives for orphan medicinal product development	0.00
20. Frameworks against online sale of counterfeit goods	0.00	Category 10: Membership and Ratification of International Treaties	
Category 4: Design Rights and Limitations		47. WIPO Internet Treaties	1.00
21. Industrial design term of protection	0.40	48. Singapore Treaty on the Law of Trademarks and Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks	0.50
22. Exclusive rights, industrial design rights	0.25	49. Patent Law Treaty and Patent Cooperation Treaty	0.75
Category 5: Trade Secrets and the Protection of Confidential Information		50. Membership of the International Convention for the Protection of New Varieties of Plants, act of 1991	0.00
23. Protection of trade secrets (civil remedies)	0.25	51. Membership of the Convention on Cybercrime, 2001	0.00
24. Protection of trade secrets (criminal sanctions)	0.25	52. The Hague Agreement Concerning the International Registration of Industrial Designs	0.00
25. Regulatory data protection term	0.00	53. Post-TRIPS FTA	0.00
Category 6: Commercialization of IP Assets			
26. Barriers to market access	0.25		
27. Barriers to technology transfer	0.25		
28. Registration and disclosure requirements of licensing deals	0.50		

Percentage of Overall Score: 25.49%

Total Score: 13.51

Spotlight on the National IP Environment

Past Editions versus Current Score

Algeria's overall Index score has increased from 13.18 out of 50 indicators in the twelfth edition to 13.51 out of 53 indicators. This reflects a score increase for indicator 31.

Area of Note

As noted over the course of the Index, the bulk of Algeria's IP laws are almost a quarter of a century old and predate modern globalization and the advent of the knowledge-based economy. Consequently, Algeria's national IP environment lacks many fundamental IP rights and incentives: Patentability standards continue to be outside of international norms, especially for biopharmaceuticals and CILs; the protection of copyright remains underdeveloped and ill-suited to the challenges of the internet era; levels of physical and online counterfeit goods remain high; and relevant enforcement mechanisms are weak and nondeterrent. Rightsholders also face basic challenges with respect to technology transfer, licensing the use of IP assets, and the commercialization of IP assets. In a positive development, recent reports suggest that the Algerian Government is considering reforming its legal framework. At the time of research, no new laws had been enacted or been made available for public comment.

Since 2015, the Index has included a *Statistical Annex*, which investigates a series of correlations that examine the relationship between the strength of national IP environments, as measured by the Index scores, and different types of economic activity, including rates of R&D spending, innovation, technology creation, and creativity.

As the economic data and analysis of the *Statistical Annex* and the experiences of other economies strongly suggest, IP rights and incentives are the fundamental building blocks for innovation and advanced economic development to take place. For all economies—emerging and developed alike—what drives innovation, technological advances, and ultimately economic development and growth is the creation of new forms of intangible assets and IP. Covering 53 indicators across 10 separate categories, the Index has for a decade provided a clear model for the type and strength of IP rights that international innovators, creators, and rightsholders need to be able to fully develop and commercialize their ideas and products. As the Algerian Government pursues a program of national IP rights reforms, we would encourage it to use the findings of the Index and accompanying *Statistical Annex* as a guide in 2025 and beyond.

Commercialization of IP Assets and Market Access

31. Tax incentives for the creation of IP assets: Historically, Algerian tax law has not offered any R&D-based or IP-specific incentives. Standard tax deductions have been available for qualifying expenditure up to a cap of DZD100 million (about \$750,000). Special incentives, including exemptions from income and corporation tax, have traditionally been in place for industrial production, but these have been general and not aimed at high-tech or IP-intensive industries. This changed with the 2023 Finance Law, which introduced a new R&D specific incentives regime and enhanced the existing standard deduction by doubling it to DZD200 million or 30% of qualifying profits. Specifically, the new law allows qualifying entities to deduct any expenditure to companies registered and operating under the “open innovation” program.

As with all commercial activity in Algeria, tax incentives are subject to long-standing localization requirements and limits on foreign investment (a minority stake of 49% or below in any industrial sector). Unlike a growing number of economies around the world, these legislative changes did not include any IP asset-specific innovation or patent box incentive. Still, this is a positive development and will strengthen Algeria's innovation ecosystem. At the time of research, the new tax regime was operational and had not been amended by subsequent finance laws. As a result, the score for this indicator has increased by 0.33.

Incentives for Cutting-Edge Innovation

44. Special market exclusivity incentives for orphan medicinal product development; 45. Special market exclusivity incentives for orphan medicinal product development, term of protection; and 46. Restrictions on the effective use of existing market exclusivity incentives for orphan medicinal product development:

The Algerian Government has over the past decade expressed a growing interest in addressing rare diseases. In 2013, the Ministry of Health issued an order establishing a national list of rare diseases and corresponding approved list of biopharmaceutical treatments. This order listed 28 diseases officially classified as rare. This list was updated in 2022–2023 and now includes over 100 recognized diseases. Algeria does not have in place any special IP-based market exclusivity incentives for orphan medicinal product development, however.