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The Stock Exchange Crisis In Algeria: Legal Impediments On Stock Trading.

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ABSTRACT
The study highlighted the importance of investing in the stock market for Algeria, especially amidst the developments in digital trading and trading platforms in this sector.
The success of a global securities exchange relies on an efficient legal system that facilitates capital mobilization. In this context, simplified legal procedures are crucial to attract investors and ensure confidence in the issuance market. Unfortunately, the Algerian securities exchange faces challenges due to its cumbersome and rigid legal framework, affecting various stages from initial trading to company entry. The organized structures, including the Stock Exchange Management Company and the Central Custodian, appear to prioritize neither speed nor efficiency in stock trading. Furthermore, these entities are subject to the Stock Exchange Operations Regulation and Monitoring Committee, which, despite extensive powers, struggles to act independently. The legal shortcomings are evident, contributing to the exchange's failure to fulfill its expected role and causing significant issues with traded stocks.

Keywords: The Stock Exchange- Trading- Structures-company.

Introduction

Algeria faces significant economic challenges in transitioning from a rentier economy to a productive one, through economic diversification and the support of various sectors and institutions. However, the state has not shown considerable interest in the transferable values market, despite being a crucial economic channel that provides liquidity to institutions and companies. As of 2023, only a limited number of companies are listed on the Algerian stock exchange. Any stock exchange in the world cannot achieve its goals unless it relies on two factors: first, the availability of information, and second, providing liquidity, the ability to buy and sell assets quickly and easily. The legislative efforts to achieve the first factor, related to the legislator's concern for transparency and accuracy of information for stock and tradable values participants, are apparent. However, the second factor, ease of stock trading and liquidity provision in the market, has not been realized yet. There are many reasons making the problems of the Algerian stock exchange similar to those faced by exchanges in emerging markets. Despite the establishment of the exchange in Algeria dating back to the early 1990s, even emerging financial markets can respond to local demand for capital and provide investment opportunities for both local and foreign investors.
Stock trading faces complexity in procedures from the stage of a company joining the stock exchange to the trading phase, which is subject to various administrative structures. Ideally, this sector should benefit from maximum simplification of procedures to match the speed of stock trading, given the associated risks of facing significant losses due to the rapid price fluctuations impacting transactions in this sector.
The central inquiry is :What are the legal obstacles that have led to the failure of the legal system to activate the role of the stock exchange and make it one of the most important financing channels for projects in Algeria?
This led us to investigate and asking questions related to the solutions can the stock exchange market offer to the Algerian economy at present? What is the reality of the stock market in the era of global trading digitization? What are the legal procedures for stock trading in Algeria, and what are the controlling structures? These are aspects we will delve into after discussing the current advantages of the stock exchange for the Algerian economy.
To answer these questions, we will follow an analytical and descriptive approach to clarify the information related to this study, and divide the study into two parts:

- The Importance of Investing in the Stock Market at Present and Procedures for Stock Pricing in the Algerian Market.
- The Consideration of Stock Exchange Structures as an Obstacle to Stock Trading in Algeria

1.The Importance of Investing in the Stock Market at Present and Procedures for Stock Pricing in the Algerian Market.

It is essential to highlight the importance of developing the legal system of the stock exchange, given its significance in fostering the national economy in the current period, especially in the era of electronic securities trading, which has become a crucial factor for the success of investments in the stock market. Consequently, financial markets across the globe have adapted to this global shift by undergoing successive changes. The objective is to concentrate their economic hub and address the challenges brought about by globalization, with the aim of expanding investment opportunities and providing high-level services to market participants, including brokers, regulators, companies, and investors. The importance of this becomes evident when examining the legal procedures for stock pricing on the stock exchange and the conditions for companies to join the exchange. Through this examination, valuable insights can be gained into the reasons contributing to the limited popularity of trading in the Algerian stock market. This underscores the necessity of exploring the legal framework governing the stock exchange system, particularly in the context of electronic securities trading, as a critical element for the success of investments in the securities market. The chapter will delve into the legal procedures for stock pricing and the conditions for companies to join the stock exchange, extracting valuable insights into the factors contributing to the subdued activity in the Algerian stock market.

1.1 The Importance of Investing in the Stock Market in Light of the Evolution of Trading Processes and Digitization.

Investing in the stock market is characterized by the flexibility of dealing in the market and the ease of buying and selling compared to the difficulty of investing in agricultural lands or real estate. It also stands out for the ability to invest any amount, whether large or small, for any duration, long or short. Furthermore, investing in securities does not require any specific expertise. Any individual can invest their money in stocks of any agricultural or real estate company and benefit from its success by achieving profits, as well as from the rise in stock prices (noceir, 2005, p. 16)

The stock exchange is considered a gauge of the strength or weakness of a country's economy on an ongoing basis. It serves as a mirror reflecting both the economic and financial aspects of all nations, especially after emerging financial markets have proven their success in mobilizing savings and attracting international investors. Countries, particularly in the Arab world, no longer rely solely on it for privatization. Investing in the stock exchange provides liquidity for investors and facilitates the disposal of stocks through selling, allowing investors to recover their funds easily.

If an investor puts their money into a company that faces financial constraints, it would be more challenging to reclaim their funds compared to the ease of selling stocks in the stock exchange. Consequently, investments in stocks lead to increased savings and investment in society, contributing to accelerated economic growth rates.

Stock markets support the development and expansion of companies. Therefore, most institutions evaluate the performance and quality of the stock market in a particular country to understand the value of transactions in that country. Securities cover all industries within the country across various economic sectors, serving as an indicator or measure helping investors understand the economic cycle of the countries, they wish to invest in.

Stock markets provide investors with an opportunity to invest their money and obtain a share of company profits. This is achieved through easy buying and selling of stocks, ensuring liquidity. The primary owner of the company remains in control of the majority stake even as investors trade stocks (Alsayrafy, 2008, p. 83)

Therefore, its decisions, and at the same time, new partners join the company without their inclusion affecting the company's structures and management. This trading also enables companies to increase their capital and ownership in a regulated and secure environment.

As for the company, when it undergoes the initial public offering (IPO), which is the process of offering its shares to the public for the first time on the stock exchange, companies seek to increase their capital. Shareholders inject funds into the company in exchange for obtaining shares, representing ownership in the company. In this way, the company obtains the funding it desires to achieve its goals and expand its activities)Souraya(2017 ، Moreover, companies opt to issue shares for sale not solely for the purpose of raising funds for new investments or acquisitions; it may also be a response to financial constraints and the need to settle existing debts. The company's objective in making its shares publicly tradable is to subject the company to regular evaluation based on its stock price and gauge the level of investor interest.

When the company's stock value increases, the stock market index rises, indicating a substantial interest in the stock and showcasing the company's strong performance. Conversely, a decline in the stock price reflects poor performance, reduced profits, or may even be a result of inaccurate information being promoted or rumors circulating (Salih, 2008, p. 70)

In recognition of the importance of investing in this sector, the legislator has issued a series of legal texts regulating the market of transferable securities. This includes the issuance of organized texts for the stock exchange, represented by Executive Decree No. 91-169, which regulates transactions related to transferable

securities, and Executive Decree 91-170. This prompted the legislator to intervene and amend it under Legislative Decree 93/08, which modified the provisions of companies, especially joint-stock companies, and introduced new transferable securities, particularly bonds.
Subsequently, Legislative Decree 93/10 was issued concerning the stock exchange of transferable securities, coinciding with the amendment of the commercial law by Legislative Decree 93-08, which allowed the trading of transferable securities and introduced new transferable securities. As a result, the Algiers Stock Exchange was established in 1993, but its actual launch occurred at the end of 1996. The first financial instrument in Algeria, represented by the bond of the Sonatrach company, was issued in 1997.
Afterward, the economic regulation approach was adopted in 2000 by creating independent administrative bodies. These reforms impacted the stock exchange, and Law No. 03-04 related to the stock exchange of transferable securities was issued. It amended and supplemented Legislative Decree 93/10, aiming to support the activities of the financial market and align it with the global financial markets' developments by adopting a central depository system for bonds, to facilitate and expedite settlement operations on the stock exchange.
Later, the Regulation Committee for Stock Exchange Operations, amended and supplemented by Regulation No. 12-01, was issued, embodying the general system for the stock exchange. It established the principle of market pluralism, creating a market for large enterprises and a market for small and medium-sized enterprises. Realizing the importance of trading stocks on the stock exchange, the legislator was keen to establish structures for supervision and regulation, including the Committee for Regulating and Monitoring Stock Exchange Operations, to protect participants in the securities market. The stock exchange is also considered a tool for privatization, relied upon by developing countries for economic reform, achieving the principle of justice in distribution, as the offering on the stock exchange is an open offer where no subscriber is favored over another (amin, 2007, p. 335).
With the proliferation of online trading replacing the traditional trading pattern, a digital platform was allocated for the Algiers Stock Exchange (Algiers Stock Exchange, 2023). However, it did not reach the stage of electronic trading, which has become globally prevalent due to its precision in selection and the speed of executing buying and selling orders, both of which constitute the most crucial elements in this type of trading. The role of the electronic platform is limited to announcing stock exchange sessions and their timing, in addition to providing stock prices and the limit price for shares, which must not be exceeded. This applies to all traders, order issuers, and those concerned.
This is an important step, as providing services online through electronic platforms facilitates trading operations and helps reduce costs. However, due to the weakness of the stock market in Algeria, this digital platform has not gained the popularity achieved by digital platforms worldwide. This is attributed to the nature of the closed economy, which does not encourage local and foreign investment, alongside the dominance of the parallel market over the economy and the low purchasing power (Tahar, 2019, p. 121).
Investors and traders can now engage with financial markets online by choosing and opening a trading account with a recognized financial broker. Individuals and companies can select a broker that suits their needs and fund their account with the money they will use to buy and sell stocks.
After choosing the desired stocks, investors can enter buy or sell orders through the electronic trading platform. Electronic stock trading provides investors with the opportunity to monitor their portfolio, track its performance through the platform, and make informed decisions based on changes in prices and the market.
This electronic trading of stocks allows investors to enhance portfolio management, providing transparency in information and combating fraud and manipulation, thereby strengthening regulatory oversight)Nawel(2015 ،
For regulatory authorities, the internet is considered an indispensable communication tool and a complement to other means of communication. However, it should not exceed these boundaries. The information displayed should originate from specific entities, representing sources and official stock exchange entities. It should not aim to promote any party (eddin, 2008, p. 76).
The world is currently shifting towards digital currency trading, following advancements in the performance of financial markets. France, for example, has embraced this trend, witnessing significant growth in the trading of digital currencies in recent times. Investors in France can engage in digital currency trading through various digital platforms, especially after the issuance of the 2019 law regulating the trading of digital currencies and crypto assets. The law permits digital currency trading under specific conditions and regulations, ensuring a stable and secure market for investors. Additionally, there are numerous digital currencies available for trading in France, with Bitcoin being the first and most well-known digital currency launched in 2009.
Similarly, Ethereum is considered the second-largest digital currency by market value. The establishment of Euronext, a European electronic stock exchange headquartered in Amsterdam with branches in Belgium, France, the Netherlands, Portugal, and the United Kingdom, has played a role in facilitating this trend. In addition to equity markets, Euronext provides clearing and information services, along with shareholder rights and derivatives contracts. Euronext emerged in 2000 and expanded by acquiring stock exchanges in Amsterdam, Brussels, and Paris. In December 2001, Euronext acquired the shares of the London International Financial Futures and Options Exchange (LIFFE), and in 2002, the group merged with the Lisbon and Porto stock exchanges (Bouazizi, 2023).

1.2 Procedures for the inclusion of movable values on the Algiers Stock Exchange.

Listing involves the inclusion of negotiable securities in the official price list, allowing them to be traded on the exchange. The conditions for listing negotiable securities on the exchange are outlined in Decision No. 97-03 dated November 18, 1997, concerning the general regulations of the securities exchange. These conditions have been amended and supplemented by Decision No. 12-01, which also relates to the general regulations of negotiable securities. According to Articles 33 and 34 of this decision, shares subject to listing must be fully paid, and a company seeking listing on the exchange must appoint one or more brokers to assist in preparing the listing application.

The company is required to submit a comprehensive listing application, including legal, economic, financial, and accounting documents. The company commits to publishing the audited financial statements for the two preceding years along with the listing application. Additionally, the company's accountant submits an evaluative report on the company's assets (Fatima, 2015, p. 126)

All of this begins with the crucial first step for a company seeking to list its shares on the stock exchange, which is the submission of a listing application through the presentation of an informative memorandum.

Legislation mandates companies opting for public offering to prepare an informative memorandum containing all relevant information about the company, especially details pertaining to its financial status. Article 3 of the Committee for Regulating Stock Exchange Operations and Monitoring Law emphasizes that every company issuing negotiable securities through public subscription must prepare an informative memorandum aimed at informing the public. This memorandum includes informational elements enabling investors to make informed decisions.

The information required in the informative memorandum includes, in addition to the mandatory elements stipulated in commercial law, details about the source of the negotiable securities, the financial status of the issuing entity, the evolution of its activities, the intended operation, and its characteristics.

Furthermore, the informative memorandum is obligated to provide information about the source of the negotiable securities, their financial status, the evolution of the company's activities, the proposed operation, and its characteristics, in addition to the mandatory elements specified in commercial law)Law No. 96-02 concerning the mandatory disclosures to be published by companies, 1996, page 01(

The exporting company is obligated to elucidate the methods of summoning general meetings, the conditions for exercising the voting right, and other related aspects, as stipulated by Instruction No. 97-03 of the Stock Exchange Committee. Additionally, legislative requirements compel the company to provide additional information beyond the mere disclosure of its capital. It is imperative for the company to delineate the evolution of its capital and the changes that have transpired over the past three years or since its establishment, if the company has been in existence for a period exceeding three years.

Instruction No. 97-03 also signifies that the company is not only bound to mention the amount of its capital; it must also elucidate its evolution and changes that have occurred in its capital over the last three years or since its inception if the company has been in existence for more than three years.

This directive is in accordance with Instruction No. 97-03, part of the regulations set by the Stock Exchange Committee for the organization and monitoring of stock exchange operations)Stock Exchange Committee Operation and Monitoring Regulation No. 97-03, page 03 (that the financial data presented in the informative memorandum is supplemented by a summary table containing extracted figures over a period of 5 years. This table includes the most significant elements derived from financial statements, revealing the financial development of the issuer. Referring to Article 9 of Regulation No. 96-02, the legislator compels the company to provide documents verifying the accuracy of the financial information declared in the informative memorandum, including financial statements.

In addition to this, the company is required to submit a detailed report on the planned operation, outlining the specifics of the transaction and the product, including its characteristics. The company must specify the date on which the decision to issue was made by the General Assembly of shareholders and the Board of Directors or Board of Managers, in accordance with the system adopted by the company.

Alongside information displaying the evolution of its activities, the company must present information related to the development of its activities in a suitable format according to the nature of the activity, whether it is industrial, commercial, or financial. Additionally, a report on the evolution of its structures and information about the company's branches, if any, should be provided. The company should also disclose any conflicts in which it is involved. Furthermore, the company is required to seek an evaluation of its assets through a member of the National Association of Certified Public Accountants, other than the company's accountants or any expert agreed upon by the Committee for Regulating Stock Exchange Operations and Monitoring (Fatima, 2015, p. 127)

After receiving the requests for listing, the Stock Exchange Committee undertakes a review to determine whether the submitted applications meet the criteria. The committee is mandated to make a decision of acceptance or rejection within a period of 42 days from the date of receiving the acceptance application file. An additional period of 12 days is allowed if the committee requests supplementary information, with the condition that the validity of the acceptance decision is extended to four months.

It is noteworthy that the duration of the committee's review process is lengthy compared to the demands of commercial and industrial projects, which require swift deal-making and execution to seize profit opportunities and generate additional revenue for companies. Additionally, the comparison with the limitations of

participants in the Algerian stock exchange and its activities indicates a potential hindrance, especially considering the committee members' apparent perpetual holiday state in contrast to the truly active stock exchanges. This discrepancy is evident when compared to the efficient operation of more active stock exchanges (Kassmi, 2021, p. 218)
The undertaking of such procedures imposes additional costs on companies for compliance. This can expose the company to the risk of financial loss, potentially leading to a reluctance to invest in listed stocks on the stock exchange. Some companies may encounter difficulties in complying with laws and regulatory requirements when they are deemed excessive.

2.The Consideration of Stock Exchange Structures as an Obstacle to Stock Trading in Algeria.

This section pertains to the task of stock trading on the Algerian Stock Exchange, exclusively through stockbrokers, who are the participants in the management company of the securities exchange. The capital of the company is represented by shares allocated to the brokers. In addition to negotiating transactions, stockbrokers can engage in portfolio management and deployment activities. Therefore, the legislator subjects the intermediary to the principles of specialization and dedication to ensure proper management (Benfarhat, 1996, p. 64)
The legislator has established specific provisions related to brokers aimed at protecting investors and strengthening trust and credit in the stock exchange. The services provided by brokers in stock exchange operations are diverse and include negotiation on behalf of others, guidance in the field of managing tradable securities and structuring companies' capital, handling tradable securities and financial products, individual portfolio management (negotiation for their own account), safekeeping and management of tradable securities, and managing the portfolios of collective investment entities in tradable securities.
This intermediation is mandatory, as investors are prohibited from directly engaging in the buying and selling of securities within the securities market. Instead, this must be done through a financial intermediary, typically through a contract known as a financial brokerage agreement. The approved financial intermediary must be a member of the stock exchange management company, and the committee grants final accreditation only after the intermediary subscribes to the capital ((Law No. 15-01 approves the regulation of the Stock Exchange Operations and Oversight Committee, p. 03) the Stock Exchange Management Company.
The legislator considers the role of the intermediary as a commercial activity permissible for all trading companies, with the necessity of compliance with specific regulations inherent to the profession to safeguard the interests of investors. The legislator also restricted intermediation to legal entities, excluding individual brokers, a measure adopted by the majority of legislations (Kassmi, 2021, p. 159)
Hence, brokerage activities are considered monopolistic in nature, and it is not permissible in Algeria except for intermediaries belonging to a specific category, enjoying exclusive legal rights, while others are excluded from engaging in this activity (Fateh, 2012, p. 208).

2.1The Role of Both the Stock Exchange Management Company and the Central Custodian in the Mediation Process of Stock Trading.

The legislator stipulated the Stock Exchange Management Company in Articles 15 to 19, reiterated in Legislative Decree No. 93-10 concerning tradable securities as a company tasked with managing the operations related to tradable securities. The company takes the form of a joint-stock company, managing transactions revolving around tradable securities. The Stock Exchange Management Company is a joint-stock company governed by Legislative Decree No. 93-10 and acquires a commercial form according to Commercial Law in Article 544. It constitutes the optimal framework for transactions involving tradable securities listed on the stock exchange. The legislator defined its scope, focusing on regulating the trading of tradable securities, managing negotiations on securities, and issuing the official pricing bulletin.
The capital of this company is open and subject to increase in the case of approving a new broker in stock exchange operations. In the event of the withdrawal of a broker, their share is repurchased in equal shares by other brokers and shareholders of the company.
The company does not engage in speculative investments with potential profit or loss; instead, it performs administrative functions as previously explained. It receives commissions for these services, with predetermined values set by the committee. This structure ensures it functions as a public facility, avoiding profit-seeking activities. The commissions received cannot be considered profits but rather remuneration for its role as a public facility in Algeria. In other legal contexts, it is regarded as an investment company, as per French jurisprudence (Dondero, 2012, p. 415) in undertaking Projects.
Despite being a joint-stock company, the Stock Exchange Management Company does not have its shares traded on the stock exchange. Instead, it primarily functions as a management entity. Algerian legislation compels brokers in stock exchange operations to subscribe or acquire shares in the capital of the Stock Exchange Management Company.
The activities of this company are focused on managing the stock exchange market through its members, including founding banking institutions alongside affiliated brokers. Their main responsibilities include

actively organizing the process of listing stocks, regulating shares, managing the trading system, pricing, disseminating information, and issuing the official bulletin (Fatima, 2015, p. 133)
The Algerian legislator introduced an entity called the Central Custodian in the amendment to the Securities Law, Law No. 03-04, which pertains to tradable securities. This entity takes the form of a joint-stock company, and its fundamental law is subject to approval by the designated financial committee, after receiving the opinion of the Committee for the Regulation and Oversight of Stock Exchange Operations.
The characteristics of the Central Custodian distinguish it significantly from companies subject to commercial law. Unlike companies where the founders determine the capital, the legislator directly or through regulatory provisions specifies the minimum capital for the Central Custodian. Additionally, unlike publicly traded companies, the shares of the Central Custodian are not freely tradable. Instead, they are tied to bonds and can only be transferred to other contributors according to specific procedures outlined in the fundamental law of the Central Custodian.
The primary responsibilities of the Central Custodian revolve around safeguarding bonds, allowing the opening of accounts in the names of accredited intervenors, monitoring bond movements, facilitating transfers between financial intermediaries, assigning legal numbering to bonds, managing them to enable accredited intervenors to exercise their rights, and disseminating information related to the financial market.
When the legislator established the Central Custodian, referred to as ALGERIE CLEARING, it drew inspiration from French law (Kassmi, 2021, p. 67)
The objective behind the establishment of the Central Custodian was to create an independent clearing and settlement system separate from the management of the stock exchange and brokers, similar to the French law model. However, it failed to make the Central Custodian truly independent.
Consequently, restricting stock exchange activities to specific intermediaries and brokers, subject to executive authority, led to difficulties in executing large transactions or buying and selling stocks easily, resulting in low liquidity. Additionally, the stock exchange faces restrictions on foreign currency trading, preventing Algeria from entering global markets.

2.2 The Role of the Committee for the Regulation and Oversight of Stock Exchange Operations in the Stock Trading Process.

Article 03 of Legislative Decree 93-10 states that the Committee for the Regulation and Oversight of Stock Exchange Operations constitutes the authority of the tradable securities market, serving as the supreme authority in the financial market. No one has the power to endorse or reject its actions and decisions. Being considered an independent administrative authority makes it challenging to apply presidential or supervisory administrative control since it enjoys a high degree of independence. The committee is not subject to any superior administrative entity and operates outside the framework of decentralization.
As a result, the decisions of the Stock Exchange Regulation and Oversight Committee are immediately enforceable, and its deliberations are considered valid once its procedures are completed. Any challenge to its validity can only be pursued through legal means. Thus, the committee is an independent regulatory authority with legal, financial, and institutional independence, positioned within the financial market hierarchy. It is tasked with safeguarding the market, investors, and savers, ensuring the smooth and transparent operation of the stock exchange (boulkerrara, 2021, p. 33)It was established by Legislative Decree No. 93-10, as amended and supplemented by Law No. 03-04, which amends and supplements Legislative Decree No. 93-10 related to the stock exchange of transferable securities.
Its primary tasks include regulating and monitoring the financial market to ensure transparency in the trading of stocks and bonds. The legislator has granted the committee various functions to fulfill its duties, with a crucial role being the issuance of decisions. The committee issues individual decisions in the form of endorsements and approvals, such as approving brokers, and establishes the professional rules applicable to them.
The legislator has empowered the committee to establish rules and regulations related to both the financial and legal aspects of running and organizing the stock exchange. This does not violate constitutional provisions because the legislator has limited the regulatory authority of the committee by subjecting it to the approval process of the Minister of Finance (Nacira, 2020, p. 196)
The committee also defines the rules governing the relationship between the central trustee and the beneficiaries of the services provided by it. In the trading process, the committee issues rules for trading capital that can be invested in the stock exchange, having the initial and final say in the trading process from the beginning of pricing stocks on the exchange.
In addition to monitoring the extent to which companies accepted on the stock exchange comply with the current legislative and regulatory provisions in the field of the stock exchange and tracking the accuracy of information directed to the public, the committee can, if necessary to protect investors or ensure the smooth operation of the market, require the source to publish some information related to securities in the form and deadlines determined by it. In the event of the source's non-compliance with its duties, the committee can publish this information at the expense of the source (Law No. 2000-02 concerning information to be published by institutions, p. 02)
Additionally, to its regulatory function, the committee also serves a judicial function, exercising its authority to settle technical disputes arising from the interpretation of laws and regulations related to the operation of the

stock exchange. It can intervene between brokers in stock exchange operations, between brokers and the company managing the stock exchange, between brokers and companies issuing stocks, and between brokers and stock withdrawers in the exchange. This departure from governance principles is based on the committee issuing regulations and simultaneously punishing violators. This dual role, acting as both a legislator and an adjudicator, contradicts the principles of stock exchange transparency outlined in sound governance for institutions (Nacira, 2020, p. 196)
The judicial or quasi-judicial authority vested in the committee, alongside its regulatory power, which allows it to act as a judge when notified to settle disputes, has narrowed the jurisdiction of the judiciary in the economic field. This departure from the legal distribution of executive, legislative, and judicial powers is considered a deviation (Hafida, 2016, p. 186).
In contrast to the situation in France, where the government has the authority to take necessary measures in the event of regulatory failure, it seems that in Algeria, the Committee for Regulating and Monitoring Stock Exchange Operations operates with certain limitations.

Despite the powers granted by the legislature to the committee, it appears that the committee is not completely independent, and it does not fall under the concept of administrative guardianship. However, the government, represented by the Minister of Finance, applies procedures of approval and solutions to the committee, which may compromise its independence. Additionally, the government has authority over the appointment of members and the appointment and removal of the committee's director, contributing to the committee's relative lack of independence. The legislative framework does not seem to recognize the committee's absolute independence (Zouaimia, 2005, pp. 110-30).
The legislative framework in Algeria has allocated financial assistance to the Committee for Regulating and Monitoring Stock Exchange Operations from the state budget, as indicated in Article 28 of Legislative Decree 93-10 related to the stock exchange. Executive Decree 98-170 outlines the procedures for collecting fees and their amounts.
Despite criticisms of the legislature granting financial assistance to the committee, arguing that it affects its independence, it seems reasonable given the challenges faced by the committee due to low trading volume and a limited number of participants in the stock exchange. Many successful countries with active securities markets have focused on simplifying procedures, reducing costs, and minimizing administrative burdens to make trading easier and more attractive.
The committee plays a crucial role in issuing regulations and rules related to the financial and legal aspects of stock exchange operations. However, its financial dependence on state assistance, as well as the involvement of the Ministry of Finance in approval procedures, may hinder its complete independence. Striking a balance between investor protection, economic development, and ensuring the sustainability of financial markets is crucial. Transparency, regulatory compliance, and fostering market credibility are vital for the committee to fulfill its intended role effectively.

Conclusion.

Through this study, we sought to shed light on the legal reasons contributing to the significant downturn and fluctuation in trading activities on the Algerian Stock Exchange. The observed decrease in liquidity has hindered the exchange from achieving its intended role in the country's economic development.
Our analysis revealed that financial and corporate laws are in place to safeguard investor rights and maintain market confidence. However, their implementation appears hindered by complex and rigid procedures, limiting the exchange's effectiveness.
The economic policies, particularly the parallel economy and economic corruption, have impeded the dynamics of the Algerian stock market. Ambiguities in legal texts and the legal system's failure to adapt to global economic realities, especially with the rise of electronic trading and digital currencies, have compounded the challenges.
In light of these findings, several recommendations are proposed:
The legislature should establish a clear vision reflected in legal texts aligned with the actual needs of the stock market and the overall economy. This legal framework should prioritize transparency and simplicity to incentivize companies to invest in the sector, subsequently encouraging them to raise capital through the market rather than traditional banking channels.
Legislative measures should support innovation, promising sectors, and startups to go public. Providing necessary support for sustained success is crucial.
Develop legal texts that promote regional and international collaboration, fostering cooperation with international stock exchanges to attract more investors and support international trading.
Simplify administrative procedures to reduce bureaucratic hurdles, paperwork, and documentation required for participation in the financial market.
Establish a legal system to eradicate monopolistic practices of public brokerage firms, opening the door to financial intermediation for qualified entities.

Implementing these recommendations could potentially address the legal and economic challenges faced by the Algerian Stock Exchange, paving the way for increased investor confidence, liquidity, and overall market efficiency.

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