



COUNTRY GUIDE ALGERIA

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ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Flexibility
- Time and cost savings
- Reduced liability
- Access to global talent
- Expertise

**DEPLOY
WITH ZAPEO
IN
3 EASY STEPS**

ENGAGE

You and your employee reach an agreement to work in a country.

EMPLOY

Your employee signs a co-employment agreement with ZAPEO.

ENROLL

Your employee is enrolled on the payroll with a country specific legal entity.



WORK PERMITS AND VISAS

For visitors to Algeria, many types of visas are available. Foreign nationals from Libya, Mali, Morocco, Tunisia, the Seychelles, and Malaysia do not need a visa to visit Algeria for tourist or business purposes for up to 90 days.

Most common forms of work visas are:

Business Visa:

Granted to foreign citizens visiting Algeria for business purposes. This visa does not allow foreign citizens to work in Algeria and be paid by an Algerian employer.

Diplomatic Visa:

Provided to government officials or diplomats who are traveling for official purposes.

Work Visa:

Provided to foreign nationals who are authorized to work in the country for an extended period of time.



EMPLOYMENT CONTRACTS

Probation Period

- Permanent contracts - 6 months but can be extended to 12 months for high skilled jobs.
- Fixed-term contracts - maximum of 3 months.

Notice period

The notice period depends on the length of service in the company :

- Service of less than 8 days = 5 days notice
- Service of less than 3 months = 1 month notice
- Service of less than 1 year = 3 months notice
- Service of more than 1 year = 4 months notice
- Service of more than 3 years = Increase of 2 days per year of service within the total limit mentioned above
- Service of more than 5 years = 6 months notice

Minimum wage

DZD 20 000 per month.

Working hours and overtime

The standard workweek is 40 hours. The maximum working hours, inclusive of overtime, are 12 hours a day and 64 hours a week. Employees are entitled to overtime pay of a minimum of 150% of the normal hourly rate.

Termination

Fixed-term contracts end, while unlimited-term contracts require valid cause for termination, typically after a disciplinary process. Failure to follow this process renders the dismissal 'abusive,' requiring compensation for the employer. Algerian Labor Law allows redundancy termination only for valid economic reasons after exhausting alternatives, with non-compliance labeling the termination 'abusive,' entitling the employee to compensation and damages.

Severance

Mandatory for employees who are terminated due to redundancy or the closure of the enterprise. Employees must have at least 2 years of service.

The amount payable is equivalent to one month's salary for each year of service, with a maximum of 24 months' salary.

PAID TIME OFF



Annual Vacation

Employees are entitled to 30 days of paid annual leave each year, calculated on a 2.5-day basis. Employees in Algeria's southern provinces earn an additional 10 days of yearly leave.

Sick

15 days of paid sick leave per annual cycle. The employee is compensated with half their salary beginning on the first day of sick leave and a full salary beginning on the 16th day of illness or if the employee is hospitalized.

Maternity

Female employees are entitled to 14 weeks of paid maternity leave. This starts at least one week before the expected date of delivery.

Paternity

Male employees whose wives have given birth have the right to 3 days of paid paternity leave. Employees must provide their employer with written notice.

Family

The employee is entitled to 3 days off without pay for the following reasons: the worker's marriage, the birth of the worker's child, the marriage of one of the worker's descendants, the death of one of the worker's parents, children, brother or sister, or the death of a spouse.

National Holidays

Algeria has a total of 12 public holidays which are paid.

Other Paid Time Off

The employee is entitled to 3 days off without pay for the following reasons: the worker's marriage, the birth of the worker's child, the marriage of one of the worker's descendants, the death of one of the worker's parents, children, brother or sister, or the death of a spouse.



EMPLOYEE BENEFITS

Statutory

	Employee	Employer	Notes
Unemployment	0.5%	1%	Included in the Social Security contributions. Provides coverage for unemployment and weather-related unemployment benefits.
Workers Compensation	-	1.25%	Included in the Social Security contributions. Worker must be assessed for work injury/occupational disease.
Social Security	9%	26%	Contributions cover retirement, illness, unemployment, and workplace accidents.
Retirement/Pension	-	11.25%	Covered by Social Security.
Health	-	11.50%	Covered by Social Security.

Private

	Notes
Workers compensation	N/A
Retirement/Pension	N/A
Health	Private health insurance available.
Life	N/A



TAX

Personal Income Tax (PIT)

- **Tax year** : Correlates to the calendar year.
- **Tax rate** : Algeria uses a progressive tax rate up to 35%.
- **Tax method** : The taxation approach is a progressive income tax.
- **Tax residency requirements** : People who own a home, are a usufructuary, or rent a home for at least a year, even if the rental is paid for by their employment. People who make Algeria their primary residence or the focus of their primary interests. If a person spends more than 183 days in Algeria in a calendar year, he or she will be regarded as an Algerian tax resident (even if not a national), and his or her income (made in Algeria and elsewhere) will be subject to taxation.
- **Double taxation agreements (DTA's)** : Algeria has multiple double taxation agreements.

Investment Income Tax

Capital gains, dividend earnings and interest earnings are all taxable.

Taxable Income

Individuals may be taxed in Algeria under the following conditions:

- On their worldwide income, regardless of source or recharge agreements, if they are deemed Algerian tax residents.
- If they are not regarded an Algerian tax resident, they must pay tax on income derived in Algeria (received in consideration of a professional activity done in Algeria).

Forms of income : revenue from employment, profits or losses made by a company or trade and income or profits derived from an individual's status as a trust beneficiary.



PAYROLL

Payroll Elements

- **Income:** Revenue from employment (salary, bonuses, allowances etc.), profits or losses made by a company or trade and income or profits derived from an individual's status as a trust beneficiary.
- **Deductions:** Donations, childcare costs, education costs, healthcare costs and premiums for life insurance is not tax deductible. Mortgage interest costs and alimony payments are tax deductible.
- **Benefits in Kind:** N/A
- **Employer contributions:** Social Security contributions.

Payroll Taxes

Contributions to social security cover retirement, illness, unemployment, and workplace accidents. Employers contribute 26% and employees 9%.

Payroll Calendar

Wages are normally paid on the final working day of the month.



LEGISLATION AND STATUTORY BODIES

LEGISLATION

Labor Law of Algeria

STATUTORY BODIES

National Retirement Fund

National Social Insurance Fund

National Social Security Fund for Nonwage Earners

National Unemployment Insurance Fund

Ministry of National Solidarity, Family, and Women

Contact ZAPEO today for
further information or a
FREE simulation.



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