

“The Situation of SMEs / SMIs / VSEs in Algeria” Through a Case Study

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Abstract:

The economic structure is composed of large, medium, small and very small companies. The classification of these companies as such, is done by the 01-18 law of December 12th, 2001 bearing guidance on the promotion of SMEs, by the employment size, the turnover, the balance sheet total as well as the compliance with the criteria of independence.

The study performed from samples representing the average, small and very small businesses, activating in different sectors, revealed that:

- *Overall, the investment is rising steadily since 2009.*
- *The turnover is also increasing, but disproportionately.*
- *Employment is more or less stable during the whole period but the staff cost is in slight increase.*

The result and the economic profitability have started to come out of the red zone only from the financial year of 2012.

Keywords: small- medium -business-investment- turnover-employment- Economic profitability.

1. Introduction:

We consider it judicious, in the introduction, to define the company in general and then specifically the SMEs.

A. General Definition of the Enterprise:

It is commonly admitted that the company is the main unit of any economic structure. Overall, the definition of the company is given by the doctrine in different forms; nevertheless the legal definition is given only by the Ordinance 03-03 concerning the competition, as amended and supplemented by law 08-12 of June 25th, 2012 and the law 10-05 of August 15th, 2010.

a- Doctrinal Definition:

The doctrine defines the company as a coordinated set of organs, arranged in specific purposes to fulfill certain functions, in implementation of more or less complex and repetitive operations that result in delivery to the market some goods or services whose sales generates a result.

On the other hand, the company is defined as a hierarchical human group that implements intellectual resources, physical, financial; to extract, transform, transmit, distribute wealth or produce services, in accordance with the objectives set by management. Personal or collegial, involving varying degrees, motives of profit and social utility.

Statutory Definition: The Algerian legal definition of the enterprise is given only by articleN°03 of theOrdinance03-03ofJuly 19th, 2003¹, as follows:

¹Concerning competition.

"Any natural or legal person whatever its nature, exerting a sustainable way of production, distribution, services or import."

B. Definition of SME, SME and VSEs:

a- Definition:

In accordance with article N°04 of the framework law concerning promoting the SMEs N°01-18 of December 12th, 2001, the small business/small and medium industries (SMEs/ SMIs) is defined, regardless of its legal status as a company producing goods and / or services:

- Employing (01) to (250) persons.
- Whose annual turn over does not exceed 02 billion dinars or whose annual balance sheet total does not exceed 500 million dinars.
- And that meets the criteria of independence.

The article n° 05 of the 01-18 law defines medium business as a business employing 50 to 250 people and whose turnover is compromise between 200 million and 2 billion Dinars or whose annual balance sheet total is compromised between 100 and 500 million dinars.

The article n°06 defines small business as a company employing 10 to 49 persons and whose annual turnover does not exceed 200 million dinars and whose annual balance sheet total does not exceed 100 million dinars.

The article n° 07 defines the very small business and micro enterprise as a business employing 01 to 09 employees and achieving a turnover of less than 20 million dinars or whose annual balance sheet total does not exceed 10 million dinars.

b- Table of illustration:

<u>SMEs:</u>		
Workforce —————> 1 – 250 Employees.		
Turnover or Balance Sheet Total —————> Turnover ≤ 2 billion dinars or Balance Sheet Total ≤ 500 Million Dinars.		
Independence —————> The capital is not owned as to 25% or more by one or more other companies do not meet the definition of an SME.		
<u>Medium Enterprise:</u>	<u>Small Enterprise:</u>	<u>Very Small Enterprise:</u>
<ul style="list-style-type: none"> • 50-250 employees. • 200 million ≤ Turnover ≤ 2 billion dinars or 100 million dinars total balance sheet ≤ 500 million dinars. 	<ul style="list-style-type: none"> • 10-49 employees • Turnover ≤ 200 million dinars or Total balance sheet ≤ 100 million dinars. 	<ul style="list-style-type: none"> • 1 - 9 employees. • Turnover < 20 million dinars or Balance sheet total ≤ 10 million dinars.

2. Point Situation of the SMEs/ SMIs and VSE:

The situation of SMEs / SMIs is illustrated through the study of a sample of about ten² enterprises, all size and all types are combined, this means that the population under study is composed of:

- EPE SPA SP/HASSI AMEUR.

²They are true examples from reality.

- EPE SPA EN/EL BAYEDH.
- SARL O Z/ MASCARA.
- SARL IRRHY/ MASCARA.
- SARL (SPA) TRANS / ORAN.
- SARL (SPA) HSC / MASCARA.
- SARL ZEG / MASCARA.
- E I « TH HANF »/ MASCARA.
- E I “BEN ML”/ MASCARA.
- E I “L ALI”/ MASCARA.

Our study was limited to the actual parameters of classification of these enterprises and definition of economic profitability.

This study produced the following results:

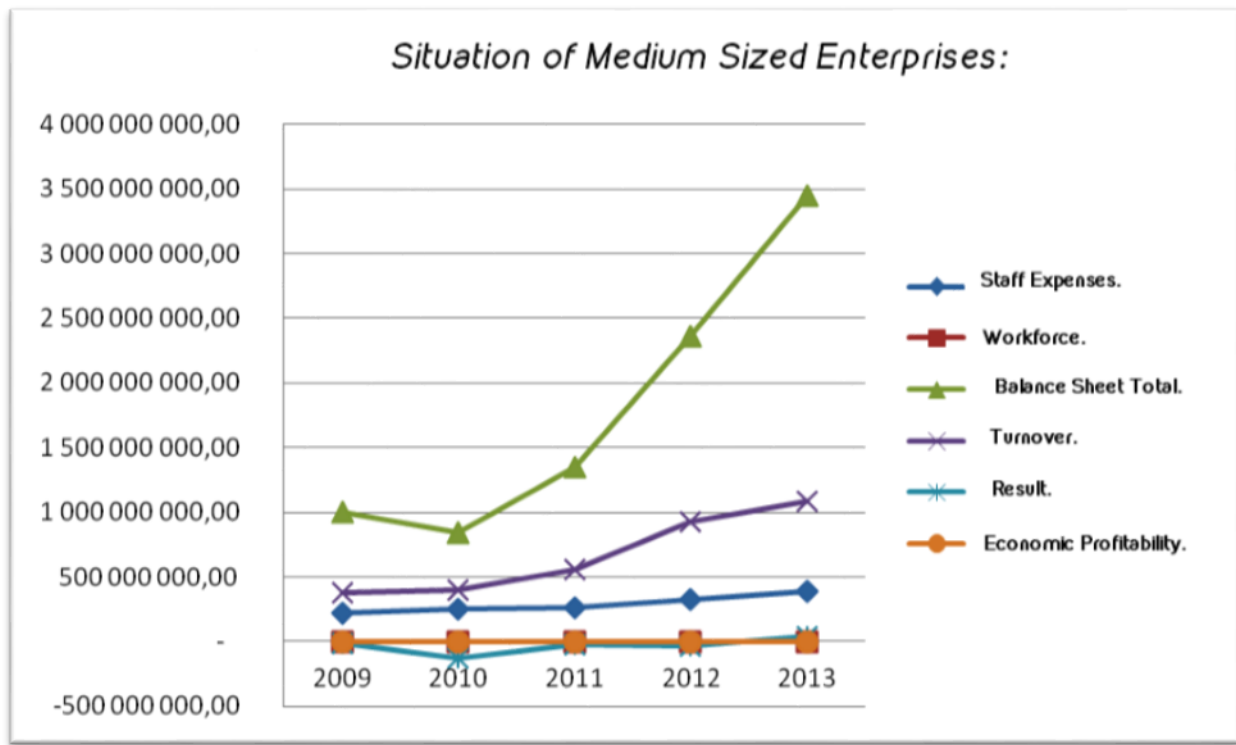
A. Sizing :

1. Medium Sized Enterprises:³

Enterprises:	Sector:	Year:	Staff expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
SP	Building Industry	2009	44.144.110,56	Medium	92	118.575.798,00	63.459.239,00	5.890.862,00	0,05
		2010	46.543.247,00		97	223.732.203,00	79.817.991,00	5.285.482,00	0,02
		2011	41.265.146,82		86	208.603.653,00	35.174.774,00	-	-0,06
		2012	39.825.664,96		83	344.787.483,00	51.260.276,00	-	-0,17
		2013	46.543.247,00		97	512.162.445,73	72.285.906,00	31.797.350,00	0,06
EN	Building Industry	2009	168.800.500,00	Medium	486	703.689.963,00	247.014.769,00	-	-0,02
		2010	165.000.400,00		462	338.662.845,00	174.275.342,00	130.047.724,0	-0,38
		2011	179.222.148,65		500	547.035.067,00	318.731.956,00	-	-0,04
		2012	227.970.573,00		636	1.112.341.734,00	528.658.650,00	8.182.994,00	0,01
		2013	265.248.780,00		740	1.800.737.113,00	697.064.954,00	1.661.232,00	0,00
TRANS	Transportation of Oil Products	2009	5.316.888,00	Small	19	176.238.049,00	69.401.625,00	-5.421.881,00	0,03
		2010	37.348.435,00	Medium	90	283.808.079,00	145.599.200,00	1.139.341,00	0,00
		2011	40.925.718,43		202	590.168.276,00	207.466.563,00	6.342.875,00	0,01
		2012	57.000.942,21		232	906.154.047,00	346.331.180,00	19.948.431,00	0,02
		2013	71.775.823,15	Midsized enterprise	313	1.131.308.951,00	314.376.255,00	6.584.768,00	0,01

Established by researchers from the table above.

³Balance sheets of the SP- EN - TRAN’s companies over five years.



Comment:

- Since 2010, the investment is growing continuously.
- The turnover takes the same trend as the investment, but in a disproportionate manner to the importance of the investment.
- The investment has not impacted the employment which followed the same level during the entire period.
- The economic profitability remains beyond the investment made.

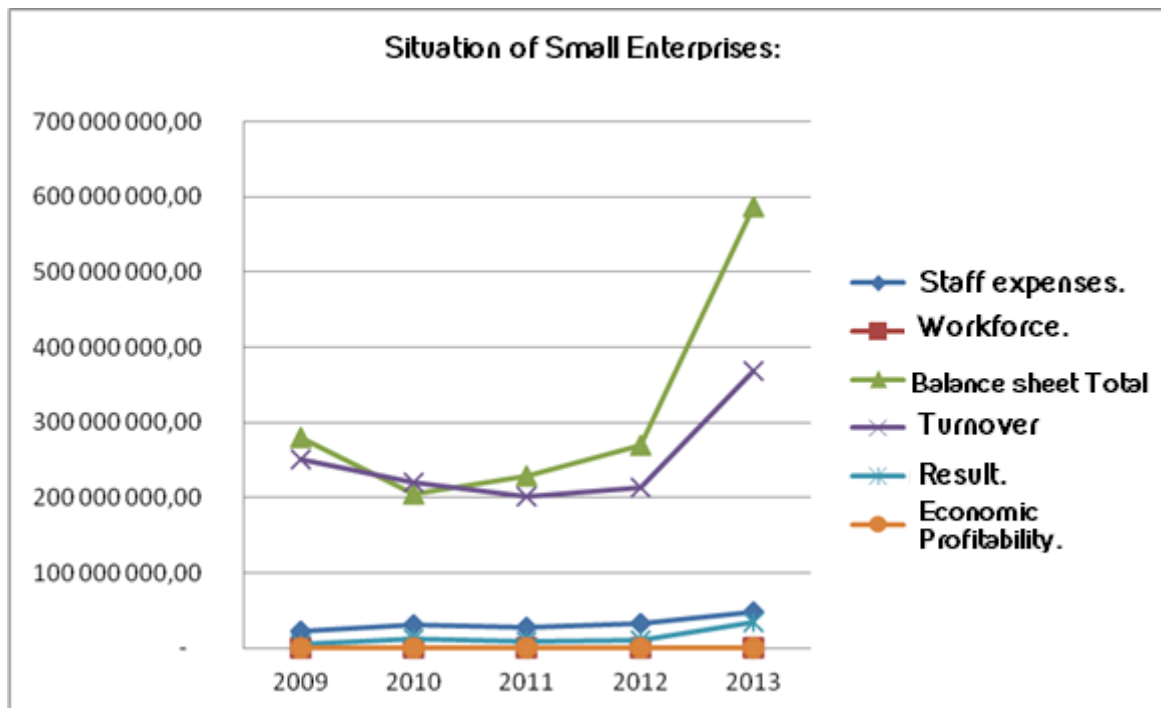
2. Small Enterprises:⁴

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability :
IRRHY	Hydro-agricultural Products Distribution	2009	7.259.189,00	Small	26	67.746.192,00	26.243.061,00	- 5.854.828,00	- 0,09
		2010	7.613.120,72		28	60.013.972,00	27.476.908,00	1.474.087,00	0,02
		2011	7.206.305,85		25	75.223.809,00	31.241.039,00	557.993,00	0,01
		2012	5.745.984,27		20	99.656.383,00	23.658.209,00	586.287,00	0,01
		2013	7.579.124,79		27	215.809.299,00	118.454.115,00	20.639.028,00	0,10
HSC	Seeds Production	2009	8.201.108,39	Small	14	188.834.010,00	58.138.997,00	1.369.769,00	0,01
		2010	13.473.249,49		23	110.477.031,00	42.075.258,00	2.290.397,00	0,02
		2011	9.950.755,29		17	107.098.104,00	18.953.284,00	743.714,00	0,01
		2012	13.950.900,73		25	113.225.872,00	33.243.807,00	2.991.743,00	0,03

⁴Balance sheets of the IRRHY – HSC – TH HANF – ZEG companies over five years.

		2013	26.227.693,37		47	298.967.327,00	39.258.415,00	8.613.696,00	0,03
TH HANF	Building Industry	2009	6.735.835,00	Small	36	19.919.361,00	70.435.341,00	9.509.602,00	0,48
		2010	8.800.613,00		39	29.616.849,00	94.503.539,00	7.880.932,00	0,27
		2011	8.494.921,00		37	41.188.397,00	83.058.309,00	5.712.607,00	0,14
		2012	10.540.643,00		40	50.500.159,00	73.482.243,00	4.995.068,00	0,10
		2013	12.248.758,00		50	59.389.171,00	105.173.961,00	5.683.792,00	0,10
ZEG	Gas Station	2009	982.800,00	VSE	5	3.322.612,00	95.657.637,00	1.034.097,00	0,31
		2010	1.360.800,00		7	4.633.059,00	56.147.280,00	497.615,00	0,11
		2011	1.474.200,00		8	5.700.357,00	69.148.688,00	1.471.498,00	0,26
		2012	2.177.280,00	Small	12	7.013.180,00	82.382.286,00	1.554.633,00	0,22
		2013	2.177.280,00		12	12.638.710,00	106.360.305,00	335.703,00	0,03

Established by researchers from the table above.



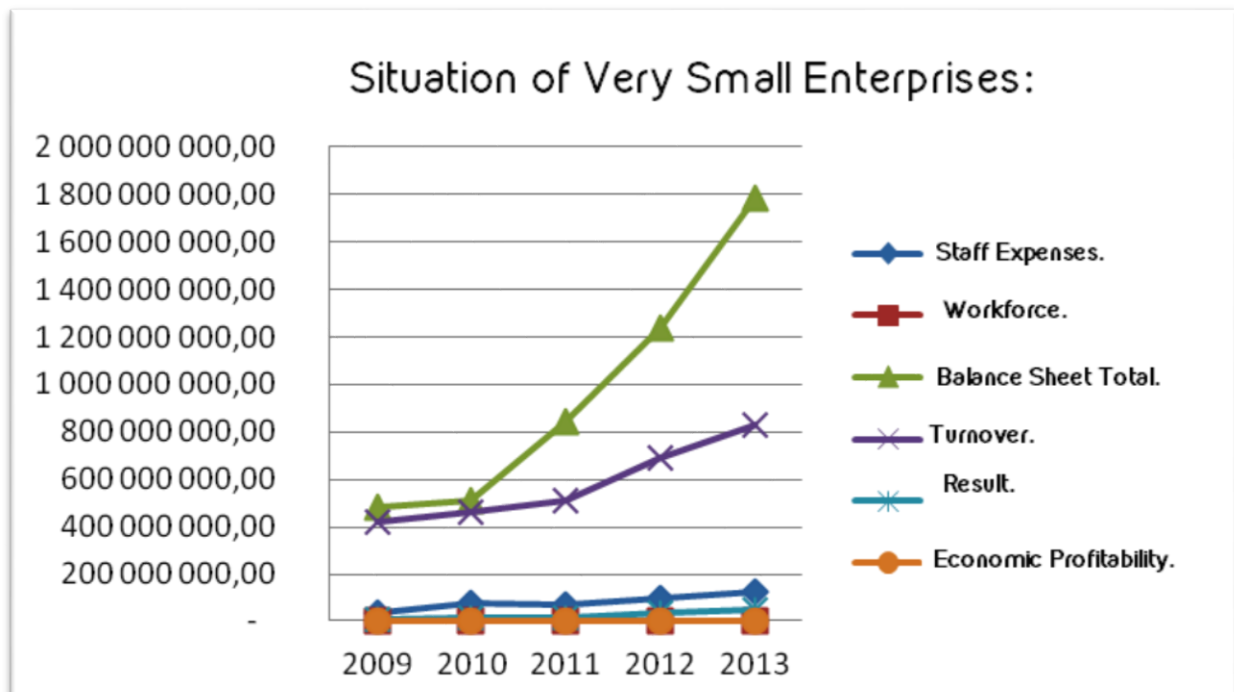
Comment:

- Investments are increasing from 2010. This is explained primarily by the appropriations granted and the consolidation measures taken by the authorities.
- The impact of the investments did not take effect until the 2011 financial year, to greatly increase from fiscal year 2012.
- Employment has maintained the same level during the period. The costs relating thereto have almost maintained the same level, and that, except for the slight increase seen in 2013.
- The result and profitability of investments almost followed the same trend as personnel expenses, which mean a slight increase in 2013.

3. Very Small Enterprises:⁵

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce:	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
BEN ML	Building Industry	2009	782 309,00	VSE	2	11 814 557,00	12 501 616,00	1 499 659,00	0,13
		2010	1 689 943,00		2	14 211 961,00	24 614 315,00	1 900 936,00	0,13
		2011	1 322 858,00		2	14 552 016,00	7 746 136,00	728 302,00	0,05
		2012	1 615 317,00		2	34 263 854,00	20 104 500,00	2 150 056,00	0,06
		2013	1 364 427,30		2	32 937 958,00	26 682 486,00	2 746 563,00	0,08
O Z	Fuel transport	2009	907 200,00	VSE	3	6 798 868,00	13 063 951,00	364 107,00	0,05
		2010	907 200,00		3	2 746 101,00	10 951 956,00	349 130,00	0,13
		2011	907 200,00		3	2 685 767,00	10 386 680,00	423 793,00	0,16
		2012	907 200,00		3	10 874 007,00	12 949 476,00	529 370,00	0,05
		2013	1 209 600,00		4	9 983 888,00	13 630 142,00	547 070,00	0,05
L Ali	Gas Station	2009	1 088 640,00	VSE	6	7 204 939,00	73 950 323,00	1 559 128,00	0,22
		2010	1 675 651,00		6	5 908 518,00	64 655 851,00	575 533,00	0,10
		2011	1 822 500,00		6	9 368 312,00	80 029 294,00	798 090,00	0,09
		2012	1 760 439,00		6	13 795 384,00	98 426 748,00	2 306 405,00	0,17
		2013	2 141 640,00		8	19 075 027,00	103 216592,00	4 509 006,00	0,24

Established by researchers from the table above.



⁵Balance sheets of the BEN ML – O Z – L Ali companies over five years.

Comment:

With the exception of sales following a growing trend, other sizes face the same direction as those relating to small businesses.

B. Order by Legal Nature:

1. Origin of Capital:

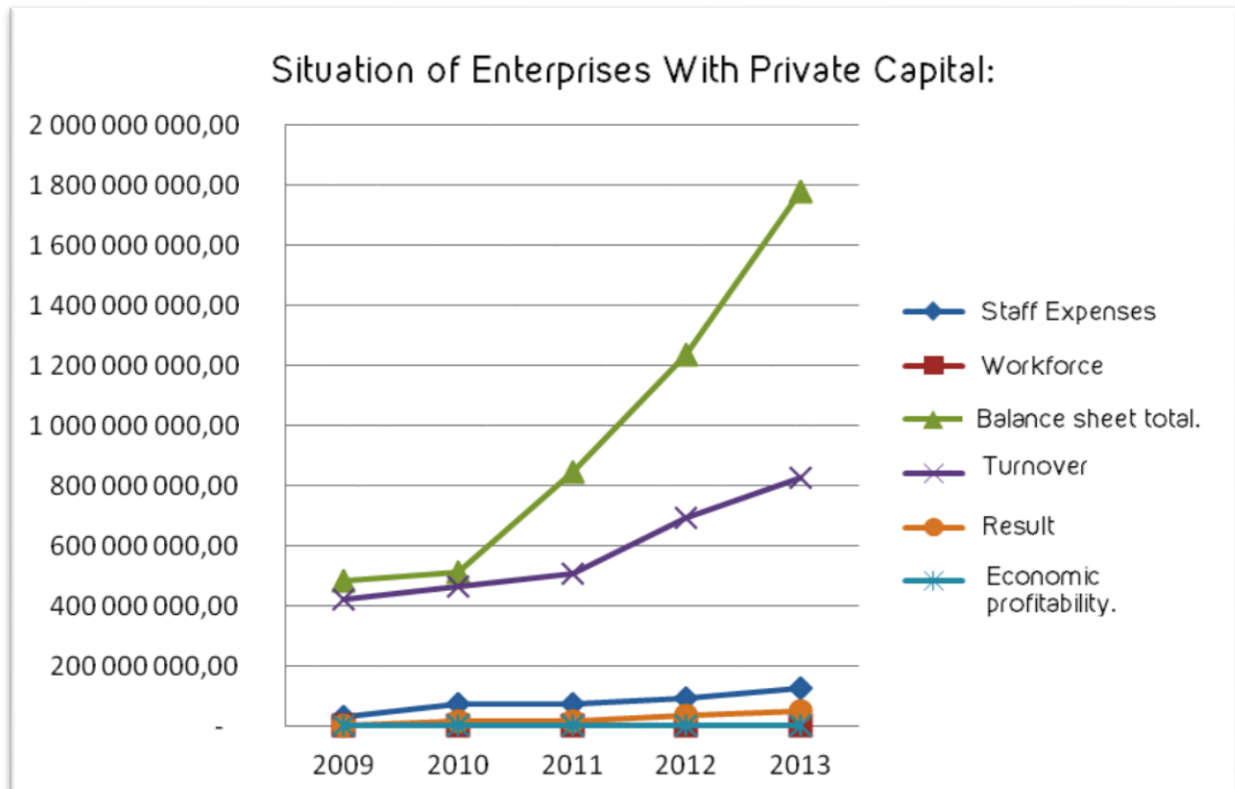
a. Enterprises With Private Capital:⁶

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce:	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
TRANS	Transportation of Oil Products	2009	5 316 888,00	Small	19	176 238 049,00	69 401 625,00	- 5 421 881,00	- 0,03
		2010	37 348 435,00		90	283 808 079,00	145 599 200,00	1 139 341,00	0,00
		2011	40 925 718,43		202	590 168 276,00	207 466 563,00	6 342 875,00	0,01
		2012	57 000 942,21		232	906 154 047,00	346 331 180,00	19 948 431,00	0,02
		2013	71 775 823,15		313	1 131 308 951,00	314 376 255,00	6 584 768,00	0,01
IRRHY	Hydro-agricultural Products Distribution	2009	7 259 189,00	Average	26	67 746 192,00	26 243 061,00	- 5 854 828,00	- 0,09
		2010	7 613 120,72		28	60 013 972,00	27 476 908,00	1 474 087,00	0,02
		2011	7 206 305,85		25	75 223 809,00	31 241 039,00	557 993,00	0,01
		2012	5 745 984,27		20	99 656 383,00	23 658 209,00	586 287,00	0,01
		2013	7 579 124,79		27	215 809 299,00	118 454 115,00	20 639 028,00	0,10
HSC	Seeds Production	2009	8 201 108,39	Midsize enterprise	14	188 834 010,00	58 138 997,00	1 369 769,00	0,01
		2010	13 473 249,49		23	110 477 031,00	42 075 258,00	2 290 397,00	0,02
		2011	9 950 755,29		17	107 098 104,00	18 953 284,00	743 714,00	0,01
		2012	13 950 900,73		25	113 225 872,00	33 243 807,00	2 991 743,00	0,03
		2013	26 227 693,37		47	298 967 327,00	39 258 415,00	8 613 696,00	0,03
TH HANF	Building Industry	2009	6 735 835,00	Small	36	19 919 361,00	70 435 341,00	9 509 602,00	0,48
		2010	8 800 613,00		39	29 616 849,00	94 503 539,00	7 880 932,00	0,27
		2011	8 494 921,00		37	41 188 397,00	83 058 309,00	5 712 607,00	0,14
		2012	10 540 643,00		40	50 500 159,00	73 482 243,00	4 995 068,00	0,10
		2013	12 248 758,00		50	59 389 171,00	105 173 961,00	5 683 792,00	0,10
ZEG	Gas Station	2009	982 800,00	Small	5	3 322 612,00	95 657 637,00	1 034 097,00	0,31
		2010	1 360 800,00		7	4 633 059,00	56 147 280,00	497 615,00	0,11
		2011	1 474 200,00		8	5 700 357,00	69 148 688,00	1 471 498,00	0,26
		2012	2 177 280,00		12	7 013 180,00	82 382 286,00	1 554 633,00	0,22
		2013	2 177 280,00		12	12 638 710,00	106 360 305,00	335 703,00	0,03
BEN ML	Bu	2009	782 309,00	VS E	2	11 814 557,00	12 501 616,00	1 499 659,00	0,13

⁶Balance sheets of the TRANS - IRRHY – HSC – TH HANF – ZEG – BEN ML – OZ – L Ali companies over five years.

		2010	1 689 943,00		2	14 211 961,00	24 614 315,00	1 900 936,00	0,13
		2011	1 322 858,00		2	14 552 016,00	7 746 136,00	728 302,00	0,05
		2012	1 615 317,00		2	34 263 854,00	20 104 500,00	2 150 056,00	0,06
		2013	1 364 427,30		2	32 937 958,00	26 682 486,00	2 746 563,00	0,08
OZ	fuel transport	2009	907 200,00	Small	3	6 798 868,00	13 063 951,00	364 107,00	0,05
		2010	907 200,00		3	2 746 101,00	10 951 956,00	349 130,00	0,13
		2011	907 200,00		3	2 685 767,00	10 386 680,00	423 793,00	0,16
		2012	907 200,00		3	10 874 007,00	12 949 476,00	529 370,00	0,05
		2013	1 209 600,00		4	9 983 888,00	13 630 142,00	547 070,00	0,05
L Ali	Gas Station	2009	1 088 640,00	Small	6	7 204 939,00	73 950 323,00	1 559 128,00	0,22
		2010	1 675 651,00		6	5 908 518,00	64 655 851,00	575 533,00	0,10
		2011	1 822 500,00		6	9 368 312,00	80 029 294,00	798 090,00	0,09
		2012	1 760 439,00		6	13 795 384,00	98 426 748,00	2 306 405,00	0,17
		2013	2 141 640,00		8	19 075 027,00	103 216 592,00	4 509 006,00	0,24

Established by researchers from the table above.



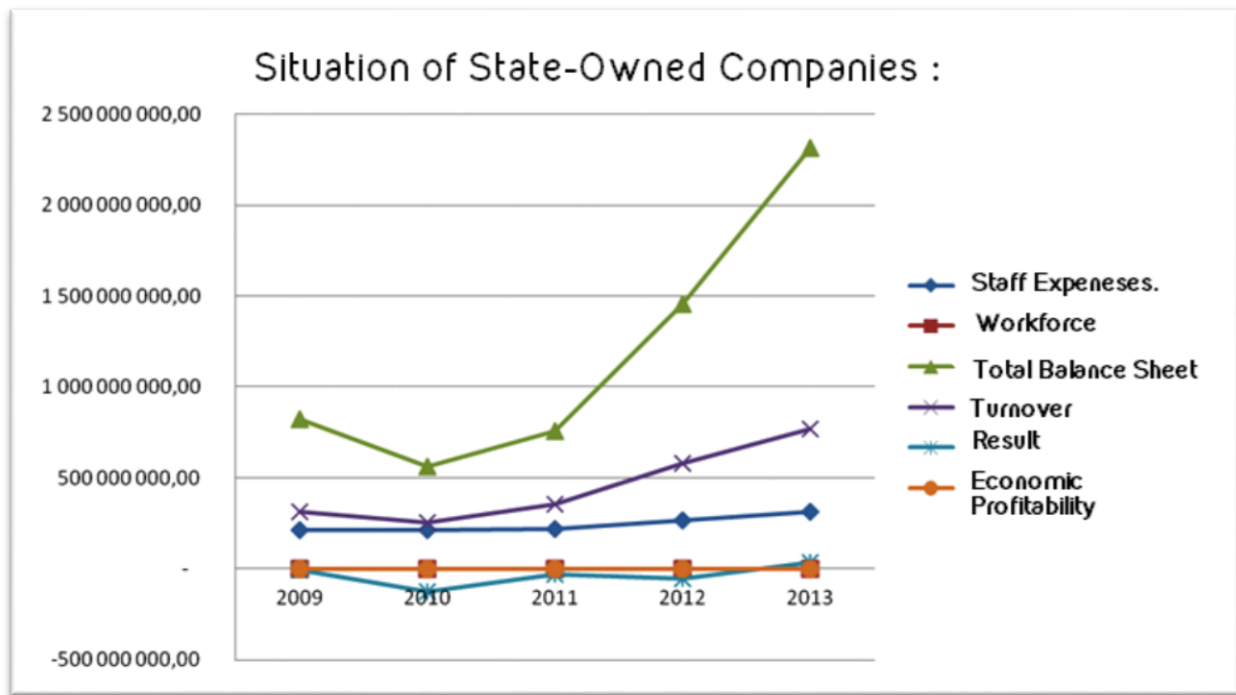
Comment:

- The investments are in sharp continuous increasing.
- The turnover figures follow the same trend as investments.
- The workforce is keeping the same level for the entire period. Nevertheless, the staff costs are in continuous increase this can be explained by the increase in salaries.
- The results follow the same direction as the staff costs. However, economic profitability remains beyond the investments made.

b. State-owned Enterprises:⁷

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
SP	Building Industry	2009	44 144 110,56	Average	92	118 575 798,00	63 459 239,00	5 890 862,00	0,05
		2010	46 543 247,00		97	223 732 203,00	79 817 991,00	5 285 482,00	0,02
		2011	41 265 146,82		86	208 603 653,00	35 174 774,00	- 12 886 212,00	- 0,06
		2012	39 825 664,96		83	344 787 483,00	51 260 276,00	- 59 415 175,00	- 0,17
		2013	46 543 247,00		97	512 162 445,73	72 285 906,00	31 797 350,00	0,06
EN	Building Industry	2009	168 800 500,00	Average	486	703 689 963,00	247 014 769,00	- 12 341 590,00	-0,02
		2010	165 000 400,00		462	338 662 845,00	174 275 342,00	- 130 047 724,00	- 0,38
		2011	179 222 148,65		500	547 035 067,00	318 731 956,00	- 19 303 560,00	- 0,04
		2012	227 970 573,08		636	1 112 341 734,00	528 658 650,00	8 182 994,00	0,01
		2013	265 248 780,00		740	1 800 737 113,00	697 064 954,00	1 661 232,00	0,00

Established by researchers from the table above.



Comment:

- Investments increased since the financial year 2010.

⁷Balance sheets of the SP – EN companies over five years.

- The turnover, although it is growing, too, from the 2010 financial year it remains disproportionate to the importance of investments made.
- The workforce remains on the same horizontal line during the entire period.
- The staff costs also remain on the same line.
- The result and the economic profitability follow a negative trend during the period from 2009 to 2012 to achieve a slight increase in 2013

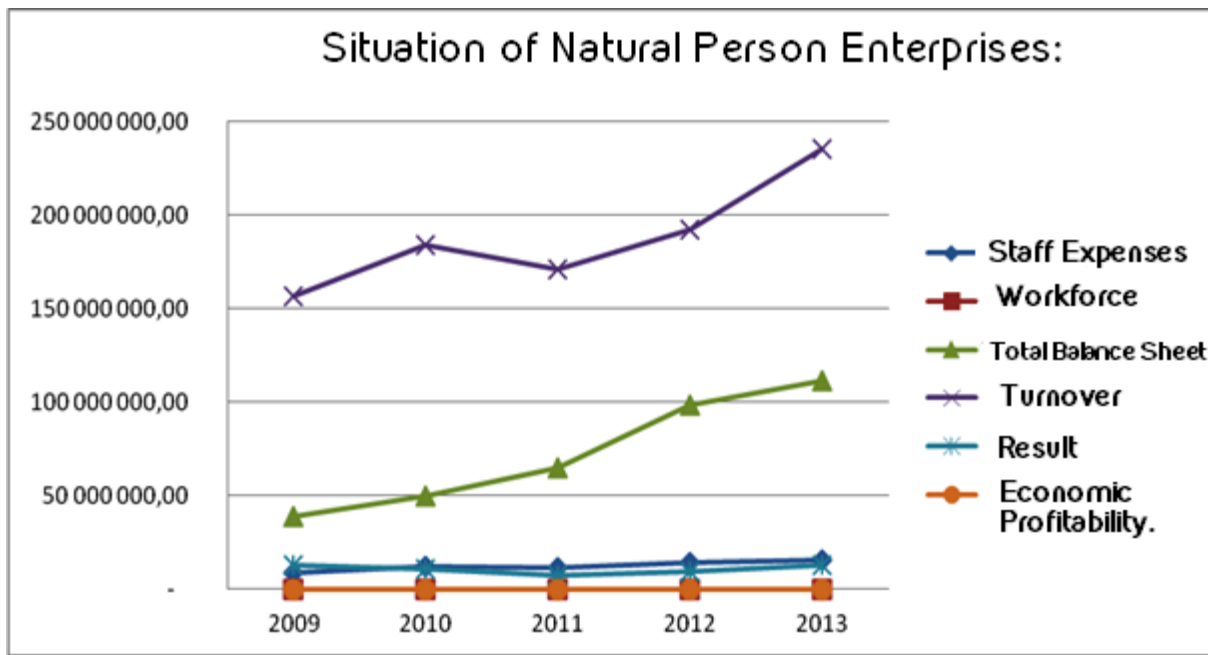
2. Legal form:

a. A Natural Person Enterprise:⁸

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
TH HANF	Building Industry	2009	6 735 835,00	Small	36	19 919 361,00	70 435 341,00	9 509 602,00	0,48
		2010	8 800 613,00		39	29 616 849,00	94 503 539,00	7 880 932,00	0,27
		2011	8 494 921,00		37	41 188 397,00	83 058 309,00	5 712 607,00	0,14
		2012	10 540 643,00		40	50 500 159,00	73 482 243,00	4 995 068,00	0,10
		2013	12 248 758,00		50	59 389 171,00	105 173 961,00	5 683 792,00	0,10
BEN ML	Building Industry	2009	782 309,00	VSE	2	11 814 557,00	12 501 616,00	1 499 659,00	0,13
		2010	1 689 943,00		2	14 211 961,00	24 614 315,00	1 900 936,00	0,13
		2011	1 322 858,00		2	14 552 016,00	7 746 136,00	728 302,00	0,05
		2012	1 615 317,00		2	34 263 854,00	20 104 500,00	2 150 056,00	0,06
		2013	1 364 427,30		2	32 937 958,00	26 682 486,00	2 746 563,00	0,08
L Ali	Gas Station	2009	1 088 640,00	VSE	6	7 204 939,00	73 950 323,00	1 559 128,00	0,22
		2010	1 675 651,00		6	5 908 518,00	64 655 851,00	575 533,00	0,10
		2011	1 822 500,00		6	9 368 312,00	80 029 294,00	798 090,00	0,09
		2012	6 735 835,00		36	19 919 361,00	70 435 341,00	9 509 602,00	0,48
		2013	8 800 613,00		39	29 616 849,00	94 503 539,00	7 880 932,00	0,27

Established by researchers from the table above.

⁸Balance sheets of the TH HANF – BEN ML – L Ali companies over five years.



Comment:

- The investments are in continuous increase.
- The turnover is much higher compared to investments which are in continuous increase.
- The Workforce and staff costs are relatively stable throughout the entire period.
- The result and the economic profitability are positive but clearly in equality with the turnover realized.

b. Legal Person Enterprise:⁹

Enterprises:	Sector:	Year :	Staff Expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
SP	Building Industry	2009	44 144 110,56	Average	92	118 575 798,00	63 459 239,00	5 890 862,00	0,05
		2010	46 543 247,00		97	223 732 203,00	79 817 991,00	5 285 482,00	0,02
		2011	41 265 146,82		86	208 603 653,00	35 174 774,00	- 12 886 212,00	-0,06
		2012	39 825 664,96		83	344 787 483,00	51 260 276,00	- 59 415 175,00	-0,17
		2013	46 543 247,00		97	512 162 445,73	72 285 906,00	31 797 350,00	0,06
EN	Building Industry	2009	168 800 500,00	Average	486	703 689 963,00	247 014 769,00	- 12 341 590,00	- 0,02
		2010	165 000 400,00		462	338 662 845,00	174 275 342,00	- 130 047 724,00	- 0,38
		2011	179 222 148,65		500	547 035 067,00	318 731 956,00	- 19 303 560,00	-0,04
		2012	227 970 573,08		636	1 112 341 734,00	528 658 650,00	8 182 994,00	0,01

⁹Balance sheets of the SP – EN – TRANS – IRRHY - HSC – ZEG – OZ companies over five years.

		2013	265 248 780,00		740	1 800 737 113,00	697 064 954,00	1 661 232,00	0,00
TRANS	Transportation of Oil Products	2009	5 316 888,00	Small	19	176 238 049,00	69 401 625,00	- 5 421 881,00	- 0,03
		2010	37 348 435,00	Average	90	283 808 079,00	145 599 200,00	1 139 341,00	0,00
		2011	40 925 718,43		202	590 168 276,00	207 466 563,00	6 342 875,00	0,01
		2012	57 000 942,21		232	906 154 047,00	346 331 180,00	19 948 431,00	0,02
		2013	71 775 823,15	Midsize enterprise	313	1 131 308 951,00	314 376 255,00	6 584 768,00	0,01
IRRHY	Hydro-agricultural Products Distribution	2009	7 259 189,00	Small	26	67 746 192,00	26 243 061,00	- 5 854 828,00	- 0,09
		2010	7 613 120,72		28	60 013 972,00	27 476 908,00	1 474 087,00	0,02
		2011	7 206 305,85		25	75 223 809,00	31 241 039,00	557 993,00	0,01
		2012	5 745 984,27		20	99 656 383,00	23 658 209,00	586 287,00	0,01
		2013	7 579 124,79		27	215 809 299,00	118 454 115,00	20 639 028,00	0,10
HSC	Seeds Production	2009	8 201 108,39	Small	14	188 834 010,00	58 138 997,00	1 369 769,00	0,01
		2010	13 473 249,49		23	110 477 031,00	42 075 258,00	2 290 397,00	0,02
		2011	9 950 755,29		17	107 098 104,00	18 953 284,00	743 714,00	0,01
		2012	13 950 900,73		25	113 225 872,00	33 243 807,00	2 991 743,00	0,03
		2013	26 227 693,37		47	298 967 327,00	39 258 415,00	8 613 696,00	0,03
ZEG	Gas Station	2009	982 800,00	VSE	5	3 322 612,00	95 657 637,00	1 034 097,00	0,31
		2010	1 360 800,00		7	4 633 059,00	56 147 280,00	497 615,00	0,11
		2011	1 474 200,00		8	5 700 357,00	69 148 688,00	1 471 498,00	0,26
		2012	2 177 280,00	Small	7 013 180,00	82 382 286,00	1 554 633,00	7 013 180,00	0,22
		2013	2 177 280,00		12 638 710,00	106 360 305,00	335 703,00	12 638 710,00	0,03
OZ	Fuel Transport	2009	907 200,00	VSE	6 798 868,00	13 063 951,00	364 107,00	6 798 868,00	0,05
		2010	907 200,00		2 746 101,00	10 951 956,00	349 130,00	2 746 101,00	0,13
		2011	907 200,00		2 685 767,00	10 386 680,00	423 793,00	2 685 767,00	0,16
		2012	907 200,00		10 874 007,00	12 949 476,00	529 370,00	10 874 007,00	0,05
		2013	1 209 600,00		9 983 888,00	13 630 142,00	547 070,00	9 983 888,00	0,05



Established by researchers from the table above.

Comment:

- Investments are increasing since 2010.
- The turnover has increased since 2010 but significantly below the investment.
- The result has the smallest increase since 2010, but disproportionately in relation to investment and the realized turnover.
- Stable employment and personnel expenses increased slightly.

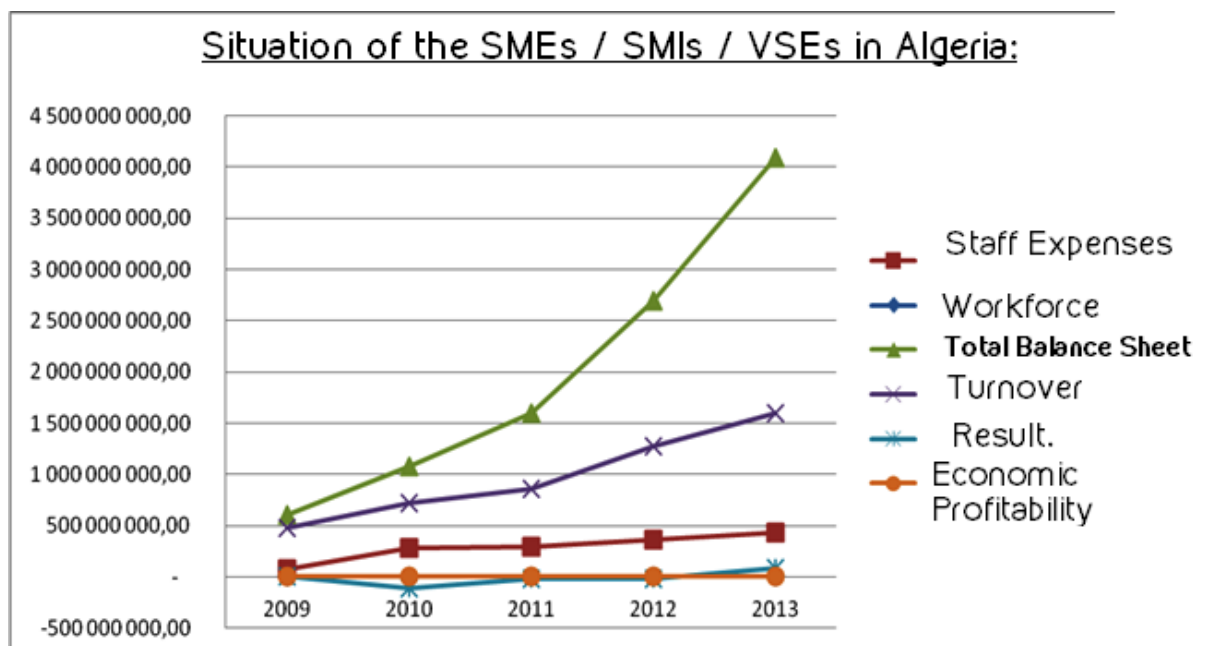
C. Situation of all of the SMEs / SMIs/VSEs:¹⁰

Enterprises:	Sector:	Year :	Staff expenses :	Size :	Workforce :	Balance Sheet Total:	Turnover:	Result:	Economic Profitability:
SP	Building Industry	2009	44 144 110,56	Average	92	118 575 798,00	63 459 239,00	5 890 862,00	0,05
		2010	46 543 247,00		97	223 732 203,00	79 817 991,00	5 285 482,00	0,02
		2011	41 265 146,82		86	208 603 653,00	35 174 774,00	- 12 886 212,00	- 0,06
		2012	39 825 664,96		83	344 787 483,00	51 260 276,00	- 59 415 175,00	- 0,17
		2013	46 543 247,00		97	512 162 445,73	72 285 906,00	31 797 350,00	0,06
EN	Building Industry	2009	168 800 500,00	Average	486	703 689 963,00	247 014 769,00	- 12 341 590,00	- 0,02

¹⁰"The encrypted data were extracted from the fiscal balance sheets often companies named above, and over five years."

		2010	165 000 400,00		462	338 662 845,00	174 275 342,00	- 130 047 724,00	- 0,38
		2011	179 222 148,65		500	547 035 067,00	318 731 956,00	- 19 303 560,00	- 0,04
		2012	227 970 573,08		636	1 112 341 734,00	528 658 650,00	8 182 994,00	0,01
		2013	265 248 780,00		740	1 800 737 113,00	697 064 954,00	1 661 232,00	0,00
TRANS	Transportation of Oil Products	2009	5 316 888,00	Small	19	176 238 049,00	69 401 625,00	- 5 421 881,00	- 0,03
		2010	37 348 435,00	Average	90	283 808 079,00	145 599 200,00	1 139 341,00	0,00
		2011	40 925 718,43		202	590 168 276,00	207 466 563,00	6 342 875,00	0,01
		2012	57 000 942,21		232	906 154 047,00	346 331 180,00	19 948 431,00	0,02
		2013	71 775 823,15	Midsize enterprise	313	1 131 308 951,00	314 376 255,00	6 584 768,00	0,01
IRRHY	Hydro-agricultural Products Distribution	2009	7 259 189,00	Small	26	67 746 192,00	26 243 061,00	-5 854 828,00	- 0,09
		2010	7 613 120,72		28	60 013 972,00	27 476 908,00	1 474 087,00	0,02
		2011	7 206 305,85		25	75 223 809,00	31 241 039,00	557 993,00	0,01
		2012	5 745 984,27		20	99 656 383,00	23 658 209,00	586 287,00	0,01
		2013	7 579 124,79		27	215 809 299,00	118 454 115,00	20 639 028,00	0,10
BEN ML	Building Industry	2009	782 309,00	VSE	2	11 814 557,00	12 501 616,00	1 499 659,00	0,13
		2010	1 689 943,00	Average	2	14 211 961,00	24 614 315,00	1 900 936,00	0,13
		2011	1 322 858,00		2	14 552 016,00	7 746 136,00	728 302,00	0,05
		2012	1 615 317,00		2	34 263 854,00	20 104 500,00	2 150 056,00	0,06
		2013	8 201 108,39	midsize enterprise	14	188 834 010,00	58 138 997,00	1 369 769,00	0,01
HSC	Seeds Production	2009	13 473 249,49	Small	23	110 477 031,00	42 075 258,00	2 290 397,00	0,02
		2010	9 950 755,29		17	107 098 104,00	18 953 284,00	743 714,00	0,01
		2011	13 950 900,73		25	113 225 872,00	33 243 807,00	2 991 743,00	0,03
		2012	26 227 693,37		47	298 967 327,00	39 258 415,00	8 613 696,00	0,03
		2013	6 735 835,00		36	19 919 361,00	70 435 341,00	9 509 602,00	0,48
TH HANF	Buildi ng Indus try	2009	8 800 613,00	Small	39	29 616 849,00	94 503 539,00	7 880 932,00	0,27

		2010	8 494 921,00		37	41 188 397,00	83 058 309,00	5 712 607,00	0,14
		2011	782 309,00		92	118 575 798,00	63 459 239,00	5 890 862,00	0,05
		2012	10 540 643,00		40	50 500 159,00	73 482 243,00	4 995 068,00	0,10
		2013	12 248 758,00		50	59 389 171,00	105 173 961,00	5 683 792,00	0,10
ZEG	Gas Station	2009	982 800,00	VSE	5	3 322 612,00	95 657 637,00	1 034 097,00	0,31
		2010	1 360 800,00		7	4 633 059,00	56 147 280,00	497 615,00	0,11
		2011	1 474 200,00		8	5 700 357,00	69 148 688,00	1 471 498,00	0,26
		2012	2 177 280,00	Small	12	7 013 180,00	82 382 286,00	1 554 633,00	0,22
		2013	2 177 280,00		12	12 638 710,00	106 360 305,00	335 703,00	0,03
OZ	fuel transport	2009	907 200,00	VSE	3	6 798 868,00	13 063 951,00	364 107,00	0,05
		2010	907 200,00		3	2 746 101,00	10 951 956,00	349 130,00	0,13
		2011	907 200,00		3	2 685 767,00	10 386 680,00	423 793,00	0,16
		2012	907 200,00		3	10 874 007,00	12 949 476,00	529 370,00	0,05
		2013	1 209 600,00		4	9 983 888,00	13 630 142,00	547 070,00	0,05
L Ali	Gas Station	2009	1 088 640,00	VSE	6	7 204 939,00	73 950 323,00	1 559 128,00	0,22
		2010	1 675 651,00		6	5 908 518,00	64 655 851,00	575 533,00	0,10
		2011	1 822 500,00		6	9 368 312,00	80 029 294,00	798 090,00	0,09
		2012	1 760 439,00		6	13 795 384,00	98 426 748,00	2 306 405,00	0,17
		2013	2 141 640,00		8	19 075 027,00	103 216 592,00	4 509 006,00	0,24



Established by researchers from the table above.

General Synthesis:

Generally, investment is increasing steadily since 2009. The turnover is also increasing but disproportionately. Employment is more or less stable during the entire period but staff costs increased slightly. The result and the economic profitability have started to come out of the red zone as from the 2012 fiscal year.

Importance of SMEs / SMIs / VSEs:

In the past it was believed that the size of a company reflects its importance and its weight. In fact, average, small and very small companies show their importance, particularly in the areas of:

- Creating Wealth, value added and growth.
- Job creation and social stability.

Additionally to training offered by these companies, they are the preferred market for bankers. Should be noted that large companies in developed and emerging countries, are opting often for public savings to finance their development or reinvestment.

In Algeria, long marginalized SMEs and relegated to second place behind the large public companies, which takes almost all budgets plans and development programs, they occupy two decades a prominent place in the economic system. And, through the panoply of regulations governing the creation of businesses and the upgrade device.

However, all these measures are insufficient in the absence of complementary measures of support and recovery of firms in difficulty.

The waves of dissolution and liquidation of thousands of companies during the 1990s and 2000s attest.

The current legislation governing of bankruptcy and judicial settlement, allowed under the regulation of the Commercial Code¹¹ remain practically inactive. The alert procedure provided by article 715-11 of the Commercial Code and articles 23 and 25 of the law 10-01 of 06-29th-2010¹², is still insufficient and incomplete. And the opposite of what happens in developed countries, particularly in France where the alert procedure can lead to the judge of the commercial court who can recommend the most appropriate measures to turn the company.

CONCLUSION:

In a market such as ours, without investment expenditure rationalization and without a safe and supportive environment, we can't achieve the desired objectives that are primarily the wealth and employment. Wealth is locally.

"Small streams make great rivers

¹¹ Article 215 to 388

¹² Relating to the accounting profession of auditor and of Chartered Accountants

References:

ArticleNo.03 of theOrdinance03-03of19/07/2003on competition.

Farouk Bouyacoub, enterprise and bank financing; LASBAH edition- 2003 -P30.

ArticleNo.04 of the framework law on the promotion ofSMEsNo.01-18of12/12/2001.

Article05ofthe Framework Act on the Promotion ofSMEsNo.01-18of12/12/2001.

Article06 of the Framework Act on the Promotion ofSMEsNo.01-18of12/12/2001.

Article07 of the Framework Act on the Promotion ofSMEsNo.01-18of12/12/2001.

Study of a sample of firms(intellectual honesty, the companies referred to were distorted), listed as follows:

- EPE SPA SP/HASSI AMEUR.
- EPE SPA EN/EL BAYEDH.
- SARL O Z/ MASCARA.
- SARL IRRHY/ MASCARA.
- SARL (SPA) TRANS / ORAN.
- SARL (SPA) HSC / MASCARA.
- SARL ZEG / MASCARA.
- E I « TH HANF »/ MASCARA.
- E I "BEN ML"/ MASCARA.
- E I "L ALI"/ MASCARA.