

# Transparency in the Algerian Public Procurement System: An Analytical Comparative Perspective Based on International Standards

## Transparência no Sistema de Compras Públicas da Argélia: Uma Perspectiva Analítica Comparativa Baseada em Padrões Internacionais

Farid Khelatou University of Abdelhamid Mehri Constantine 2, Algolia.  
E-mail: [farid.khelatou@univ-constantine2.dz](mailto:farid.khelatou@univ-constantine2.dz)

**ABSTRACT | Purpose:** This article examines the extent to which Algeria's public procurement regulatory framework aligns with international transparency standards, particularly the WTO's Revised Agreement on Government Procurement (GPA) and the UNCITRAL Model Law (2011). It addresses the gap between formal legal convergence and effective institutional transparency. **Originality/Value:** The study advances a structured institutional comparison and proposes a governance-oriented perspective that moves beyond strict codification toward institutional consolidation and structured good practice guidance. **Methods:** A qualitative comparative institutional approach combines doctrinal analysis with an analytical matrix structured around six transparency dimensions: publication, procedural predictability, discretion control, evaluation objectivity, review mechanisms, and traceability. Governance indicators, including the Corruption Perceptions Index (2025) and Worldwide Governance Indicators (2023), contextualize institutional performance. **Results:** Findings reveal significant formal convergence but uneven substantive alignment. While publication and evaluation show partial alignment, procedural predictability, discretionary constraints, and review independence remain comparatively weak. Governance indicators suggest that legislative reform has not yet produced robust institutional transformation. **Conclusions:** Effective procurement transparency requires not rule multiplication but institutional embedding, regulatory stability, constrained discretion, enforcement credibility, and governance-oriented implementation. The article contributes both an evaluative matrix and a conceptual reframing of transparency reform in transition procurement systems.

**Keywords |** Public procurement; transparency governance; institutional alignment; anti-corruption; Algeria

Received: 20 January 2026

Revised: 25 February 2026

Accepted: 10 March 2026

e-ISSN: 2965-3630

How to cite this article: Khelatou, F. (2026). Transparency in the Algerian Public Procurement System: An Analytical Comparative Perspective Based on International Standards. *Journal of Law and Corruption Review*, 8, e0109. <https://doi.org/10.37497/CorruptionReview.8.2026.109>



**RESUMO | Objetivo:** Este artigo examina em que medida o marco regulatório das compras públicas da Argélia está alinhado aos padrões internacionais de transparência, especialmente ao Acordo Revisado sobre Compras Governamentais (GPA) da OMC e à Lei Modelo da UNCITRAL (2011). O estudo aborda a lacuna existente entre a convergência jurídica formal e a efetiva transparência institucional. **Originalidade/Valor:** O estudo apresenta uma comparação institucional estruturada e propõe uma perspectiva orientada à governança que vai além da mera codificação normativa, direcionando-se à consolidação institucional e à formulação de diretrizes estruturadas de boas práticas. **Métodos:** A pesquisa adota uma abordagem institucional comparativa de natureza qualitativa, combinando análise doutrinária com uma matriz analítica estruturada em torno de seis dimensões de transparência: publicação, previsibilidade procedimental, controle da discricionariedade, objetividade na avaliação, mecanismos de revisão e rastreabilidade. Indicadores de governança, incluindo o Índice de Percepção da Corrupção (2025) e os Worldwide Governance Indicators (2023), são utilizados para contextualizar o desempenho institucional. **Resultados:** Os resultados revelam uma significativa convergência formal, porém com alinhamento substantivo desigual. Enquanto publicação e avaliação demonstram alinhamento parcial, previsibilidade procedimental, limites à discricionariedade e independência dos mecanismos de revisão permanecem relativamente frágeis. Os indicadores de governança sugerem que as reformas legislativas ainda não produziram uma transformação institucional robusta. **Conclusões:** A efetiva transparência nas compras públicas exige não a multiplicação de normas, mas a incorporação institucional de práticas, estabilidade regulatória, limitação da discricionariedade, credibilidade dos mecanismos de fiscalização e implementação orientada à governança. O artigo contribui tanto com uma matriz avaliativa quanto com uma reformulação conceitual das reformas de transparência em sistemas de contratação pública em transição.

**Palavras-chave |** Compras públicas; Governança da transparência; Alinhamento institucional; Anticorrupção; Argélia.

## 1 INTRODUCTION

Public procurement constitutes one of the most economically significant domains of public financial management. Across both developed and developing economies, procurement expenditures account for an estimated 10% to 20% of gross domestic product and represent a substantial proportion of total public spending (World Bank, 2017). Given the scale of financial flows involved, the multiplicity of actors participating in procurement processes, and the discretionary authority exercised by public officials, procurement systems are structurally exposed to risks of corruption, inefficiency, and rent-seeking behavior. These vulnerabilities are particularly pronounced in transition economies, where regulatory instability and institutional capacity constraints may weaken governance safeguards.

Over the past three decades, transparency has emerged as a central regulatory principle in public procurement reform. International organizations and multilateral institutions increasingly conceptualize transparency not merely as the publication of information, but as an integrated governance framework encompassing disclosure obligations, procedural predictability, objective evaluation criteria, enforceable review mechanisms, and traceability across the procurement cycle (OECD, 2016; UNCITRAL, 2011). Within this framework, transparency operates as a mechanism for reducing information asymmetry, constraining discretionary authority, and strengthening accountability.

Despite widespread normative consensus on the importance of transparency, empirical governance indicators reveal persistent challenges in many jurisdictions. According to Transparency International's Corruption Perceptions Index (CPI 2025), Algeria scored 34 out of 100, ranking 109th



among 182 countries, indicating sustained perceptions of corruption risk (Transparency International, 2025). Similarly, the World Bank's Worldwide Governance Indicators (2023) report Algeria's Control of Corruption estimate at  $-0.589$  and Regulatory Quality at  $-0.948$ , values that remain below global averages (World Bank, 2023). While these macro-level indicators do not measure procurement systems directly, they suggest that legislative reforms have not fully translated into strengthened governance outcomes.

In this context, Algeria presents a particularly relevant case for institutional analysis. Since independence, the Algerian public procurement regime has undergone successive legislative transformations, culminating most recently in Law No. 23-12 (2023). These reforms have formally incorporated principles of competition, equality of access, and transparency. However, the persistence of governance concerns raises a central analytical question: does the formal incorporation of transparency principles ensure substantive alignment with internationally recognized standards?

At the international level, two normative frameworks have played a central role in structuring global procurement governance: the World Trade Organization's Revised Agreement on Government Procurement (GPA) and the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Public Procurement (2011). Both instruments articulate detailed procedural and institutional requirements designed to embed transparency within the entire procurement lifecycle, including publication obligations, standardized deadlines, objective evaluation methods, independent review systems, and documentation mechanisms (WTO, 2012; UNCITRAL, 2011). These standards have influenced reform processes in numerous jurisdictions and provide structured benchmarks for comparative assessment.

However, existing scholarship on Algeria remains fragmented. Domestic legal analyses tend to focus on descriptive examination of legislative texts, often without systematic comparison to international benchmarks or institutional performance indicators (Mokdad, 2012). Conversely, international governance studies rely primarily on aggregate corruption or regulatory indicators without detailed examination of the internal coherence and stability of national procurement frameworks. This dual gap — descriptive legal analysis on the one hand, and macro-level quantitative indicators on the other — leaves unresolved the question of substantive institutional alignment.

Accordingly, this study addresses the following research question:

To what extent does Algeria's public procurement regulatory framework substantively align with international transparency standards as articulated in the GPA and the UNCITRAL Model Law, and how can identified alignment gaps help explain broader governance performance indicators?

The article advances the argument that although Algerian procurement legislation formally incorporates core transparency principles, substantive institutional alignment remains partial and uneven. Regulatory instability, broad discretionary authority in exceptional procedures, limited integration of enforceable review mechanisms, and insufficient systemic traceability constrain the operational effectiveness of transparency as an anti-corruption instrument. By combining qualitative comparative institutional analysis with selected governance indicators, the study seeks to bridge the gap between normative legal assessment and institutional performance evaluation.

The contribution of this research is fourfold. First, it develops a structured analytical matrix that operationalizes transparency across measurable functional dimensions derived from international



benchmarks. Second, it integrates secondary governance indicators into institutional interpretation, thereby strengthening the empirical grounding of comparative analysis. Third, it contributes to broader debates on procurement reform in transition economies by distinguishing between formal legal convergence and substantive institutional alignment. Fourth, it advances an alternative governance-oriented pathway that moves beyond strict codification toward institutional consolidation and good practice guidance.

The article proceeds as follows. Section 2 presents a systematized review of the literature on procurement governance and transparency. Section 3 outlines the theoretical framework. Section 4 details the methodological approach. Section 5 provides the comparative analytical discussion supported by governance data. Section 6 explores broader institutional implications. Section 7 acknowledges methodological limitations. The final section concludes.

## **2 LITERATURE REVIEW**

### **2.1 Public Procurement as a Governance-Sensitive Sector**

Public procurement has progressively been conceptualized in the literature not merely as an administrative procedure but as a core component of economic governance. Because procurement decisions allocate substantial public resources and shape market access, they directly affect competition, efficiency, and public trust. The World Bank (2017) estimates that procurement accounts for up to one-fifth of GDP in many countries, highlighting its macroeconomic relevance.

Scholars have long emphasized that procurement systems are structurally vulnerable to corruption due to the convergence of three factors: high financial stakes, administrative discretion, and information asymmetry (Klitgaard, 1988; Rose-Ackerman, 1999). Information asymmetry arises when public officials possess privileged knowledge about needs assessment, technical specifications, or evaluation criteria, enabling potential manipulation of procedures. In such contexts, corruption may not result from isolated illegal acts but from systemic institutional weaknesses embedded in regulatory frameworks.

More recent institutional analyses move beyond individual misconduct and focus on governance architecture. According to OECD (2016), procurement-related corruption risks are strongly associated with opaque procedures, poorly defined exceptions, and weak review mechanisms. Similarly, the International Monetary Fund (2022) highlights that procurement vulnerabilities can significantly increase contract prices and reduce fiscal efficiency, particularly in environments with limited regulatory quality and weak oversight capacity.

This body of literature establishes a broad consensus: procurement systems require carefully structured transparency and accountability mechanisms to mitigate corruption risks. However, disagreement persists regarding how transparency should be operationalized and how its effectiveness should be evaluated.



## 2.2 Conceptualizing Transparency: From Disclosure to Institutional Architecture

Transparency has evolved from a narrow understanding of publication obligations toward a multidimensional governance concept. Early regulatory approaches equated transparency with formal disclosure of tender notices and award decisions. However, contemporary scholarship emphasizes that transparency must encompass procedural predictability, objective evaluation standards, enforceable remedies, and systematic documentation (Arrowsmith, 2010; OECD, 2016).

From an economic perspective, transparency reduces transaction costs and information asymmetry by allowing economic operators to access relevant information under equal conditions (North, 1990). Empirical evidence suggests that greater disclosure at the planning and bidding stages increases competition and reduces average procurement prices (OECD, 2015). Nevertheless, transparency alone does not automatically eliminate corruption risks. Evenett and Hoekman (2003) argue that disclosure mechanisms must be accompanied by credible enforcement structures to alter incentive configurations effectively.

Recent literature also emphasizes the role of digitalization. E-procurement systems and open data initiatives have been presented as tools capable of reducing discretionary manipulation and strengthening traceability (OECD, 2016). However, studies caution that technological solutions may fail in the absence of institutional integrity and oversight independence. Thus, transparency is increasingly understood as part of a broader institutional ecosystem rather than a standalone principle.

## 2.3 International Normative Frameworks and Harmonization Efforts

The globalization of procurement governance has given rise to structured international benchmarks. The Revised Agreement on Government Procurement (WTO, 2012) and the UNCITRAL Model Law on Public Procurement (2011) constitute two major normative references. Both frameworks articulate detailed standards concerning publication requirements, procedural timelines, non-discrimination, evaluation criteria, and review mechanisms.

Scholars recognize these instruments as promoting convergence toward procedural harmonization (Arrowsmith & Anderson, 2011). Yet, implementation outcomes vary considerably across jurisdictions. Arrowsmith (2003) notes that international standards provide formal coherence but cannot substitute for domestic institutional capacity and political commitment. Empirical evidence indicates that adoption of international norms does not guarantee improved governance indicators if enforcement remains weak (OECD, 2016).

This distinction between formal adoption and substantive operationalization is central to comparative procurement research. It raises the question of how alignment should be assessed: through textual comparison alone, or through examination of institutional functionality.



## 2.4 Procurement Reform in Transition Economies

Transition economies present particular challenges in procurement reform. Regulatory frameworks often undergo frequent amendments in response to corruption scandals or political pressures, leading to normative instability. Institutional economics suggests that excessive regulatory volatility can undermine predictability and increase transaction costs (Williamson, 2000).

Studies of procurement governance in emerging markets indicate that formal legal reforms frequently coexist with modest improvements in governance indicators. For example, the World Bank's Benchmarking Public Procurement reports (2016, 2019) reveal significant cross-country disparities between regulatory design and implementation outcomes. This discrepancy underscores the importance of assessing not only the presence of transparency provisions but also their systemic integration within administrative practice.

## 2.5 The Algerian Gap in the Literature

Within the Algerian context, academic contributions have primarily focused on doctrinal analysis of legislative texts and procedural reforms (Mokdad, 2012). While such studies provide valuable descriptive insights, they rarely situate the Algerian framework within international comparative benchmarks or integrate governance performance indicators.

Conversely, macro-level governance assessments — such as the Corruption Perceptions Index and Worldwide Governance Indicators — classify Algeria as facing persistent governance challenges, yet they do not examine the structural features of its procurement regulation. This disconnect creates a research gap: there is limited structured analysis linking legal transparency provisions to broader institutional performance.

Addressing this gap requires an analytical framework capable of bridging normative comparison and institutional evaluation. The present study seeks to fill this void by systematically comparing Algeria's procurement regime with international standards across defined transparency dimensions and contextualizing findings through governance indicators.

## 3 THEORETICAL FRAMEWORK

The analytical framework of this study is grounded in an institutional governance perspective that conceptualizes public procurement as a system of incentives, constraints, and accountability mechanisms. Rather than treating transparency as a purely normative principle embedded in legal texts, this framework views it as an operational governance instrument whose effectiveness depends on institutional design, regulatory stability, and enforcement capacity. The theoretical foundation combines insights from agency theory, institutional economics, and governance theory in order to structure the comparative assessment.



### 3.1 Agency Theory and Information Asymmetry

Agency theory provides a foundational lens for understanding corruption risks in public procurement. In procurement relationships, the State and society function as principals, while public officials and contracting authorities act as agents entrusted with managing public resources (Jensen & Meckling, 1976). The core problem arises from information asymmetry: agents possess more detailed knowledge regarding procurement needs, technical specifications, evaluation criteria, and contract execution than the principals who ultimately bear the fiscal consequences.

When information asymmetry is combined with discretionary authority and weak monitoring mechanisms, the risk of opportunistic behavior increases. In procurement systems, this may manifest in the tailoring of specifications, manipulation of evaluation criteria, selective disclosure of information, or unjustified resort to negotiated procedures. Klitgaard's (1988) corruption equation—corruption as a function of monopoly power and discretion minus accountability—remains particularly relevant in procurement contexts characterized by broad administrative latitude.

Within this framework, transparency functions as a mechanism for reducing information asymmetry. By requiring systematic disclosure of procurement plans, evaluation criteria, award decisions, and procedural justifications, transparency narrows the informational gap between agents and principals. However, agency theory also emphasizes that transparency alone is insufficient unless supported by credible monitoring and sanctioning mechanisms. Disclosure without enforceable accountability does not necessarily realign incentives.

### 3.2 Institutional Economics and Regulatory Stability

New Institutional Economics shifts attention from formal legal rules to the broader institutional environment in which they operate. North (1990) distinguishes between formal rules (laws and regulations) and informal constraints (administrative practices, norms, and enforcement patterns). According to this perspective, the effectiveness of procurement regulation depends not only on the content of legal provisions but also on their stability, clarity, and enforceability.

Institutional instability—frequent amendments, overlapping decrees, and shifting procedural rules—can increase transaction costs and weaken predictability for economic operators. Williamson (2000) further argues that governance structures must minimize opportunism by aligning incentives and clearly delimiting discretionary authority. Excessive codification without coherent enforcement may generate formal compliance while failing to reduce corruption risks.

Applied to public procurement, institutional economics suggests that transparency must be embedded within stable procedural frameworks and supported by consistent administrative practice. Regulatory volatility may undermine the credibility of transparency commitments, even if transparency is formally recognized in statutory language.



### 3.3 Governance Theory and Accountability Architecture

Governance theory conceptualizes transparency as part of a broader accountability architecture. International governance frameworks promoted by the World Bank and OECD emphasize that transparency must be linked to rule of law, effective review mechanisms, audit institutions, and performance monitoring systems (World Bank, 2017; OECD, 2016).

In this perspective, transparency is multidimensional. It includes:

- Ex ante transparency (publication of procurement plans and tender notices);
- Procedural transparency (predictable timelines and standardized evaluation criteria);
- Ex post transparency (justification of award decisions and public access to documentation);
- Remedial transparency (independent review mechanisms and enforceable remedies);
- Systemic transparency (statistical reporting, traceability, and integration with oversight institutions).

Transparency therefore operates as a systemic governance mechanism rather than a single procedural requirement. Its effectiveness depends on the coherence between these dimensions.

### 3.4 Operationalization for Comparative Assessment

Drawing on these theoretical perspectives, this study operationalizes transparency across six analytical dimensions:

- Publication and disclosure obligations (reducing information asymmetry);
- Procedural predictability and stability (enhancing legal certainty);
- Regulation of discretionary authority and exceptions (limiting opportunism);
- Objectivity of evaluation criteria and justification requirements (strengthening fairness);
- Independence and effectiveness of review mechanisms (ensuring enforceability);
- Traceability and integration with oversight systems (supporting accountability).

These dimensions derive directly from agency theory (information asymmetry and discretion), institutional economics (stability and predictability), and governance theory (accountability architecture). They provide the conceptual bridge between normative international standards and empirical governance indicators.

By grounding the comparative analysis in this integrated theoretical framework, the study moves beyond textual comparison of legal provisions and evaluates whether transparency operates as an effective institutional constraint within the Algerian procurement system.

This theoretical framework not only enables structured comparison but also allows exploration of alternative governance pathways beyond strict legal codification, particularly in contexts where regulatory density coexists with institutional fragility.



## 4 METHODOLOGY

### 4.1 Research Design

This study adopts a qualitative comparative institutional research design aimed at assessing the substantive alignment between Algeria's public procurement regulatory framework and internationally recognized transparency standards. The research does not seek to measure corruption quantitatively at the contract level; rather, it evaluates the structural and institutional configuration of transparency mechanisms within the regulatory architecture.

The methodological approach combines:

- Doctrinal legal analysis, examining statutory texts and implementing regulations;
- Comparative normative analysis, contrasting domestic provisions with international benchmarks;
- Institutional interpretation supported by secondary governance indicators, contextualizing regulatory findings within broader governance performance measures.

This triangulated design allows the study to move beyond descriptive legal commentary and toward structured institutional evaluation.

### 4.2 Case Selection: Algeria as an Analytical Case

Algeria constitutes an analytically relevant case for several reasons.

First, public procurement represents a substantial share of public expenditure within an economy characterized by strong state involvement in strategic sectors. Second, the procurement framework has undergone repeated reforms, culminating in Law No. 23-12 (2023), reflecting continuous legislative efforts to enhance transparency and integrity. Third, governance indicators such as the Corruption Perceptions Index (Transparency International, 2025) and Worldwide Governance Indicators (World Bank, 2023) suggest persistent governance challenges despite these reforms.

These characteristics position Algeria as a representative case of a transition economy where formal legal density coexists with moderate institutional performance. The case therefore offers analytical value for examining the distinction between normative convergence and substantive institutional alignment.

### 4.3 Selection of International Benchmarks

The study employs two primary international reference instruments:

- The Revised Agreement on Government Procurement (GPA) (WTO, 2012);
- The UNCITRAL Model Law on Public Procurement (2011).

These instruments were selected based on three criteria:



- Normative authority: Both frameworks are widely recognized as foundational references in procurement governance.
- Procedural specificity: They articulate detailed transparency-related requirements across the procurement lifecycle.
- Comparative applicability: They provide structured standards that enable cross-jurisdictional alignment assessment.

The GPA represents a binding multilateral trade instrument, while the UNCITRAL Model Law functions as a legislative template adopted or adapted by numerous jurisdictions. Together, they provide complementary transparency benchmarks.

Although Algeria is not a signatory to the WTO's Agreement on Government Procurement (GPA), the instrument is used in this study as a structured analytical benchmark rather than a binding legal obligation. The GPA's procedural specificity and institutional safeguards provide a comparative reference framework for evaluating transparency alignment independently of formal accession status.

#### 4.4 Construction of the Analytical Matrix

To operationalize comparison, the study constructs an analytical matrix derived from the theoretical framework. Six functional dimensions of transparency are identified:

- Publication and disclosure obligations;
- Procedural predictability and regulatory stability;
- Regulation of discretionary authority and exceptions;
- Objectivity of evaluation criteria and justification of award decisions;
- Independence and effectiveness of review mechanisms;
- Traceability, documentation, and integration with oversight institutions.

For each dimension, the Algerian regulatory framework is examined against corresponding GPA and UNCITRAL provisions.

Alignment Assessment Criteria is evaluated qualitatively using three categories:

- High alignment: Substantive convergence in principles, procedural safeguards, and enforcement mechanisms;
- Partial alignment: Formal recognition of principles with limited operational safeguards;
- Low alignment: Absence of equivalent safeguards or presence of broadly framed discretionary latitude.

This structured categorization enhances analytical clarity and ensures methodological transparency.



## 4.5 Integration of Secondary Governance Indicators

To strengthen analytical robustness, the study integrates selected macro-level governance indicators as contextual variables:

- Corruption Perceptions Index (CPI), Transparency International (2025);
- Worldwide Governance Indicators (WGI), World Bank (2023), specifically:
- Control of Corruption (Estimate);
- Regulatory Quality (Estimate);
- Benchmarking Public Procurement Reports (World Bank, 2016; 2019);
- OECD procurement integrity assessments (OECD, 2016).

These indicators are not used as direct measures of procurement compliance. Instead, they serve as contextual evidence to assess whether formal regulatory convergence corresponds with broader governance performance trends.

The interpretative logic is as follows:

If formal alignment with international transparency standards is high, one might expect improvement in governance-related indicators over time. Persistent modest scores may therefore signal structural institutional constraints.

## 4.6 Data Sources and Scope

Primary sources include:

- Algerian Law No. 23-12 (2023) and related regulatory texts;
- Official procurement regulations and implementing decrees;
- GPA and UNCITRAL official texts.

The analysis also acknowledges the relevance of Executive Decree No. 21-219 and related implementing regulations, which structure certain operational and digital dimensions of procurement procedures. These texts provide contextual continuity between successive reform phases and inform the interpretation of institutional practice.

Secondary sources include:

- International governance datasets;
- Scholarly literature on procurement governance;
- Institutional reports from OECD and World Bank.

The analysis focuses on the regulatory framework rather than sector-specific procurement practices or individual contracts.

## 4.7 Methodological Limitations

Several limitations must be acknowledged.



First, the study does not incorporate primary empirical data such as interviews, bidder surveys, or contract-level datasets. Second, governance indicators such as CPI and WGI measure broad perceptions and regulatory quality rather than procurement-specific performance. Third, the qualitative alignment categories involve structured interpretative judgment, which may limit strict replicability compared to quantitative scoring models. Fourth, as a single-country case study, generalization beyond comparable institutional contexts should be approached cautiously.

Nevertheless, this methodological design is appropriate for the study’s objective: to provide a structured institutional diagnosis of transparency alignment rather than a quantitative corruption measurement.

## 5 RESULTS AND COMPARATIVE ANALYTICAL DISCUSSION

### 5.1 Analytical Matrix of Substantive Transparency Alignment

Building on the theoretical framework and methodological criteria, the following expanded analytical matrix evaluates the degree of substantive alignment between Algeria’s procurement framework (Law No. 23-12, 2023 and related regulations) and the transparency standards articulated in the GPA and UNCITRAL Model Law.

**Table 1.** Comparative Transparency Alignment Matrix

Transparency Dimension	GPA Standard	UNCITRAL Standard	Algerian Framework	Institutional Assessment	Alignment
Publication & Disclosure	Comprehensive prior notices; detailed documentation; equal information access	Mandatory content; bidder clarification rights; award publication	Formal publication; less standardized content; limited clarification safeguards	Disclosure exists but informational depth remains limited	Partial
Procedural Predictability	Fixed timelines; standard sequencing; legal certainty	Structured procedures; limited exceptions	Multiple reforms; procedural flexibility	Regulatory volatility reduces predictability	Low-Partial
Regulation of Exceptions	Negotiated procedures strictly limited	Clearly defined exceptional grounds	Broader discretionary grounds	Relatively expansive administrative discretion	Low
Evaluation & Justification	Objective criteria; detailed reasoning required	Transparent scoring; mandatory justification	Criteria recognized; limited systematic reasoning	Transparency of reasoning remains limited	Partial
Review & Remedies	Independent and rapid review system	Explicit remedy standards; suspension options	Administrative review; limited independence	Enforcement capacity comparatively weaker	Low-Partial
Traceability & Oversight	Record-keeping; statistical reporting	Documentation; audit integration	Administrative documentation; limited open data integration	Traceability largely internal	Partial

Note. Alignment levels are based on qualitative comparative assessment conducted by the author, drawing on WTO (2012), UNCITRAL (2011), and Algerian Law No. 23-12 (2023).



The matrix demonstrates a consistent pattern: formal incorporation of transparency principles without full institutional embedding.

## 5.2 Publication and Informational Asymmetry

International procurement governance emphasizes comprehensive disclosure to neutralize informational asymmetries (WTO, 2012; UNCITRAL, 2011). Transparency reduces the informational advantage of contracting authorities by standardizing access to tender documentation and evaluation criteria.

In the Algerian framework, publication obligations are formally established. However, compared to international standards, content standardization and bidder clarification rights are less institutionalized. The absence of systematic open data publication further limits public verifiability.

From an agency-theory perspective, incomplete informational depth may preserve asymmetric advantages during technical specification drafting and evaluation phases. This structural feature aligns with Algeria's broader governance environment, where the 2025 CPI score of 34/100 reflects persistent perceived corruption risks (Transparency International, 2025).

## 5.3 Regulatory Stability and Institutional Predictability

Procedural predictability is essential for market confidence and competitive neutrality. The GPA and UNCITRAL frameworks rely on stable procedural sequencing and clearly delimited exceptions.

Algeria's procurement regime has undergone successive legislative reforms over the past two decades, culminating in Law 23-12 (2023). While reform efforts aim at modernization, repeated regulatory modifications may reduce legal certainty.

The World Bank's Regulatory Quality estimate (-0.948 in 2023) situates Algeria below global averages in regulatory stability (World Bank, 2023). This indicator supports the interpretation that regulatory volatility may weaken the operational predictability required for substantive transparency.

Institutional economics suggests that regulatory instability increases transaction costs and discourages competitive participation (North, 1990). Thus, partial-to-low alignment in this dimension may have systemic implications beyond procurement law itself.

## 5.4 Discretionary Authority and Exceptional Procedures

International standards restrict negotiated procedures to clearly defined circumstances to minimize discretion. In contrast, the Algerian framework allows broader interpretative latitude in certain exceptional cases.

Klitgaard's (1988) corruption model emphasizes that high discretion combined with limited accountability increases corruption risk. The persistence of a Control of Corruption estimate of -0.589 (WGI 2023) suggests that structural discretionary latitude may contribute to governance constraints.



Comparatively, this dimension represents one of the most significant divergence gaps between Algeria and international transparency benchmarks.

## **5.5 Evaluation Objectivity and Justification Transparency**

Transparency in evaluation requires prior disclosure of objective criteria and publication of award justifications. While Algerian legislation recognizes evaluation criteria, systematic public justification practices remain less developed than those envisaged by UNCITRAL standards.

The absence of robust ex post justification mechanisms may limit the deterrent effect of transparency and reduce bidder confidence. Benchmarking Public Procurement (World Bank, 2019) highlights that transparent award reasoning is strongly correlated with improved competitive outcomes.

## **5.6 Review Mechanisms and Enforcement Capacity**

The GPA and UNCITRAL frameworks emphasize independent, rapid, and enforceable review systems as cornerstones of procurement transparency.

Although Algerian law provides review mechanisms, institutional independence and procedural efficiency remain comparatively weaker. OECD (2016) emphasizes that transparency without effective remedies lacks deterrent capacity.

This structural limitation corresponds with Algeria's modest WGI scores and reinforces the interpretation that enforcement architecture remains an institutional constraint.

## **5.7 Traceability, Data Systems, and Institutional Integration**

Modern procurement governance increasingly integrates digital traceability and public statistical reporting. The World Bank's Benchmarking Public Procurement (2016; 2019) identifies electronic procurement platforms and open data systems as key drivers of accountability.

While Algerian regulations mandate documentation, systemic integration with publicly accessible data remains limited. Transparency therefore functions primarily within administrative boundaries rather than as an externally verifiable governance mechanism.

## **5.8 Governance Indicators in Context**

To situate these findings within a broader institutional environment, the following governance indicators provide contextual reference:



**Table 2.** Selected Governance Indicators for Algeria

Indicator	Year	Value	Institutional Interpretation
Corruption Perceptions Index (CPI)	2025	34 / 100 (Rank 109/182)	Persistent medium-to-high perceived corruption risk
Control of Corruption (Worldwide Governance Indicators)	2023	-0.589	Modest control of corruption in governance environment
Regulatory Quality (Worldwide Governance Indicators)	2023	-0.948	Regulatory stability and quality challenges

Note. Data compiled from Transparency International (2025) and World Bank Worldwide Governance Indicators (2023).

Although macro-level indicators do not directly measure procurement systems, their persistence despite legislative reform supports the central analytical proposition of this study: normative density has not yet produced full institutional transparency effectiveness.

## 5.9 Integrated Analytical Interpretation

Three structural conclusions emerge:

- Algeria demonstrates significant formal alignment with international transparency discourse.
- Substantive institutional embedding remains uneven, particularly regarding discretionary control and enforcement independence.
- Governance indicators suggest that transparency reforms have not yet translated into measurable institutional transformation.

This pattern illustrates the distinction between legal convergence and operational transparency, reinforcing the study's theoretical proposition that transparency must function as an integrated institutional constraint rather than a declarative regulatory principle.

## 6 COMPARATIVE AND INSTITUTIONAL IMPLICATIONS

The comparative findings presented in Section 5 reveal a structural distinction between formal transparency convergence and substantive institutional alignment. This distinction carries important implications not only for the Algerian case but also for procurement governance in transition economies more broadly.

### 6.1 Formal Convergence versus Institutional Effectiveness

One of the central implications of this study concerns the limits of formal legal reform as a standalone anti-corruption strategy. Algeria's procurement framework formally incorporates key transparency principles — including publication obligations, competitive tendering, and review mechanisms. At the level of statutory language, the system demonstrates convergence with international standards articulated in the GPA and the UNCITRAL Model Law.



However, substantive alignment requires more than textual incorporation. International benchmarks conceptualize transparency as an integrated institutional architecture linking disclosure, predictability, limited discretion, enforceable remedies, and systemic traceability. Where these dimensions are unevenly embedded, transparency may remain procedural rather than transformative.

The Algerian case illustrates how regulatory density and repeated legislative reform do not automatically generate institutional stabilization. Despite modernization efforts, governance indicators such as the CPI (34/100 in 2025) and modest WGI scores suggest that corruption risk perceptions persist. This divergence between reform activity and governance performance highlights the need to evaluate procurement transparency not solely through legislative analysis but through institutional coherence.

## 6.2 The Institutional Cost of Regulatory Volatility

The findings further suggest that regulatory instability may undermine the credibility of transparency commitments. From an institutional economics perspective, stable rules reduce uncertainty and transaction costs (North, 1990). Frequent amendments, even when intended to enhance integrity, may generate compliance complexity and reduce market predictability.

In procurement systems, predictability directly affects bidder participation. Reduced confidence in regulatory stability may discourage competitive engagement, thereby weakening one of the primary channels through which transparency enhances efficiency. Thus, regulatory volatility can unintentionally weaken the operationalization of transparency.

This insight contributes to comparative procurement scholarship by highlighting the relationship between regulatory quality indicators and transparency performance.

The transition from Executive Decree No. 15-247 to Law No. 23-12 (2023) illustrates this dynamic of regulatory recalibration. While the 2023 reform aimed to modernize procurement procedures and reinforce transparency principles, the frequency of legislative restructuring over the past decade reflects a pattern of regulatory volatility. From an institutional economics perspective, repeated structural reforms may signal reform intent but simultaneously weaken procedural predictability, particularly when implementing practices and administrative routines require continuous adaptation.

## 6.3 Discretion, Accountability, and Incentive Structures

The analysis identified discretionary authority in exceptional procedures as one of the most significant divergence points. Agency theory emphasizes that discretion combined with limited accountability increases opportunism risks. International standards attempt to contain discretion through narrowly framed exceptions and enforceable remedies.

In Algeria, broader interpretative flexibility within negotiated procedures may weaken the constraining function of transparency. Where review mechanisms lack full institutional independence or rapid enforcement capacity, the deterrent effect of disclosure diminishes.



This suggests that procurement reform strategies should not focus solely on expanding transparency provisions but also on recalibrating incentive structures and strengthening oversight independence. Transparency is effective only when embedded within a system of credible enforcement.

## 6.4 Digitalization and Systemic Transparency

Another key implication concerns systemic traceability. International governance trends increasingly emphasize digital procurement platforms and open data ecosystems. The World Bank's Benchmarking Public Procurement reports (2016; 2019) underline that digital traceability enhances public scrutiny and reduces manipulation opportunities.

In the Algerian framework, documentation obligations exist, but public data integration remains limited. The absence of fully integrated digital transparency tools may restrict the evolution from administrative record-keeping to systemic accountability.

Thus, future procurement modernization efforts may benefit from prioritizing digital transparency integration alongside regulatory refinement.

## 6.5 Broader Implications for Transition Economies

The Algerian case reflects structural characteristics common in transition contexts:

- High legislative reform activity;
- Persistent governance performance constraints;
- Partial operational embedding of international standards.

The analytical matrix developed in this study may therefore serve as a transferable diagnostic framework. By distinguishing between formal convergence and operational transparency, the matrix allows policymakers and researchers to identify specific institutional gaps rather than relying on generalized corruption indices.

This contribution advances procurement governance research by integrating legal analysis, institutional theory, and macro-level governance indicators within a unified evaluative framework.

## 6.6 Theoretical Implications

At a theoretical level, the study reinforces three propositions:

- Transparency reduces corruption risk only when discretion is structurally constrained.
- Regulatory density without institutional stability does not guarantee improved governance outcomes.
- Alignment with international norms must be assessed through functional institutional embedding rather than textual similarity.

These propositions extend agency theory and institutional economics into the domain of comparative procurement governance.



## 6.7 Beyond Strict Codification: Rethinking Transparency through a Governance-Oriented Model

One of the most significant analytical implications emerging from this study concerns the structural limits of strict legal codification as a primary anti-corruption strategy in public procurement.

The Algerian procurement framework reflects a reform trajectory characterized by successive legislative amendments and increased regulatory density. Transparency principles are formally embedded, procedural steps are codified in detail, and oversight provisions are articulated within statutory language. However, the comparative analysis demonstrates that regulatory density alone has not generated full institutional stabilization nor measurable improvement in governance indicators.

This pattern suggests that excessive reliance on detailed codification may produce what can be termed formal transparency without institutional transformation. While legal rules define procedural obligations, they do not automatically reshape administrative incentives, constrain discretionary interpretation, or ensure enforcement independence.

Institutional economics provides a useful interpretative lens in this regard. North (1990) emphasizes that institutions are not merely formal rules but enforcement mechanisms and incentive structures. When reform focuses predominantly on multiplying procedural provisions without strengthening enforcement credibility and administrative coherence, the result may be normative inflation rather than institutional consolidation.

The Algerian case illustrates this dynamic. Recurrent regulatory reforms may unintentionally generate compliance complexity, reduce procedural predictability, and increase interpretative latitude. Instead of reducing corruption risk, excessive codification may create new zones of ambiguity that depend heavily on administrative discretion.

This observation opens an alternative analytical pathway: rather than expanding legal codification indefinitely, procurement reform may benefit from a complementary governance-oriented approach centered on:

- Institutional stability and regulatory consolidation;
- Clear limitation and objective framing of discretionary powers;
- Strengthening of independent review and audit mechanisms;
- Systemic integration of digital traceability and open data;

Development of structured “Guides of Good Practices” that translate statutory principles into operational standards.

The concept of a Guide of Good Practices does not replace statutory regulation but supplements it by clarifying interpretative standards, reducing ambiguity, and promoting coherent administrative behavior. Unlike rigid codification, such instruments emphasize consistency, professionalization, and accountability within procurement authorities.

From a comparative perspective, international procurement governance increasingly combines legal regulation with soft-law instruments, integrity guidelines, and performance-based monitoring frameworks (OECD, 2016). This hybrid model may offer a more effective pathway for embedding transparency within administrative practice than reliance on legislative expansion alone.



Thus, the Algerian experience contributes to a broader theoretical insight: the effectiveness of transparency does not depend solely on the quantity of legal provisions but on the quality of institutional embedding. Moving from rule proliferation toward governance consolidation may represent a more sustainable trajectory for procurement reform in transition contexts.

This alternative pathway does not reject international standards but reframes their implementation logic: from rule multiplication toward institutional consolidation. In this sense, the study contributes not only a comparative assessment but also a conceptual shift in how transparency reform may be approached in transition governance contexts.

## **7 LIMITATIONS**

While this study provides a structured comparative and institutional assessment of transparency alignment in the Algerian public procurement framework, several limitations must be acknowledged.

### **7.1 Absence of Primary Empirical Data**

First, the analysis relies primarily on doctrinal legal examination and institutional comparison rather than primary empirical data. The study does not incorporate interviews with procurement officials, bidder surveys, case-level procurement data, or contract-specific performance assessments. As a result, the findings reflect structural characteristics of the regulatory framework rather than direct observation of procurement practices across sectors.

Future research could strengthen empirical grounding by integrating procurement-level datasets, sectoral case studies, or qualitative interviews with stakeholders to evaluate how transparency mechanisms operate in practice.

### **7.2 Reliance on Documentary and Normative Analysis**

Second, the research design centers on documentary and normative analysis of legal texts and international standards. While this approach is appropriate for evaluating regulatory alignment, it may not fully capture informal practices, administrative culture, or implementation dynamics. Institutional economics highlights that formal rules and practical enforcement may diverge; therefore, the present study assesses the formal institutional architecture rather than day-to-day procedural application.

### **7.3 Use of Macro-Level Governance Indicators**

Third, although the study integrates governance indicators such as the Corruption Perceptions Index (CPI) and Worldwide Governance Indicators (WGI), these measures capture broad perceptions of corruption and regulatory quality rather than procurement-specific outcomes. They are therefore used as contextual variables rather than direct performance metrics.



The interpretative linkage between procurement alignment and governance indicators remains inferential rather than causal. Future research could employ sector-specific corruption risk assessments or performance-based procurement metrics to provide more granular evidence.

#### **7.4 Qualitative Alignment Categorization**

Fourth, the classification of alignment levels (high, partial, low) involves structured qualitative judgment. Although the categories are grounded in clearly defined analytical criteria, they may not offer the replicability of quantitative scoring models. A future extension of this research could operationalize the matrix through weighted indicators or numerical scoring systems to enhance comparability across jurisdictions.

#### **7.5 Limits of Generalization**

Finally, this study focuses exclusively on the Algerian case. While the analytical framework may be transferable to other transition economies, conclusions should not be generalized automatically to different institutional environments without contextual adaptation.

#### **7.6 Research Outlook**

Despite these limitations, the methodological approach adopted in this study provides a coherent institutional diagnosis of transparency alignment. By integrating legal comparison with governance context indicators, the research establishes a foundation for future empirical and cross-country investigations.

### **8 CONCLUSION**

This study set out to examine the extent to which Algeria's public procurement regulatory framework substantively aligns with international transparency standards as articulated in the WTO's Revised Agreement on Government Procurement (GPA) and the UNCITRAL Model Law on Public Procurement (2011). Moving beyond descriptive legal analysis, the research adopted a structured comparative institutional approach grounded in agency theory, institutional economics, and governance theory, and supported by selected macro-level governance indicators.

The findings demonstrate that Algeria's procurement system exhibits significant formal convergence with international transparency principles. Core concepts such as competition, publication obligations, and review mechanisms are explicitly recognized within the statutory framework. However, substantive alignment remains uneven across key functional dimensions. In particular, regulatory instability, relatively broad discretionary authority in exceptional procedures, limited transparency in award justification practices, and comparatively constrained review independence weaken the operational effectiveness of transparency as an anti-corruption mechanism.



The integration of governance indicators provides important contextual insight. Persistent medium-level corruption perception scores (CPI 34/100 in 2025) and modest Worldwide Governance Indicator estimates in control of corruption and regulatory quality suggest that repeated legislative reforms have not yet translated into robust institutional transformation. While macro-level indicators cannot establish direct causality, the structural gaps identified in the comparative matrix offer plausible institutional explanations for the discrepancy between normative reform and governance performance.

The study contributes to procurement governance scholarship in three principal ways. First, it operationalizes transparency through a multidimensional analytical matrix that distinguishes between textual recognition and institutional embedding. Second, it bridges normative legal analysis and governance performance context by integrating secondary data into institutional interpretation. Third, it advances a conceptual distinction between legal convergence and operational transparency, highlighting the importance of regulatory stability, constrained discretion, enforceable remedies, and systemic traceability.

Beyond comparative assessment, the study further advances an alternative governance-oriented pathway for procurement reform in transition contexts. Rather than relying predominantly on the multiplication of detailed rules, effective transparency may require institutional consolidation, strengthened regulatory stability, constrained discretionary authority, enhanced enforcement independence, and the development of structured guides of good practices. This perspective reframes transparency reform from an exercise in legislative expansion toward a strategy of institutional embedding. In this sense, the article contributes not only an evaluation of alignment gaps but also a conceptual reorientation of how transparency effectiveness should be pursued in public procurement governance.

More broadly, the Algerian case illustrates a structural governance challenge common in transition environments: transparency reforms must evolve from declarative regulatory commitments toward integrated institutional architectures capable of reshaping incentives and strengthening accountability. International benchmarks provide valuable reference models, but their effectiveness ultimately depends on domestic institutional consolidation and enforcement capacity.

Future research incorporating procurement-level datasets, digital transparency assessments, and cross-country comparative analysis would further clarify the relationship between regulatory design and corruption risk mitigation. Nevertheless, the present study establishes a structured institutional framework for evaluating transparency alignment and offers a foundation for evidence-based procurement reform analysis.

## REFERENCES

- Algeria. (2015). Executive Decree No. 15-247 regulating public procurement and public service delegations. Official Gazette of the People's Democratic Republic of Algeria.
- Algeria. (2021). Executive Decree No. 21-219 relating to the digitalization and regulation of public procurement procedures. Official Gazette of the People's Democratic Republic of Algeria.
- Algeria. (2023). Law No. 23-12 relating to public procurement. Official Gazette of the People's Democratic Republic of Algeria.



- Arrowsmith, S. (2003). Transparency in government procurement: The objectives of regulation and the boundaries of the WTO. *Journal of World Trade*, 37(2), 283–303.
- Arrowsmith, S., & Anderson, R. D. (Eds.). (2011). *The WTO regime on government procurement: Challenge and reform*. Cambridge University Press.
- International Monetary Fund. (2022). *Assessing vulnerabilities to corruption in public procurement and their price impact* (IMF Working Paper No. 2022/094). International Monetary Fund.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Klitgaard, R. (1988). *Controlling corruption*. University of California Press.
- Mokdad, A. (2012). *La transparence des marchés publics en Algérie*. ENAG.
- North, D. C. (1990). *Institutions, institutional change and economic performance*. Cambridge University Press.
- Organisation for Economic Co-operation and Development. (2015). *Public procurement for sustainable and inclusive growth*. OECD Publishing.
- Organisation for Economic Co-operation and Development. (2016). *Preventing corruption in public procurement*. OECD Publishing. <https://doi.org/10.1787/9789264254458-en>
- Rose-Ackerman, S. (1999). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press.
- Transparency International. (2025). *Corruption Perceptions Index 2025*. Transparency International.
- United Nations Commission on International Trade Law. (2011). *UNCITRAL model law on public procurement*. United Nations.
- Williamson, O. E. (2000). The new institutional economics: Taking stock, looking ahead. *Journal of Economic Literature*, 38(3), 595–613. <https://doi.org/10.1257/jel.38.3.595>
- World Bank. (2016). *Benchmarking public procurement 2016: Assessing public procurement regulatory systems in 77 economies*. World Bank.
- World Bank. (2017). *Public procurement reform: Frameworks, principles and best practices*. World Bank.
- World Bank. (2019). *Benchmarking public procurement 2019*. World Bank.
- World Bank. (2023). *Worldwide Governance Indicators*. World Bank.
- World Trade Organization. (2012). *Revised Agreement on Government Procurement*. World Trade Organization.