

# Investment Law

Law No. 72 of 2017

# Executive Regulations

Prime Minister Decree

No. 2310 of 2017



# **Investment Law**

**as Enacted by**

**Law No. 72 of 2017**



# DISCLAIMER

The English version of the present Investment Law No. 72 of 2017 is a translation of the original Arabic for foreign investors' convenience and information purposes only. The present translation, to the best of knowledge and capabilities of GAFI Knowledge Support and Translation Department is an accurate rendering of the Arabic text. However, if there is any discrepancy, inconsistency, conflict or any other issue(s) between the Arabic original and the English translation, the Arabic original will prevail. Moreover, the present translation must not be relied upon for the basis of a legal opinion nor may it be used for taking any course of action whatsoever.

A list of abbreviations has been added to the present English translation. Additional Roman numbering (i, ii, iii...etc.) has been inserted within long paragraphs. Figures mentioned in the original Arabic have been translated and written in both letters and numbers.



## Table of Abbreviations and Acronyms

BoD	Board of Directors
CAPMS	The Central Agency for Public Mobilization and Statistics
CEO	Chief Executive Officer
CIF	Cost, insurance and freight
EAMC	The Egyptian Arbitration and Mediation Center
EAMC BoD	The Board of Directors of the Egyptian Arbitration and Mediation Center
FRA	The Financial Regulatory Authority
FOB	Free on board
GAFI	The General Authority for Investment and Free Zones
GAFI BoD	The Board of Directors of the General Authority for Investment and Free Zones
GAFI CEO	The Chief Executive Officer of the General Authority for Investment and Free Zones
ISC	Investor Service Center
MCICDS	The Ministerial Committee for Investment Contracts Disputes Settlement
MCIDR	The Ministerial Committee for Investment Disputes Resolution
PUC(s )	Public Utility Corporation(s)
SCI	The Supreme Council of Investment
SME(s)	Small and medium enterprise(s)
VAT	Value added tax
WIPO	The World Intellectual Property Organization



# Law No. 72 of 2017

## On the Enactment of Investment Law

In the Name of the People,

President of the Republic,

People's Assembly approved the following law (the "Law"), and it is hereby enacted.

### Clause I

Investment in the Arab Republic of Egypt shall be governed by the provisions of the attached law (the "Attached Law").

The provisions of said Attached Law shall apply to domestic and foreign investment of any volume whatsoever. Investment shall be carried out in accordance with the provisions of the Law by either Internal Investment, Investment Zones, Technological Zones or Free Zones Frameworks.

### Clause II

The provisions of the Attached Law may not prejudice any privileges and tax exemptions, as well as other guarantees and incentives granted to existing companies and establishments at the time at which the Law comes into force. Said companies and establishments shall continue to exercise the privileges, exemptions, guarantees and incentives, until expiry of the terms thereof, as per the legislations and conventions from which such are derived.

The provisions of the Attached Law may not prejudice the provisions of Law No. 7 of 1991 on the State's Private-domain Property, Law on Economic Zones of Special Nature enacted by Law No. 83 of 2002, Law No. 14 of 2012 on the Integrated Development in Sinai Peninsula and Law on Streamlining Industrial Establishments Licensing enacted by Law No. 15 of 2017.

The provisions of the Attached Law may not prejudice the substantive conditions, laid down in any other laws, on the granting of approvals, permits and licenses.



### **Clause III**

Whenever used in any other laws and decrees, the term “Law of Investment Guarantees and Incentives” shall hereby be replaced with the term “Investment Law”.

### **Clause IV**

Joint-stock companies governed by the provisions of the Law shall be exempt from the application of Law No. 113 of 1958 on Recruitment into Joint-stock Companies and Public Institutions.

Joint-stock companies may not be subject to the provisions of Law No. 73 of 1973 on Laying down Conditions and Procedures for Election of Workers’ Representatives to the Boards of Directors of Public Sector Units, Joint-stock Companies, Associations and Private Institutions; the articles of association of the same shall set out how personnel shall be involved in the management thereof.

### **Clause V**

Disputes arising out of application of the provisions of the Law and the Attached Law may not be subject to the provisions of Law No. 7 of 2000 on the Formation of Conciliation Committees for Some Disputes in which Ministries and Public Juridical Persons Take Part.

### **Clause VI**

All grievances and claims, reviewed by the existing Investment Disputes Resolution Committee and Investment Contracts Dispute Settlement Committee, shall hereby be referred to the two committees stipulated in Articles 85 and 88 of the Attached Law, immediately after formation thereof, without the need for any other action.

### **Clause VII**

Workers, addressed by the provision of the third paragraph of Article (20) of Investment Law enacted by Law No. 230 of 1989, shall continue to exercise the same terms and conditions stipulated thereunder. The present



provisions may not prejudice the profits distribution regulation applicable to existing companies at the time at which the Law comes into force, should that be more favorable to such existing companies.

### **Clause VIII**

Law of Investment Guarantees and Incentives enacted by Law No. 8 of 1997 shall hereby be repealed. Any provision contrary to the provisions of the Law and the Attached Law shall hereby be repealed.

### **Clause IX**

The Prime Minister shall, upon a proposal of the Appropriate Minister and following the approval of the Council of Ministers, issue the executive regulations implementing the Attached Law (the “Executive Regulations”), within ninety (90) days from the date on which the Law comes into force. Until issuance of said Executive Regulations, all effective regulations and decrees shall continue to be in force, exception being made for the provisions inconsistent with the Law.

### **Clause X**

The Law shall be promulgated in the Official Gazette, shall come into force from the following day to the date of promulgation thereof, shall bear the official Seal of the State and shall be implemented as a State law.

The Presidency of the Republic

On Ramadan 5, 1438 A.H. [May 31, 2017 A.D]

**Abdel Fattah Al-Sisi**





# The Investment Law

## Part I: General Provisions

### Chapter I

### Definitions

#### Article 1

In application of the provisions of this law (this “Law”), the following words and expressions shall have the meanings assigned thereto:

**Investment** Means the use of capital for setup, expansion, development, funding, ownership or management of an Investment Project, thus contributing to the comprehensive and sustainable development of the State.

**Investor** Means every natural or juridical person, whether an Egyptian or a foreigner, under any legal system whatsoever, who invests in the Arab Republic of Egypt in accordance with the provisions of this Law.

**Investment Project** Means engaging in an investment activity in industry, agriculture, trade, education, health, transportation, tourism, housing, construction and building, sports, electricity, energy, natural resources, water, communications and technology sectors.

The minister concerned with Investment affairs may, in coordination with the relevant ministry or ministries, add other sectors in accordance with the economic development plan of the State. The Executive Regulations of this Law shall stipulate the conditions, controls and scope of engagement in such investment activities.



**Special Incentives**

Means the incentives stipulated in Article (11) and Article (11 bis.) of this Law. <sup>1</sup>

**Assets**

Means Investment Project property, of any kind whatsoever, which has corporeal value – whether in cash or in kind – or incorporeal value, and includes in particular:

- i. Immovable and movable assets, along with any other original or consequential real rights;
- ii. Shares, initial shareholdings and non-governmental debentures;
- iii. Intellectual property rights and intangible assets used in setting up or expanding projects, such as patents, trademarks and trade names registered with any member state of the World Intellectual Property Organization (“WIPO”), or in accordance with the international registration rules set forth in the international conventions in force in this respect;
- iv. Concessions or contracts granted under public utilities concession laws and other laws of similar nature, along with all other similar rights conferred by law.

**SCI**

Means the Supreme Council of Investment.

**Appropriate Minister**

Means the minister concerned with Investment affairs.

Appropriate Ministry Means the ministry concerned with Investment affairs.

**GAFI**

Means the General Authority for Investment and Free Zones.

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<sup>1</sup> The paragraph is replaced by virtue of Law No. 160 of 2023.

<b>Internal Investment</b>	Means an investment framework through which Investment Project is set up, launched or operated, in accordance with the provisions of this Law, in zones other than the Free Zones.
<b>Free Zone</b>	Means a geographic part of the State territory, located within the State borders and governed by the State administrative authority, on which transactions are carried out in accordance with special customs and tax provisions.
<b>Investment Zone</b>	Means a geographic area, having a specific surface area and boundaries, allocated for establishment of one or more specialized investment activities and other ancillary activities, developed and having its infrastructure laid down by the Developer of such zone.
<b>Developer</b>	Means every juridical person licensed to construct, manage, improve or develop an Investment Zone in accordance with the provisions of this Law.
<b>Appropriate Bodies</b>	Means the administrative bodies or Public Utility Corporations (“PUC”) having competence to issue approvals, permits or licenses.
<b>Investor Service Centre (ISC)</b>	Means an administrative unit established in GAFI or a branch thereof; applying a system to streamline and simplify to Investor the process of obtaining, within the legal time limits stipulated in this Law, all approvals, permits and licenses required for Investment Project; and making available all data and information required in this respect.



**Appropriate Bodies  
Representatives**

Means an official delegated by the appropriate administrative bodies or assigned by PUCs to work for ISC, in GAFI or any branch thereof; vested under the provisions of this Law with the power to issue approvals, permits and licenses as per the technical specifications set forth in the laws regulating such power and in the investment procedures guidebook issued by GAFI; and vested with all powers granted to the Appropriate Body in the field of real property allocation and issuance of approvals, permits and licenses required to simplify and streamline Investor's business, and to promote and develop Investment.

**Appropriate Authority**

Means a minister, governor, GAFI Chief Executive Officer ("GAFI CEO"), an authority, the board of directors of an authority, a chairperson of a PUC board of directors or a PUC board of directors, as the case may be.

**Approval Offices**

Means offices licensed by GAFI to grant approvals, permits, and licenses, to examine the procedures and documentation of Investment Projects and to provide certificates of approval.



# Chapter II

## Investment Objectives and Principles

### Article 2

Investment in the Arab Republic of Egypt aims to promote national economic growth rates and domestic production rates, create job opportunities, encourage exportation and increase competitiveness, in a way that would contribute to achieving comprehensive and sustainable development.

From this perspective, all Appropriate Bodies of the State shall strive to attract and foster the local and foreign investments.

Investment shall be governed by the following principles:

1. Investment opportunities shall be equal and so shall be opportunities, notwithstanding the volume and location of Investment Project, without any discrimination based on gender;
2. The State shall support start-ups and boost entrepreneurship, micro, small and medium enterprises (“SMEs”) to empower the youth and small investors;
3. Due consideration shall be given to all socially relevant aspects, and to the protection of environment and public health;
4. Freedom of competition, ban on monopolistic trade practices and protection of consumers shall be maintained;
5. Principles of governance, transparency and prudent management shall be observed, and conflict of interest shall be eliminated;
6. Bringing stability to the investment policies shall be sought;
7. Investors' transactions shall be expediently effected, and Investors shall be smoothly dealt with in such a way that would serve their lawful interests; and
8. The State is entitled to maintain national security and public interest.

The aforementioned investment principles shall apply to Investor and the State, all within their scope of functions respectively.



# Part II

## Investment Guarantees and Incentives

### Chapter I

#### Investment Guarantees

#### Article 3

All investments established within the Arab Republic of Egypt shall be accorded fair and equitable treatment.

The State shall guarantee that the foreign investor receives the same treatment accorded to the national investor.

In application of the principle of reciprocity, foreign investors may, as an exception subject to a decree of the Council of Ministers, receive a preferential treatment.

Invested Assets may neither be subject to any arbitrary measures nor discriminatory decisions.

The State shall grant non-Egyptian Investors residence in the Arab Republic of Egypt throughout the term of the Investment Project, without prejudice to the provisions of the laws regulating this respect and the stipulations of the Executive Regulations of this Law.

The State shall honor and enforce the contracts entered into thereby. Investment Project, set up on a basis of fraud, fraudulent misrepresentation or corruption, may not enjoy the protection, guarantees, privileges or exemptions stipulated under the provisions of this Law; proof of the foregoing shall be produced by a irrevocable judgment – delivered by the judicial authority of competent jurisdiction – or by an arbitration award.

In application of the provisions of this Law, all decisions on Investment Project affairs shall be reasoned decisions. Service of notice of such decisions on the parties concerned shall be carried out in the manner set forth in the Executive Regulations of this Law.

## Article 4

Investment Projects may not be nationalized.

Assets of Investment Project may not be expropriated unless for public utility and in return for a just compensation to be paid in advance without delay. The value of the compensation shall amount to the economic value of the expropriated assets on the preceding day to the issuance of the expropriation decision. Such compensation shall be freely transferrable.

Subject to the situations specified in law, Investment Project may not be sequestrated through administrative procedures, save when warranted by virtue of a final court judgment, nor may it be subject to attachment, save when warranted by virtue of a court order or judgment.

Assets of Investment Project may neither be seized nor confiscated nor frozen, save when warranted by virtue of a court order or final judgment, with the exception of tax debts and social insurance subscriptions due to the State; such debts and subscriptions may be collected by all kinds of seizure, without prejudice to the contracts entered into by the State or public juridical persons with Investor.

Any administrative body may not issue general regulatory decisions that add financial or procedural burdens in respect of the setup or operation of the projects governed by this Law, nor may it impose or amend the fees or consideration for services prescribed for the projects, except after having obtained the opinion of the board of directors of GAFI («GAFI BoD») and upon the approval of both the Council of Ministers and SCI.

## Article 5

An administrative body may not revoke or suspend the licenses issued for Investment Project, nor may it reclaim the real property allocated for same, unless it has served a notice on Investor comprising the violations with which Investor is charged, has heard Investor's evidence and has given Investor an adequate grace period to rectify the violations.

In all cases, GAFI's opinion shall be obtained before taking any of the actions referred to in the aforementioned paragraph. GAFI shall give its opinion within seven (7) days from the date on which GAFI receives a request to that effect satisfying all prescribed legal procedures.



Investor may file a grievance against the aforementioned actions before the committee stated in Article (83) of this Law.

The Executive Regulations of this Law shall regulate the rules and controls governing the application of the provisions of this Article.

## **Article 6**

Investor shall have the right to set up, launch and expand Investment Project, and shall fund same from abroad without any restrictions and with foreign currencies. Investor shall have the right to own, manage, use and dispose of Investment Project, to make profits from Investment Project, to transfer such profits abroad, to liquidate Investment Project and to transfer, whether in whole or in part, the proceeds of such liquidation abroad, without prejudice to the rights of third parties.

The State shall permit all cash transfers in respect of foreign investment to be freely and promptly transferrable to and from the State using a freely convertible currency. The State shall permit conversion of local currency into a freely usable currency without delay.

In case of liquidation, the appropriate administrative bodies shall, within maximum one hundred and twenty (120) days from the date on which the liquidator has filed an application of liquidation enclosing the required documentation, serve on GAFI and the company under liquidation a notice comprising a statement of liabilities of such company. The expiry of this period without notification of such liabilities shall be deemed a discharge on the part of the company under liquidation from said liabilities, without prejudice to the criminal and disciplinary liability of the person responsible for issuing a false statement or the person responsible for the lapse of the aforementioned time limit without replying to the application.

This shall be carried out as specified in the Executive Regulations of this Law.

## **Article 7**

Without prejudice to the provisions of the laws, regulations and decrees regulating importation, Investment Project governed by the provisions of this Law shall have the right to import, whether directly or through third parties,





the necessary raw materials, production requirements, machinery, spare parts and means of transportation – compatible with nature of business of Investment Project – for the setup, expansion or operation of Investment Project, without the need to be registered in the Register of Importers.

Investment Project shall have the right to export its products, whether directly or through an intermediary, without a license and without the need to be registered in the Register of Exporters.

An Investment Project, importing or exporting, whether directly or through third parties, in compliance with the provisions of this Article, shall serve on GAFI a quarterly report comprising the imported or the exported quantities and types, as the case may be.

## **Article 8**

An Investment Project shall have the right to employ foreign workers up to ten percent (10%) of the total number of Investment Project workers. Subject to the rules and controls laid down by the Executive Regulations of this Law, this percentage may be increased up to twenty percent (20%), should employment of national workers having the required qualifications be not possible.

For some strategic projects with special significance as listed by a decree of SCI, exceptions from the aforementioned percentages may be made, conditional on providing training to the national labor.

Foreign workers in Investment Project shall have the right to transfer their financial dues, in whole or in part, abroad.



# Chapter II

## Investment Incentives

### A. General Incentives

#### Article 9<sup>1</sup>

All Investment Projects governed by the provisions of this Law shall, whether they have been incorporated before or after this Law has come into force and irrespective of the legal framework governing same, enjoy the general incentives stipulated in this chapter, exception being made for Investment Projects set up under the Free Zone Framework.

#### Article 10

Memoranda of incorporation of companies and establishments, along with credit facility and pledge contracts pertaining to the business thereof, shall be exempt from stamp duty as well as notarization and publicity fees for a period of five (5) years from the date on which such memoranda and contracts are entered in the Commercial Register.

Contracts of registration of lands required for formation of companies and establishments shall be exempt from the aforementioned duty and fees.

The provisions, on the collection of a uniform customs duty at two percent (2%) of the value of all imported machinery, equipment and devices required for formation of companies or establishments, as stipulated in Article (4) of Law on the Regulation of Customs Exemptions enacted by Law No. 186 of 1986, shall apply to the companies and the establishments governed by the provisions of this Law.

This uniform customs duty shall apply to all machinery, equipment and devices imported by companies and establishments, operating on public utility projects, and required for the formation or completion thereof.

Without prejudice to the provisions of temporary release stipulated in Customs Law enacted by Law No. 66 of 1963, Investment Projects of

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<sup>1</sup> The Article is replaced by virtue of Law No. 160 of 2023.

industrial nature, governed by the provisions of this Law, may import casts, molds and other similar production requirements, subject to no customs fees; however, such imported items shall be for the purpose of temporary use in manufacturing the products of said Investment Projects, and shall be repatriated thereafter.

Said temporary release and repatriation shall be effected by virtue of the arrival documents, provided the documents of admission and reshipment are entered in ad hoc registers at GAFI designated for that purpose; this shall be in coordination with the Ministry of Finance.

## **B. Special Incentives**

### **Article 11<sup>1</sup>**

Projects set up, after the coming into force of this Law, in accordance with the investment map shall be granted an investment incentive, in the form of a discount off the taxable net profits, as follows:

#### **1. A fifty-percent (50%) discount off the investment costs of Sector (A):**

This sector comprises the geographic areas designated as most in need of development – based on the investment map, the data and statistics issued by the Central Agency for Public Mobilization and Statistics (“CAPMS”) – in the National Economic and Social Development Plan and the distribution of investment activities in such areas as specified by the Executive Regulations of this Law.

#### **2. A thirty-percent (30%) discount off the investment costs of Sector (B):**

This sector covers the remaining geographic areas of the Republic, as per the distribution of investment activities, in respect of the following projects:

- Labor-intensive projects, subject to the controls prescribed in the Executive Regulations of this Law;
- SMEs;
- Projects depending on or producing new and renewable energy;
- National and strategic projects to be listed under a decree of SCI;

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<sup>1</sup> Item (1) in the first paragraph is replaced by virtue of Law No. 160 of 2023.



- Tourism projects to be listed under a decree of SCI;
- Electricity generation and distribution projects to be listed under a decree of the Prime Minister, based on a joint proposal of the Appropriate Minister, the minister concerned with electricity affairs and Minister of Finance;
- Projects exporting products thereof outside the geographic territory of the Arab Republic of Egypt;
- Automotive manufacturing and the supplying industries thereof;
- Wood, furniture, printing, packaging and chemical industries;
- Antibiotics, tumor drugs and cosmetics industries;
- Food, agricultural crops and agricultural waste recycling industries; and
- Engineering, metallurgical, textile and leather industries.

Pursuant to the provisions of Income Tax Law enacted by Law No. 91 of 2005, an investment incentive may not, in all cases, exceed eighty percent (80%) of the capital paid up until the date on which engagement in the activity starts.

The discount period may not exceed seven (7) years from the date on which engagement in the activity starts.

The Prime Minister shall, upon a mutual proposal of the Appropriate Minister, Minister of Finance and the minister concerned, issue a decree determining the distribution of investment activities sub-sectors under the aforementioned Sectors (A) and (B).

The Executive Regulations of this Law shall indicate the concept of investment cost, the geographic territory of Sectors (A) and (B) and the terms and conditions to the granting of Special Incentives. Investment activities sub-sectors listed in the aforementioned decree of the Prime Minister shall be included in the Executive Regulations, immediately after the issuance of the decree.

Upon a decree of SCI, new activities enjoying Special Incentives may be added.

## Article (11 bis.)<sup>1</sup>

Without prejudice to the incentives, privileges and exemptions set out in this chapter, Investment Projects engaged in any industrial activity to be determined in accordance with this Article (11 bis.) and any expansions thereof as set out under the last paragraph of Article (12) of this Law shall be granted a cash incentive ranging from 35% up to 55% of the value of the tax that Investment Project or the expansions thereof, as the case may be, pay in the tax declaration on the income generated from carrying on business. Ministry of Finance shall pay said incentive within forty-five (45) days as of the expiry of the due date set for tax declaration submission; otherwise, Ministry of Finance shall pay a fine for delay calculated based on the corridor rate declared by the Central Bank of Egypt on the 1st of January that precedes the incentive payment due date, provided that month and pound fractions be excluded from said calculation. This incentive shall not be considered a taxable income.

In order for an Investment Project or the expansions thereof, as the case may be, to be granted the incentive specified in this Article (11 bis.), at least 50% of their Assets must, until start of business operations, be financed from abroad by a foreign currency, and operations must start within a period of six (6) years from the date this Article (11 bis.) comes into force. Such period may, by a decree of the Council of Ministers based on a joint proposal by the Appropriate Minister, the minister concerned with industry affairs, and the Minister of Finance, be extended for a maximum of six (6) years.

Council of Ministers shall, based on a joint proposal by the Appropriate Minister, the minister concerned with industry affairs, and the Minister of Finance, issue a decree listing the industries and the zones to be granted the incentive specified in this Article (11 bis.). Such decree shall also include (i) the incentive period per each industry and zone provided any such period shall not exceed ten (10) years; (ii) the terms and conditions related to the incentive; (iii) the incentive categories; and (iv) the mechanisms for disbursing the incentive.

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<sup>1</sup> The article is added by virtue of Law No. 160 of 2023.



## Article 12<sup>1</sup>

An Investment Project shall, in order for it to enjoy the Special Incentives stipulated in Article (11) of this Law, satisfy the following conditions:

1. A new company or establishment shall be incorporated to launch such Investment Project;
2. Said new company or establishment shall be incorporated within a period not exceeding three (3) years from the Executive Regulations enforcement date; upon a decree of the Council of Ministers and pursuant to a proposal of the Appropriate Minister, such period may be renewed for once only;
3. Said new company or establishment shall keep regular accounts; should such company or establishment be operating in more than one zone, it may benefit from the percentage prescribed for each zone respectively, provided it keeps separate accounts for each zone respectively; and
4. Neither shareholders nor partners nor owners of establishments have offered, contributed or used any of the tangible assets of a company or an establishment, existing since the date on which the provisions of this Law come into force, in setting up, incorporating or launching an Investment Project enjoying the incentives accorded by this Law, nor have they liquidated such company or establishment, within the time period specified in Item 2 of this Article (12), for the purpose of setting up a new Investment Project enjoying the incentives of this Law; violation of this condition nullifies said incentives, and accordingly such company or establishment shall pay all taxes due.

Expansions of existing Investment Projects may enjoy the incentives stipulated in Articles (11) and (13) of this Law. Expansions in the context of this Article shall have the meaning of increasing the capital used by adding new Assets that lead to the increase of the production capacity of the Investment Project. All this shall be as per the rules and conditions to be set under a decree of the Council of Ministries.

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<sup>1</sup> The last paragraph is added by virtue of Law No. 141 of 2019.

The Item (2) of the first paragraph is replaced by virtue of Law No. 160 of 2023.

## C. Additional Incentives

### Article 13<sup>1</sup>

Without prejudice to the incentives, privileges and exemptions stipulated in this chapter, projects specified in Article (11) and Article (11 bis.) of this Law may, upon a decree of the Council of Ministers, be granted additional incentives as follows:

1. Permission to establish special customs ports of entry for Investment Project importations or exportations, in agreement with Minister of Finance;
2. Upon Investment Project becoming operational, payment, whether in whole or in part, by the State for the expense incurred by Investor in course of providing utilities to the premises of Investment Project;
3. Payment by the State for a part of the expense incurred in course of providing personnel technical training;
4. Refund at fifty percent (50%) of the value of the land allocated for the industrial projects, should production start within two (2) years from the date on which the land was handed over;
5. Allocation of lands free of charge to some strategic activities in accordance with the legally prescribed rules in this respect;
6. At the Appropriate Minister's recommendation, exemption from usufruct fees imposed against the lands allocated to set up Investment Project for a period up to ten (10) years as of operations start date.

The projects referred to in Article (11) and Article (11 bis.) of this Law, may, by a decree of Council of Ministers based on the Appropriate Minister's recommendation, be exempted from contributing to the cost of constructing the infrastructure and providing the utilities, provided such exemption shall not exceed fifty percent (50%) of the total cost of such infrastructure and utilities and subject to the rules to be decreed by the SCI in this regard.

The Public Treasury may pay up to fifty percent (50%) of the value of the utilities consumption bills for a period not exceeding ten (10) years, subject to the rules to be decreed by the SCI in this regard.

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<sup>1</sup> The article is replaced by virtue of Law No. 160 of 2023.



By a decree of the Council of Ministers based on the Appropriate Minister's recommendation, other non-tax incentives may be created whenever necessary.

The Executive Regulations shall lay down the rules, terms and conditions related to the granting of the additional incentives prescribed in this Article (13).

## **Article 14<sup>1</sup>**

GAFI CEO, or the delegate thereof, shall have competence to confer on companies and establishments governed by the provisions of this Law a certificate of exercise of the incentives stipulated in Articles (10, 11, 11 bis. and 13) of this Law.

Such certificate shall be final and self-executing, without the need to obtain approval from any other entity; all entities shall act accordingly and shall comply with the data stated in such certificate.

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1 The first paragraph is replaced by virtue of Law No. 160 of 2023.



# Chapter III

## Social Responsibility of Investor

### Article 15

In realizing the goals of inclusive and sustainable development, Investor may allocate a percentage of the annual profits thereof for adoption of a social development framework, apart from the Investment Project of Investor, through participation in any or all of the following:

1. Take necessary measures to safeguard and improve the environment;
2. Provide services or programs in the fields of healthcare, social care or culture care, or in any other field of development;
3. Support technical education, or fund research, studies and awareness campaigns aiming at developing and improving production, in agreement with one of the universities or scientific research institutions; and
4. Conduct training and scientific research.

Sums of money, of no more than ten percent (10%) of Investor's annual profits, paid thereby in any of the fields listed in the previous paragraph shall be deemed from among the deductible cost and expense stipulated under Item 8 of Article (23) of Income Tax Law enacted by Law No. 91 of 2005.

In coordination with the ministries concerned, the Appropriate Minister may create a list of the best Investment Projects carrying on social development activities, whether by geographic area or sector or by any other criteria, and announce the same to the public.

In all cases, it is prohibited to involve projects, programs or services, provided within the framework of the social responsibility system, in pursuing political, party-related or religious causes, or to provide projects, programs or services entailing discrimination among the nationals.

The Executive Regulations of this Law shall set out the required rules and controls on the implementation of the social responsibility system.



# Part III

## Investment Frameworks

### Chapter I

#### Internal Investment Framework

## General Provisions

### A. Investment Plan and Policies

#### Article 16

The Appropriate Ministry shall propose the investment plan. Said plan shall include provisions that put the investment policies into practice, and set the priorities of the targeted Investment Projects in compliance with the State's general policy, the economic and social development plan as well as the applicable investment frameworks. Said plan shall be caused to be approved from SCI.

### B. Investment Map

#### Article 17<sup>1</sup>

The investment plan shall include provisions that formulate an investment map specifying the types, frameworks, geographic areas and sectors of investment.

GAFI shall draft the investment map in full coordination and cooperation with all State agencies concerned.

Said investment map shall list all necessary data and information. In particular, the investment map shall include (i) real property description and geographic location; (ii) available business activities; (iii) relevant sector; (iv) pricing; (v) available acts of disposal; (vi) utilities; (vii) incentives and privileges granted to available business activities; (viii) guarantees; (ix) targeted market volume; (x) export incentives; (xi) approvals, permits and licenses required to conduct

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<sup>1</sup> The article is replaced by virtue of Law No. 160 of 2023.

business; (xii) the governmental authorities relevant to project business activity; (xiii) time limits to obtain such approvals, permits and licenses; and (xiv) the fees and charges payable to the relevant governmental authorities in return for issuing the approvals, permits and licenses and providing services. All governmental entities having jurisdiction over or being relevant to the business activity of the project shall, within their respective scope of competence, provide GAFI with all data required for the preparation of the investment map.

Both the investment plan and the investment map shall be reviewed at least once every three (3) years and shall be reviewed whenever necessary based on GAFI's recommendation.

## **Article 18**

Upon obtaining the investment services, the procedures and periods stipulated in this Law shall be applicable, without prejudice to the applicability of any laws or procedures that enable Investor to obtain the approvals, permits or licenses by easier procedures or within less periods than those stipulated in this Law and the Executive Regulations thereof.

## **Article 19**

GAFI shall, within ninety (90) days from the date on which this Law comes into force, and upon coordination with the Appropriate Bodies, issue a guidebook comprising the conditions, the procedures and the fixed dates for the allocation of real property, and issuance of approvals, permits and licenses in respect of Investment activities governed by the provisions of this Law. This guidebook shall be made available on the website and in the publications of GAFI and the other bodies.

GAFI shall review and update this guidebook regularly, and as necessary, in light of the amendments to the effective legislations in the State.

The other bodies shall, within no more than sixty (60) days from the date on which this Law comes into force, provide GAFI with all data, documentation and application forms required to prepare this guidebook.

The Executive Regulations of this Law shall lay down the necessary restrictions in this regard.



## Article 20<sup>1</sup>

Without prejudice to Article (23) of this Law, companies of whatever legal structure existing or incorporated to launch new investment projects; strategic or national projects contributing to achieving development in such fields and as per such standards that are to be determined under a decree of Council of Minister; or partnership projects between the private sector and the State, the public sector, or the public business sector in the fields of public utilities and infrastructure; new or renewable energy; roads and transportation; or ports may by a decree of Council of Ministers be granted a comprehensive approval whereby such projects could be set up, operated and managed. Said comprehensive approval shall also encompass the granting of building permits and the allocation of necessary real property to the aforementioned projects. Such comprehensive approval shall be self-executing without having to take any other action.

The comprehensive approval may also include a provision granting one or more of the incentives set forth in this Law to the project.

GAFI shall, in collaboration with the Appropriate Bodies, oversee to which extent the companies referred to in the first paragraph of this Article (20) are compliant to project setup, operation, and management terms and conditions set under the applicable laws and regulations. GAFI shall do so through a committee designated for that purpose. Should any such company violate the aforementioned terms and conditions, it must be warned by virtue of a notice with an acknowledgment of receipt of the violation with which the company is charged. The company's evidence in this respect must also be heard, and the company must be given an adequate grace period to rectify the violation. If the grace period passes while the company has not rectified the violation, the company's business activity may be suspended for a period not exceeding one year depending on the gravity of the violation. Alternatively, one or more incentives accorded to the company may, depending on the gravity of the violation, be suspended for a period not exceeding one year. If the same violation persists, the comprehensive approval granted to the company may, by a decree of the Council of Ministers based on a joint proposal by the Appropriate Minister and the relevant minister, be rescinded.

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<sup>1</sup> The article is replaced by virtue of Law No. 160 of 2023.

The Executive Regulations of this Law shall lay down the rules, restrictions, and procedures related to applying the provisions of this Article (20).

## **C. Investor Service Center**

### **Article 21**

In order to simplify and streamline investment procedures, an administrative unit entitled «Investor Service Center» (the «ISC») shall hereby be created at GAFI and branches thereof.

ISC shall provide the following services: (i) company incorporation; (ii) establishment of company branches; (iii) ratification of minutes of meeting of boards of directors and of general meetings; (iv) capital increase; (v) change of business activity; (vi) liquidation proceedings; and (vii) other matters in connection with companies.

ISC shall receive Investor's application forms for obtaining approvals and permits, for allocation of real property and for obtaining licenses required for the set up or management of Investment Project. ISC shall, within the time limits prescribed in this Law, decide on such application forms in accordance with the relevant laws and regulations.

ISC services shall be provided gradually and as soon as possible in an automated and computerized manner in accordance with the stipulations of the Executive Regulations via networking and other required technical means.

ISC shall, as per the regulating laws, include the Appropriate Bodies Representatives, who shall be under GAFI's supervision during their presence at ISC, and shall comply with the rules and controls laid down by GAFI BoD on the regulation of the work of ISC.

As an exception from the provisions of any other law, the power to issue approvals, permits and licenses in accordance with the technical requirements stipulated in the laws regulating such power and in the investment procedures guidebook issued by GAFI shall hereby become vested in the Appropriate Bodies Representatives. All powers vested in the Appropriate Authority – in the fields of allocation of real property and



issuance of required approvals, permits and licenses for the business of Investor and Investment in accordance with the provisions of this Law – shall become vested in the Appropriate Bodies Representatives.

GAFI BoD shall determine the government bodies and the public utility corporations of which ISC shall consist. GAFI CEO shall, in coordination with the aforementioned entities, set the number of operating and standby duty personnel required to represent such entities at ISC, as well as the job grades qualifying such personnel to perform their job duties at ISC. The Executive Regulations shall set out the criteria of selection and employment of such personnel at ISC.

In cases other than providing the certificates of approval stipulated in the following articles, the Appropriate Bodies Representatives at ISC and the officials of the administrative bodies shall, within two (2) business days from the date on which incomplete applications for obtaining approvals, permits or licenses have been submitted thereto, request completion of such documentation; otherwise, such applications shall be deemed complete. Upon the lapse of such period, any additional documentation may not be requested from Investor.

In all cases, Investor shall have the right to satisfy all technical and other conditions and procedures required for Investment, either from the Approval Offices, or from the Appropriate Bodies directly or the Appropriate Bodies Representatives at ISC.

## **D. Approval Offices**

### **Article 22**

An Investment applicant or a representative thereof may apply to the Approval Offices, licensed by GAFI to assess the documentation for obtaining approvals, permits and licenses required for the setup, operation and expansion of Investment Project; the Approval Offices shall determine the applicant's extent of compliance with the technical and financial requirements, and other procedures stipulated under the provisions of this Law, and the laws regulating the granting of such approvals, permits and licenses.

In course of carrying out their work duties, the Approval Offices shall comply with the rules of professional responsibility specified by the Executive Regulations, and, in particular, the following rules:

- Comply with the provisions of the relevant laws and decrees;
- Exert due diligence in the assessment, statement of compliance and approval process;
- Avoid any conflict of interests; and
- Maintain confidentiality and privacy of any information in connection with the applicants for approvals, permits and licenses.

The Approval Offices may operate either individually or in collaboration with a group of specialized approval offices.

The Executive Regulations of this Law shall lay down the legal structure of the Approval Offices.

A license to operate shall be granted to the Approval Offices which are sufficiently experienced to carry on the approval activity in accordance with the conditions, rules and procedures specified by the Executive Regulations of this Law; this includes the Approval Office's obligation to maintain an annual insurance policy against risks and damage arising out of the Approval Office activity, and the criteria for determining the consideration for the services rendered by the Approval Office.

An ad hoc register listing all licensed Approval Offices shall be created at GAFI; which register shall be furnished to the appropriate administrative bodies.

An Approval Office license to operate shall be in consideration of a fee not exceeding twenty thousand Egyptian pounds (EGP 20,000); the categories of such consideration shall be determined by the Executive Regulations. The license to operate shall be renewed on an annual basis. The same prescribed fees for the license to operate shall apply to the renewal of such license.

The Approval Offices shall, at their own liability, issue for Investor a certificate of approval, valid for one (1) year, comprising a statement of compliance that indicates to what extent Investment Project has satisfied all or part of the conditions set therefor under the laws and regulations regulating the



issuance of approvals, permits and licenses. The Approval Offices shall furnish a copy of said certificate to the Appropriate Body in the manner laid down by the Executive Regulations of this Law. Certificates provided after the lapse of one (1) year from their issuance date shall be disregarded.

The certificate of approval shall be acceptable to the Appropriate Body, the representative thereof at ISC and other administrative bodies. However, this may not prevent the Appropriate Body or the representative thereof from raising a reasoned objection against said certificate; which objection, if any, shall be made within maximum ten (10) business days from the date on which said certificate has been submitted. Lapse of such period, without a reply, shall be deemed an acceptance to Investor's application, which acceptance shall be issued by an approval of GAFI CEO in the manner stipulated in Article (25) of this Law.

In application of the provisions of the Penal Code, said certificate shall be deemed an official document.

Without prejudice to the civil or criminal liability, as the case may be, issuing a false certificate or a certificate in violation of the rules stipulated in Article (25) of this Law shall result in the insurance value becoming payable to the beneficiaries therefrom and in the crossing out of the Approval Office issuing the false or the violating certificate from the ad hoc register at GAFI for a period not exceeding three (3) years upon a resolution of GAFI BoD. In case of recurrence of such violation, such Approval Office shall be crossed out permanently.

All this shall be as stipulated by the Executive Regulations of this Law.

## **Article 23**

Investor shall pay GAFI all fees and other sums prescribed under laws for the accounts of the bodies providing Investment services.

GAFI shall be entitled to a consideration for the actual services provided thereby to Investor. GAFI BoD shall pass a resolution specifying the categories of such consideration as well as the rules, conditions and procedures regulating the collection thereof.



## Article 24

Subject to the time limits fixed for deciding on any application closing a certificate issued by the Approval Office, the Appropriate Bodies shall assess Investment application forms submitted through the ISC, and shall verify the extent of compliance with the conditions required for acceptance of such application forms as set out in this Law. Deciding on application forms shall be within maximum sixty (60) days from the date on which an application form, along with complete documentation thereof, have been submitted. Should such period lapse while a decision was not made by the Appropriate Bodies, it shall be deemed an acceptance to Investor's application form, which acceptance shall be issued by an approval of GAFI CEO in the manner stipulated in Article (25) of this Law.

In all cases, Investment applicant shall be notified – within seven (7) days from the date on which the period stated in the first paragraph of this Article has lapsed, by virtue of a registered letter with an acknowledgment of receipt – of the decision made on Investor's application form, whether such decision is an approval or a rejection.

A party concerned may raise grievances, before the committee stated in Article (83) of this Law, against said rejection decision.

## Article 25

GAFI CEO shall issue the approvals stipulated in Articles (22) and (24) of this Law, using the two application forms designated for that purpose, in the manner set out by the Executive Regulations of this Law.

## Article 26

Within the framework of the national economic development of the State, or for the purposes of finalizing the investment map, GAFI may grant required approvals, permits or licenses for carrying on activity on the lands intended for Investment before such lands have been allocated to Investors, and in which case fees and other charges payable to the Appropriate Bodies in consideration of said approvals, permits or licenses shall be collected from Investor upon completion of the land allocation procedures. The Appropriate Bodies shall streamline the granting procedures of such approvals, permits



or licenses in accordance with the procedures and time limits specified by the Executive Regulations of this Law.

## **Article 27**

Personnel implementing the provisions of this Law within all Appropriate Bodies in relevance shall observe the goals, principles, procedures and time limits stipulated in this Law and the Executive Regulations thereof.

Streamlining procedures to Investors and carrying out Investors' lawful interests expediently shall be key indicators for measuring the performance of such personnel and shall be from among the methods of defining the professional responsibility of such personnel.

# Chapter II

## Investment Zones Framework

### Article 28

Subject to a decree of the Prime Minister, upon GAFI BoD recommendation and a proposal of both the Appropriate Minister and the minister concerned, Investment Zones specialized in various fields of investment may be established, including logistic, agricultural and industrial zones; said decree shall include the location, coordinates, the nature of the activities carried on in such zones, the period during which all required procedures for establishment of such zones will have been effected, in addition to any general provisions pertaining to the carrying on of the activities.

Developer, in charge of an Investment Zone, shall carry out the required procedures for the establishment of the zone in accordance with the implementation schedules specified in the license granted thereto; otherwise, the license shall be deemed as if not issued in the first place.

Upon a decree of the Prime Minister or a delegate authorized thereby, a licensee may, subject to GAFI BoD approval, be granted an extension of time in light of the justifications presented thereby.

The provisions of Parts (I) and (II) of this Law shall apply to any projects operating within Investment Zones, exception being made for the provisions inconsistent with the nature of the work within the Investment Zone Framework.

The rules of temporary release and drawback stipulated in laws, regulations and decrees regulating this respect shall apply to any projects operating within Investment Zones.

Subject to a decree of the Prime Minister upon a proposal of the Appropriate Minister, other activities may be added.



## Article 29

Each Investment Zone shall have a board of directors («Investment Zone BoD») to be formed, under a decree of the Appropriate Minister in agreement with the minister concerned, based on each zone type and field of specialization.

Investment Zone BoD shall have competence to (i) develop an action plan for the respective zone thereof, along with the required rules and regulations for engagement in activity; (ii) have such action plan approved by GAFI BoD; and (iii) approve the establishment of Investment Projects within the boundaries of the respective zone thereof. Investment Zone BoD shall provide GAFI with quarterly reports as specified by the Executive Regulations, and shall submit the minutes of meetings thereof for approval from GAFI.

Investment Zone BoD may license private sector companies to develop and manage the respective zone thereof, or to promote engagement into investment therein.

Investment Zone BoD members shall submit a declaration of all Assets thereof; such declaration shall, on an annual basis, be furnished and audited by an independent entity, in order to verify whether there is a violation, or an actual or potential conflict of interests; this shall be reported to SCI through the Appropriate Minister.

## Article 30

An Investment Zone shall have an executive office comprised of GAFI personnel who shall be assigned to this role upon a decree of GAFI CEO approved by the Appropriate Minister. Such office shall implement Investment Zone BoD resolutions concerning the required approvals, permits and licenses, monitor implementation thereof and issue building licenses to Investment Projects within the boundaries of the respective Investment Zone.

Investor shall pay to GAFI a consideration, for each actual service rendered by the executive office, of no more than one per mille percent (0.001%) of the investment costs in return for all provided services; this shall be as specified by the Executive Regulations of this Law.

## Article 31

Investment Zone BoD chairperson shall, along with the scope of functions assigned thereto, have competence to grant license to operate to any Investment Project within the boundaries of Investment Zone.

A license to operate shall include a statement of the objects for which such license has been granted and the effective term of such statement. The license may not be waived, in whole or in part, except with the approval of Investment Zone BoD. Rejection to grant or waive such license shall be effected by virtue of a reasoned decision. A party concerned may raise grievance against such decision before the committee stated in Article (83) of this Law.

When dealing with various State agencies in course of obtaining services, facilitations, privileges and exemptions for Investment Project, a license to operate shall suffice, without any need for registration in the Industrial Register, unless otherwise requested by Investor; for inventory purposes, a copy of the license shall be furnished to the Appropriate Body. Any other administrative body may not take any actions within Investment Zones or Investment Projects operating therein unless with GAFI approval.

A licensee may not enjoy guarantees, incentives and privileges stipulated in this Law except within the objects specified in the license.



# Chapter III

## Technological Zones Framework

### Article 32

The Prime Minister may, upon GAFI BoD recommendation and a proposal of the minister concerned with communications and information technology affairs, license the establishment of technological zones («Technological Zones»), specialized in communications and information technology industry including any industrial activities thereof, electronics design and development, data centers, outsourcing activities, software development, technological education and other associated or ancillary activities; this shall be as laid down by the Executive Regulations of this Law.

Subject to a decree of the Prime Minister upon a mutual proposal of the Appropriate Minister and the minister concerned with communications and information technology affairs, other activities may be added.

Subject to the conditions and procedures set out by the Executive Regulations, all tools, equipment and machinery required by all types of Investment Projects to carry on a licensed activity within Technological Zones may not be subject to customs duties and fees.

Investment Projects set up within Technological Zones shall enjoy the Special Incentives stipulated in Article (11) of this Law, based on the sector within which such projects fall.

Each Technological Zone shall have a board of directors («Technological Zone BoD») to be formed under a decree of the minister concerned with communications and information technology affairs in agreement with the Appropriate Minister. Technological Zone BoD shall have competence to set the necessary rules and criteria for the carrying on of an activity, and to approve of setting up Investment Projects within the boundaries of the respective zone thereof.

Technological Zone BoD members shall submit a declaration of all Assets thereof; such declaration shall, on an annual basis, be furnished and audited by an independent entity, in order to verify whether there is a violation, or an actual or potential conflict of interests; this shall be reported to SCI through the Appropriate Minister.

The provisions of Parts (I) and (II) of this Law shall apply to Investment falling within the Technological Zone Framework, exception being made for the provisions inconsistent with the nature of the work within this framework.

The Executive Regulations of this Law shall lay down the rules and requirements for operation within Technological Zones, and the management approach of such zones.



# Chapter IV

## Free Zones Framework

### Article 33

Establishing a Free Zone that includes an entire city shall be by a law.

Upon a proposal of the Appropriate Minister following GAFI BoD approval, the Council of Ministers may establish Public Free Zones in order to launch licensed Investment Projects, which aim mainly at exportation abroad, notwithstanding the legal structure of such projects. A decree whereby a Free Zone is established shall include a statement specifying the location and boundaries of the respective zone.

Management of a Public Free Zone shall be assumed by a board of directors («Public Free Zone BoD») to be formed and chaired under a decree of GAFI CEO approved by the Appropriate Minister. Public Free Zone BoD members shall submit a declaration of all Assets thereof; such declaration shall, on an annual basis, be furnished and audited by an independent entity, in order to verify whether there is a violation, or an actual or potential conflict of interests; this shall be reported to SCI through the Appropriate Minister.

Public Free Zone BoD shall have particular competence to propose rules and regulations required for management of the Free Zone; have such rules and regulations approved by GAFI BoD; and implement the provisions of this Law, the Executive Regulations thereof and the decisions issued by GAFI.

Upon a proposal of the Appropriate Minister, the Council of Ministers may approve of the establishment of private free zones («Private Free Zones»), each to be confined to one or more projects carrying on similar activities, whenever the nature of such zones so requires. The Executive Regulations shall regulate all operation terms and conditions within Private Free Zones in a manner that would ensure proper functioning and governance of such zones.



## Article 34<sup>1</sup>

Without prejudice to the provisions of Law No. 133 of 2010 on Oil Refining Projects Licensing to Operate within the Free Zone Framework, and subject to the legal standing of the companies licensed to set up projects within the Free Zone Framework at the time at which this Law comes into force, free zone projects operating in the field of oil processing; fertilizer industries; iron and steel; natural gas processing, liquidation and transportation; or energy-intensive industries may, upon the approval of the Supreme Council of Energy, be licensed to be set up.

It shall not be permissible to set up free zone projects operating in the field of liquor and alcohol industries; guns, ammunitions and explosives industries; and any other industries associated with the national security.

## Article 35

Without prejudice to the first paragraph of Article (10) of this Law, all projects investing within the Free Zone Framework shall fall within customs and tax control in accordance with the rules to be issued under a resolution of GAFI BoD in coordination with the Egyptian Customs Authority and Tax Authority.

Free Zone BoD shall notify the bodies specified by the minister concerned with industry affairs of all the data relating to the industrial production projects set up within Free Zone. The Appropriate Minister shall, in agreement with the minister concerned with industry affairs, set the rules of carrying on activity for such industrial production projects, particularly the export percentages with which such projects shall comply.

## Article 36

Subject to the provisions of Capital Market Law enacted by Law No. 95 of 1992; Central Bank, Banking Sector and Money Law enacted by Law No. 88 of 2003; and Law No. 10 of 2009 on the Regulation of Supervision over Non-bank Financial Markets and Instruments, Public Free Zone BoD shall have competence to issue a final approval on the establishment of Investment Projects within the respective zone thereof, or within Private Free Zone situated in the geographic territory of such zone. Public Free Zone

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<sup>1</sup> The article is replaced by virtue of Law No. 160 of 2023.



BoD Chairperson shall have competence to grant such Investment Projects license to operate.

Such license to operate shall include a statement of the objects for which the license has been granted; the effective term of such statement; the type and amount of financial guarantee to be provided by a licensee, which may not exceed two percent (2%) of the investment costs in accordance with the percentages set out by the Executive Regulations of this Law. This license may not be waived, in whole or in part, except with the approval of the Public Free Zone BoD.

A licensed Investment Project may enjoy the exemptions or privileges stipulated in this Law only to the extent of the objects specified in the license. When dealing with various State agencies in course of obtaining services, facilitations, privileges and exemptions for Investment Project, a license to operate shall suffice, without any need for registration in the Industrial Register, unless otherwise required by Investment Project; for inventory purposes, a copy of the license shall be furnished to the Appropriate Body.

## **Article 37**

Allocation of real property required for setting up Investment Projects within the Public Free Zone Framework shall be made by usufruct licensing in accordance with the rules and provisions set out by the Executive Regulations of this Law.

Investor shall, within thirty (30) days from the date on which Investor has been notified of the approval on setting up the Investment Project thereof, communicate with the Public Free Zone management, in order to receive the land allocated for implementation of Investment Project thereon, to sign the usufruct contract and to pay the prescribed fees.

The approval on setting up an Investment Project shall be null and void, should Investor, within ninety (90) days from the date on which Investor has been served a notice to receive the land in accordance with the terms and conditions agreed upon in the usufruct contract, fail to demonstrate seriousness in implementing the Investment Project. However, this period may be extended for another in light of the justifications provided by Investor, or the representative thereof, and deemed acceptable by the respective Free Zone BoD at its discretion.

The Executive Regulations of this Law shall set out the rules and procedures required to implement the present provisions.

## **Article 38**

Upon Investment Project cancellation or nullification of approval granted thereto, Investor shall hand over the land allocated therefor free and clear of any occupancy to the respective zone management. Should the land site be occupied with buildings, facilities or assets, Investor shall, at Investor's own expense, within the period specified by the respective zone BoD, vacate such buildings, facilities or assets; which period may not exceed six (6) months from the date on which Investor has been served a notice to vacate by virtue of a registered letter with an acknowledgment of receipt.

Should Investor fail to vacate within the aforementioned period, the respective zone BoD shall issue a resolution of recovery of possession of the land, including the buildings and facilities thereon, through administrative procedures. In the event that there are assets on the land site, the respective zone management and the Customs shall make and furnish an inventory of such assets, and surrender such assets, to the Customs department concerned, which shall either maintain such assets temporarily or sell the same in accordance with Customs Law provisions on the abandoned or unclaimed goods, and shall, after deducting from the price of such assets GAFI's accruals then the debts due to the government, deposit such price in an account with GAFI in favor of Investor; this shall be in the manner set out by the Executive Regulations of this Law.

GAFI's accruals shall, in application of the provisions of this Article (38), be deemed preferential debts ranked second to the judicial costs and the accruals of the Public Treasury.

## **Article 39**

Subject to the provisions stipulated under the laws and regulations concerning the prohibition of dealings in certain goods and materials, the goods – exported abroad by Free Zone Investment Projects or imported for carrying on activities by said projects – may not be subject to the importation and exportation rules, nor may such goods be subject to exports and imports customs procedures, customs duties, value-added tax (the «VAT») or other taxes and fees.



Exporting production supplies from the local market to the production projects within Free Zones shall be governed by the rules to be set out under a decree issued by the minister concerned with the foreign trade affairs in agreement with Appropriate Minister and Minister of Finance.

With the exception of passenger vehicles, all tools, equipment and machinery as well as necessary means of transportation of any type required by Investment Projects existing within any type of Free Zones to carry on a licensed activity – even if the nature of and the requisite for pursuing such activity should, subject to the situations, guarantees, conditions and procedures to be set out under a resolution of Council of Ministers based on a proposal of Appropriate Minister and Minister of Finance, require the temporary exit of such tools, equipment and machinery from Free Zone to the Country and the return thereto – shall be exempt from customs duties, VAT along with other taxes and fees.

The Executive Regulations of the present Law shall lay down the procedures of transporting and insuring goods starting from their unloading until their arrival at Free Zones and vice versa.

GAFI may, in the manner set out by the Executive Regulations of this Law, allow local and foreign goods, items, parts and raw materials – owned by Investment Project or third parties – to be admitted temporarily into Free Zone from the Country, for the purpose of being repaired or industrialized, and thereafter to be returned into the Country, without being subject to the applicable importation rules.

Customs duties on repair costs shall be collected in accordance with the provisions of the Customs Laws.

## **Article 40<sup>1</sup>**

Importation from the Free Zones into the Country shall be in accordance with the general rules for importation from abroad.

As an exception from the foregoing, materials, waste and scraps resulting from the activities of Investment Projects operating within Free Zones may be admitted into the Country, whenever such admission is for the purpose

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<sup>1</sup> Second and third paragraphs is replacd by virtue of Law No. 160 of 2023.

of disposing or recycling such materials, waste and scraps, at the expense of the person concerned, using the safe methods and means prescribed in accordance with the Environmental Law enacted by Law No. 4 of 1994 and the Waste Management Law enacted by Law No. 202 of 2020.

The provisions of the aforementioned Waste Management Law shall apply to the ban on importation of hazardous waste from abroad. In the application of this paragraph, admission into the Country of dangerous materials, waste and scraps resulting from the activities of free zone projects shall not be considered importation from abroad.

Customs duties on the goods imported from Free Zone into the domestic market shall be paid as if such goods have been imported from abroad.

In respect of products imported from Free Zone Investment Projects, where such products contain local and foreign components, the customs duty rate on such products shall be the value of the foreign components based on the prevailing rate of exchange at the time at which such foreign components exit the Free Zone to enter the Country, conditional on that the payable customs duty on the foreign components may not exceed the payable duty on the final product imported from abroad.

Foreign components are those imported foreign parts and materials on as-is condition upon entry into Free Zone, without calculation of the operating costs within the Free Zone. A Free Zone shall, in respect of freight calculation, be deemed to be the Country of origin for the products manufactured therein.

## **Article 41**

Projects within Free Zones and the dividends of such projects may not be subject to the provisions of the taxes and fees laws in effect in Egypt.

However, such projects shall be treated as follows:

### **A. In respect of Public Free Zones:**

1. The storage projects shall be subject to a fee of two percent (2%) of commodity value upon CIF entry, while the manufacturing and assembly projects shall be subject to a fee of one percent (1%) of commodity



value upon FOB exit; transit goods of a certain specific destination shall be exempt from such fee; and

2. Projects whose main activity does not require entry or exit of commodities shall be subject to a fee of one percent (1%) of the total revenues generated by such projects and provided for in the financial statements audited by a chartered accountant.

## **B. In respect of Private Free Zones:**

1. The manufacturing and assembly projects shall, upon exporting commodities outside the Country, be subject to a fee of one percent (1%) of the total revenues derived from such projects, and, upon entry of commodities into the Country, a fee of two percent (2%) of the total revenues derived from such projects; transit goods of a certain specific destination shall be exempt from such fees; and
2. Projects other than those mentioned in the previous item shall be subject to a fee of two percent (2%) of the total revenues derived from such projects.

The proceeds of the fees stipulated in Item A of this Article (41) shall inure to GAFI. The proceeds of the fees stipulated in Item B of this Article (41) shall be distributed on a fifty-fifty basis between Ministry of Finance and GAFI.

In all cases, the projects established within Public and Private Free Zones shall pay to GAFI, in consideration of the rendered services, an annual amount of no more than one per mille percent (0.001%) of the capital, at a maximum of one hundred thousand pounds (EGP 100,000), as per the percentages specified by the Executive Regulations of this Law. The equivalent of the value of such percentages may be paid in any currency specified by the Appropriate Minister.

Such projects shall submit their financial statements audited by a chartered accountant to both the Ministry of Finance and the Ministry of Investment.

## Article 42

Maritime transportation projects, which are set up within the Free Zones, shall be exempt from the conditions stipulated in respect of the nationality of vessel owner and crewmembers in Law No. 84 of 1949 on Registration of the Commercial Vessels, and Maritime Trade Law enacted by Law No. 8 of 1990.

Vessels owned by such projects shall be exempt from the provisions of Law No. 12 of 1964 on the Establishment of the Egyptian Public Corporation for Maritime Transport.

## Article 43

An Investor shall procure and maintain a comprehensive insurance on all buildings, machinery and equipment against all accidents and risks arising out of engagement in a licensed activity.

A Zone BoD may issue a resolution removing the facilities of an Investment Project, should any accident or hazard, against which insurance is maintained, occur. Such resolution shall be in the form of a reasoned decision of which Investor or the representative thereof shall, within one (1) week from the date on which such resolution has been issued, be notified by virtue of a registered letter with an acknowledgment of receipt. If necessary, Zone management may shorten this time-limit.

Investor shall, at Investor's own expense and within the time-limit to be specified by the Zone management, implement the resolution of removal.

Should Investor fail to implement such resolution, the Zone BoD may suspend or cancel the project, depending on the gravity of the violation.

## Article 44

In all cases where a consignment arrives from abroad and is released from the Customs in exchange of payment of the prescribed fee of the Free Zones, such consignment shall be inspected by a tripartite committee composed of the respective zone, the appropriate Customs Department and the person concerned or whomever so authorized thereby within the project site. A statement shall be written and signed by the committee members indicating



the results of the inspection, after having matched the consignment against the invoices or the packing list. Following that, the consignment shall be delivered to the person concerned and shall henceforth be in such person's full custody and under full responsibility thereof. The Customs Authority shall estimate the value of the consignment and inform the respective zone management of such estimation.

A Director of a Zone Customs Department shall notify the chairperson of such zone of any incidents where unjustified decreases or increases, when compared to the items listed in the manifest, are found in either the number or content of the parcels, or the packed or bulk goods.

A resolution of GAFI BoD regulating liability to the incidents stipulated in the previous paragraph and the percentages of tolerance in such incidents shall be issued.

## **Article 45**

Projects within Free Zones may not be subject to the provisions of Law No. 113 of 1958 on Recruitment into Joint-stock Companies and Public Institutions.

The provisions of Labor Law shall apply to the work relations, as well as to the occupational safety and health within Free Zones. Such provisions, including the labor rights therein, shall be deemed as the minimum that may be agreed upon in the individual or collective employment contracts, which are entered into with the workers of the projects licensed to operate within Free Zones.

Projects within Free Zones shall develop and be bound to internal regulations on the scope of work in such projects, and shall furnish such internal regulations to GAFI CEO, or whomever so authorized thereby, for ratification. Such internal regulations shall be ancillary to the individual or collective employment contracts.

GAFI CEO may raise objections against any such internal regulations provisions violating the public order or comprising privileges less favorable than those conferred in the Labor Law.



The provisions of Social Insurance Law enacted by Law No. 79 of 1975 and Insurance Law on Employers and the Equivalents thereof enacted by Law No. 108 of 1976 shall apply to the workers of the projects which are licensed to operate within Free Zones.

## **Article 46**

A person may not engage in any profession or craft in a Public Free Zone for personal account on a permanent basis, except after having obtained a permit therefor from such Free Zone BoD Chairperson in accordance with the terms and conditions set out by the Executive Regulations of this Law, and after having paid an annual fee not exceeding five thousand pounds (EGP 5,000).

Any person violating the provisions of the first paragraph of this Article (46) shall be subject to a penalty of no less than five thousand pounds (EGP 5,000) and no more than twenty thousand pounds (EGP 20,000), and in which case, a criminal lawsuit may not be initiated, except with the permission of the Appropriate Minister. In all cases, projects engaging in liberal professions and consultations may not be set up within the Free Zones. Access to the Free Zones shall be in accordance with the conditions to be set out in a resolution of GAFI BoD.

## **Article 47**

The goals, principles, guarantees and Article (11) of this Law shall apply to Investment within the Free Zone Framework, exception being made for the provisions inconsistent with the nature of the work within this framework.

Projects operating within this framework may convert to the Internal Investment Framework; the Executive Regulations of this Law shall specify the conditions and restrictions on such conversion, as well as the customs treatment prescribed for the equipment, machinery, production apparatus and lines, and spare parts required by such projects for the activity such projects have license to operate.



# Chapter V

## Companies and Establishments Incorporation Provisions and Post Incorporation Services

### Article 48 <sup>1</sup>

Subject to the provision of Article (71) of this Law, GAFI shall provide the companies, governed by the provisions of this Law and Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies enacted by Law No. 159 of 1981, with the services of incorporation, post incorporation and ISC, and shall automate and unify the procedures of such services. Only the procedures of electronic incorporation shall, upon having been activated at GAFI, apply, and, in this regard, GAFI may not be confined to any procedures stipulated in the other laws.

The Executive Regulations of this Law shall specify (i) the provisions regulating the publication of articles of association of a company, (ii) the procedures prescribed for amendment of such articles of association, (iii) the rules of operation of the electronic incorporation system and (iv) the services rendered to the companies and establishments governed by the provisions of this Law and the aforementioned Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies.

In all cases, signatures of partners or representative thereof on companies' articles of incorporation, irrespective of the investment framework governing the company, shall be ratified in consideration of a fee worth twenty-five hundredths percent (0.25%) of the paid-up capital, at a maximum of ten thousand Egyptian pounds (EGP 10,000), or the equivalent of the value of which in foreign currency, as the case may be, whether the ratification is made in Egypt or by the Egyptian authorities overseas. These provisions shall apply to each amendment of the articles of association of the company.

### Article 49

Upon a decree of the Appropriate Minister, a standard memorandum of incorporation and articles of association for each type of company, as the case may be, shall be issued.

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<sup>1</sup> The last paragraph is added by virtue of Law No. 141 of 2019.

An incorporation applicant shall pay to GAFI in the form of a lump sum all fees prescribed by the legislations and the other sums payable to the entities providing the incorporation and post incorporation related services. GAFI shall collect these fees for such entities.

GAFI shall, in exchange for the actual services provided thereby to Investors, be entitled to a consideration. GAFI BoD shall pass a resolution specifying the categories of such consideration, along with the rules, conditions and procedures regulating the collection thereof.

## **Article 50**

The Appropriate Bodies shall adjust to the activation of GAFI electronic services system (the «E-services System») by being provided with all documentation, application forms and data, and by integrating their work systems and databases with GAFI E-services System and database; this shall be within ninety (90) days from the date on which the provisions of this Law come into force.

The Appropriate Bodies shall grant recognition to the electronic signatures as well as the documents and forms designed using one of the technological means, and shall accept electronic payment to all payables thereto; this shall be in the manner set out by the Executive Regulations of this Law.

## **Article 51**

GAFI shall decide on an application for incorporation within maximum a full business day from the date on which a complete application has been submitted. A company shall have juridical personality once registered in the Commercial Register, and a certificate of incorporation shall be issued for such company; the particulars of such certificate shall be determined under a decree of GAFI CEO.

Upon issuance of the certificate of incorporation, all Appropriate Bodies, banks and relevant bodies shall, in course of transactions thereof, recognize such certificate as an official document.

A company incorporated in accordance with the provisions of this Law shall submit a certificate indicating that the securities of such company have been deposited with a central securities depository.



GAFI shall develop a system whereby a certificate for an Investment Project may be issued; regulation of such certificate shall be under a decree of GAFI CEO.

An establishment or a company of any legal structure whatsoever shall have an approved unique national number for all transactions carried out by Investor with the various State bodies and agencies, once such number has been activated.

All this shall be as stipulated by the Executive Regulations of this Law.

## **Article 52**

The companies governed by the provisions of this Law may have their capital fixed at any convertible currency, and have their financial statements prepared and published with that same currency, provided that the subscription to such capital is in that same currency. In respect of the corporations, the designated percentage of the paid-up capital shall be paid in accordance with the provisions of Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies enacted by Law No. 159 of 1981.

Companies governed by the provisions of this Law may have their designated capital converted, from the Egyptian pound to any convertible currency, as per the prevailing rate of exchange declared by the Central Bank at the date of conversion.

The Executive Regulations of this Law shall specify the controls regulating this respect.

## **Article 53**

As an exception from the provisions of Article (45) of Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies enacted by Law No. 159 of 1981, initial shareholdings and shares of corporations governed by the provisions of this Law may be traded during corporation's first two fiscal years, subject to the Appropriate Minister approval.

## Article 54

GAFI shall, within the scope of procedural competence thereof, issue decisions that streamline and expedite service provision to Investors; in order to do so, and without being confined to any procedures stipulated in the other laws, GAFI may set controls that would ensure separation of the regulation of investment procedures from subsequent monitoring over companies, without prejudice to the principles of transparency, governance, prudent management and accountability, through the following:

1. Streamline all procedures, relating to the general meetings and boards of directors of companies and ratify minutes of meeting thereof, including the use of modern technology, no later than fifteen (15) days from the date of complete submission;
2. Replace books and papers with electronic means compatible with the technological development; and
3. Develop, standardize and simplify capital increase or decrease procedures, the financial valuation models as well as the process of validating the estimated values for such models, without prejudice to the competence legally prescribed for the Financial Regulatory Authority («FRA»).

All this shall be as stipulated by the Executive Regulations of this Law.



# Chapter VI

## Allocation of Real Property Required for Setting up Investment Projects

### Article 55

An Investor, shall, whatever percentage of partnership or shares in capital such Investor holds, have the right to obtain the real property required for carrying on or expanding activity thereof, subject to the rules of certain real property located within the geographic areas regulated by particular laws, either from the body having jurisdiction over such required real property in accordance with the rules stipulated in such body's laws and regulations following proclamation thereof, or from GAFI in accordance with the provisions of disposition stipulated in this Law.

### Article 56

Administrative bodies of competent jurisdiction shall, upon coordination with all Appropriate Bodies and the National Center for Planning State Land Uses, within ninety (90) days from the date on which this Law comes into force, furnish to GAFI detailed maps on which all real property available for investment and falling within the jurisdiction of such administrative bodies respectively are specified, along with a complete database comprising the prescribed location, surface area, heights, estimated price, appropriate investment activities to the nature of such real property, as well as the manner of disposition thereof. Such administrative bodies shall regularly update these data every six (6) months or whenever requested by GAFI.

Upon the approval of the Council of Ministers, President of the Republic shall, whenever necessitated by the implementation of the investment plan, issue a decree transferring the ownership of, the jurisdiction over or the supervision on certain real property from the administrative bodies of competent jurisdiction to GAFI, provided GAFI disposes of such real property in accordance with the provisions of this Law.

## Article 57

Disposition of real property, falling within the private-domain property of the State or of other public juridical persons, to Investors shall be for the purpose of Investment in accordance with the provisions, controls and procedures stipulated in this Law, taking into account the State's investment plan, the volume of Investment Project, the nature of the activity thereof as well as the value of Assets invested therein.

The provisions of Law on Regulation of Tenders and Bids enacted by Law No. 89 of 1998 may not apply to the aforementioned disposition, exception being made for matters in respect of which a special provision is not stipulated in this Law, and for such provisions consistent with the provisions of this Law.

An Investor shall comply with the schedule submitted thereby in respect of the implementation of the Investment Project approved by the Appropriate Body, so long as such Appropriate Body has fulfilled the obligations thereof toward such Investor.

An Investor may not make amendments to the Investment Project, including change of object, expansion, increase in volume or any other amendments, except with the written approval of the Appropriate Body, obtained whether directly or through the Appropriate Body Representative at ISC.

## Article 58

Subject to the provision of Article (37) of this Law, real property required for Investment Projects may be disposed of in accordance with the provisions of this Law by one of the following: sale, lease, lease-to-own, usufruct licensing.

This shall be upon either Investor's request or an invitation or announcement by GAFI in accordance with the provisions of this Law.

Administrative bodies having jurisdiction over such real property may be partners in Investment Projects by holding such real property therein as contributions in kind or in partnership, in the events to be specified under a decree of the Council of Ministers. The Executive Regulations of this Law shall lay down the conditions, procedures and manner whereby such



administrative bodies may be partners in an Investment Project by holding such real property therein.

## **Article 59**

In cases where Investor requests real property falling within the State's private-domain property be made available for setting up an Investment Project, such Investor shall state in the application being made thereby the purpose, surface area and location on which Investor would like to set up such Investment Project. GAFI shall offer such available real property thereat or at the administrative bodies of competent jurisdiction, which are compatible with the investment activity of the Investment applicant. GAFI shall state (i) the nature of such real property; (ii) the requirements attaching thereto; (iii) whether such real property is provided with utilities and the acts of disposition thereof, (iv) the consideration therefor; and (v) any other necessary requirements and particulars.

## **Article 60**

For the sole purpose of development, and pursuant to the investment map, the State's private-domain real property, in the areas to be listed under a decree issued by President of the Republic upon the approval of the Council of Ministers, may be disposed of free of charge in favor of Investors satisfying the technical and financial conditions to be specified under a decree of the Council of Ministers. This shall apply to the acts of disposition stipulated in Article (58) of this Law.

In all cases where disposition of real property is made free of charge, Investor shall, in accordance with the criteria and controls set out by the Executive Regulations of this Law, place with the body in charge of such disposition a cash collateral, or the equivalent thereof, not exceeding five percent (5%) of the value of project investment costs; in respect of projects of production nature, Investor shall redeem such collateral after three (3) years from the date on which actual production starts, or, in respect of other projects, redeem such collateral from the date of engagement in activity, provided Investor complies with the terms and conditions of the disposition.



## Article 61

In cases where disposition of real property is made by way of usufruct licensing in exchange for a consideration, a license may be granted for a period not exceeding fifty (50) years that may be renewed, under the conditions agreed upon, so long as the project continues to be engaged in activity thereof; this shall be without prejudice to the right of the body of competent jurisdiction to modify, upon renewal, the consideration for usufruct.

License shall be granted to Investors satisfying the technical and financial conditions specified by GAFI in coordination with the administrative body of competent jurisdiction.

The aforementioned provisions shall apply to all events of disposition by lease.

## Article 62

In cases where disposition of real property is made by sale, an Investor may, for the purpose of setting up or expanding Investment Project, apply for entry into a contract on such real property, provided such Investor satisfies the technical and financial conditions specified by GAFI in coordination with the administrative body of competent jurisdiction.

In which cases, ownership of real property may be transferred to Investor, only after full payment of price of such real property and, in respect of projects of production nature, upon commencement of actual production; in respect of real property or tourism projects, upon implementation completion; or in respect of other projects, upon commencement of engagement in activity; a provision to that effect shall be included in the contract entered into with Investor.

Upon Investor's request and following the approval of the administrative body of competent jurisdiction, GAFI may agree to defer full or partial payment, or agree to any other facilities, until project actual operation commencement; the contract shall specify all required guarantees and procedures in this respect.

The aforementioned provisions shall apply to the lease-to-own disposition.



## Article 63

In case Investors' applications for acquiring, whether by sale, lease, lease-to-own or usufruct licensing, the real property, required to set up Investment Projects, compete, the order of preference in respect of Investors, satisfying the technical and financial conditions required for Investment, shall be a system of points based on preference foundations, such as the value of the bid offered by Investor, or other technical or financial specifications.

If the order of preference in respect of Investors cannot be made based on the point system, it may be conducted based on the highest bid offered from among Investors.

The Executive Regulations of this Law shall set out the events of competing applications, the rules of conducting such order of preference and the foundations upon which the order of preference is made.

## Article 64

In application of the provisions of this Chapter (VI), the price of sale or tenancy value, or the consideration for usufruct shall, based on the nature of the targeted activity, be valued by one of the following: (i) the General Authority of Government Services, (ii) the Supreme Committee of Valuation of State-owned Lands at the Ministry of Agriculture, (iii) the New Urban Communities Authority, (iv) the Tourism Development Authority, (v) the Industrial Development Authority.

A valuation entity shall appoint experienced representatives as members of the valuation committees, and finalize the valuation process within maximum thirty (30) days from the date on which an application for valuation has been submitted thereto.

The Executive Regulations of this Law shall lay down the criteria, controls and procedures required for the conduction of the valuation process, the valuation validity period and the fees to be paid to the valuation entity by the body of competent jurisdiction upon completion of allocation.

## Article 65

Upon a decree of GAFI CEO and an approval of the Appropriate Minister, one or more committees shall be formed – comprising technical, financial and legal members, whose job roles and expertise match contractual objects significance and nature – to decide on applications for disposition of real property to Investors in the various events in accordance with the provisions of this Chapter (VI) within maximum thirty (30) days from the date of receiving the technical opinion on Investor’s application from the body of competent jurisdiction; which opinion shall be made within one (1) week from the date of receiving the application. Resolutions of such committee(s) shall be approved by GAFI CEO, and GAFI shall notify the applicant of such resolution.

The Executive Regulations of this Law shall set out the work process of the aforementioned committee(s); the notification method; the methods of payment of price, tenancy value or usufruct consideration, as the case may be; and how accruals revert fully to the Appropriate Bodies. The Executive Regulations shall set out the procedures of preparing and entering into contracts in each case as per the standard contract forms approved by GAFI BoD after having been reviewed by Conseil d’Etat (the «State Council»).

## Article 66

In all cases of disposition of real property falling within the private domain of the State or of other public juridical persons, an Investment Project shall comply with the object for which disposition of real property is granted; such object may be changed, only after obtaining a written approval of the administrative body of competent jurisdiction, in the events where the nature and the location of the real property accommodate such change, and conditional upon payment of sums, the criteria of setting the value of which shall be laid down by the Executive Regulations.

Such body of competent jurisdiction shall decide on the application for change of object within thirty (30) days from the date of receiving the application; failure to decide shall be deemed rejection of the application.

Investor shall have the right to raise grievance against such rejection before the committee stated in Article (83) of this Law.



In all cases, an application for change of object may not be accepted before the elapse of one (1) year from the date on which production or activity has started.

## **Article 67**

Based on the follow-up reports submitted by the employees of the administrative bodies of competent jurisdiction in respect of following up the schedule prescribed for completing the implementation phases of setting up an Investment Project, and upon the approval of GAFI BoD, the administrative body of competent jurisdiction may rescind the contract of sale, lease, lease-to-own or usufruct licensing, and reclaim the real property in any of the following events:

1. Investor fails to receive the real property for a period of ninety (90) days from the date on which a delivery notice has been served thereon;
2. Investor fails, without acceptable excuse, to start project implementation within ninety (90) days from the date on which Investor has received the real property clear of any barriers and obstacles, and continues to be so, after having been served a written notice giving another period of ninety (90) days;
3. Investor violates the conditions of payment of the financial dues and fails to pay in due dates;
4. Investor changes the object for which the real property was allocated, mortgages the real property or arrange any encumbrance thereon, without the prior written approval of the administrative body of competent jurisdiction, or before the ownership has been transferred to Investor in accordance with the provisions of this Law; or
5. Investor commits, at any phase of the project, a substantial violation to the terms and conditions of the contract or the usufruct license, and fails to rectify the violation after having been served a written notice to that effect.

The Executive Regulations shall set out the foregoing substantial violations and the procedures for reclaiming the real property, should Investor be proven to have failed to implement the project, and in which case, the real property may be redispensed of.



# Part IV

## Bodies in Charge of Investment Affairs

### Chapter I

#### The Supreme Council of Investment

#### Article 68

A Supreme Council of Investment («SCI») shall hereby be formed. SCI shall be chaired by President of the Republic, and shall, along with the duties assigned thereto in this Law, have competence to:

1. Take all necessary measures to create a more favorable environment for Investment, and give directives to that effect;
2. Set the general framework for the legislative and administrative reform of Investment environment;
3. Develop such policies and investment plan, which would prioritize the targeted investment projects, in accordance with the State's general policy, the economic and social development plan as well as the applicable investment frameworks;
4. Follow up on the implementation of plans and programs pertaining to Investment by State agencies, the work progress of the major economic projects and the status of the public-private partnership projects;
5. Within the frame of the economic development plan of the State, follow up on the updating and the implementation of the investment map across the various specialized sectors and geographic areas;
6. Explore such investment opportunities available in each sector, and investigate the root causes of the problems pertaining to such opportunities;
7. Monitor Egypt's rising in ranks and ratings in the international reports and indicators of investment;



8. Follow up on the mechanisms of investment dispute resolution and the status of the international arbitration cases;
9. Study and provide solutions for Investment barriers, and eliminate such obstacles in the path of execution of the provisions of this Law.
10. Put the joint liability of all ministries, public entities and government agencies concerned with investment into effect, and harmonize their performance;
11. Resolve such disagreements and complexities that might arise between State agencies in the field of investment.

A decree on the formation and code of procedure of SCI shall be issued by President of the Republic.

All State agencies shall execute such decrees issued by SCI.

## **Chapter II**

# **The General Authority for Investment and Free Zones**

### **Article 69**

GAFI is a public economic authority that has a public juridical personality and reports to the Appropriate Minister. Its role is to manage, administrate, encourage, develop and promote investment within the Country in such a way that would accomplish the national economic development plan.

GAFI headquarters shall be situated in Cairo governorate. GAFI may, upon a resolution of GAFI BoD, establish branches or offices, within the Arab Republic of Egypt or elsewhere, as part of the commercial representation missions.

### **Article 70**

Without prejudice to the provisions of Capital Market Law enacted by Law No. 95 of 1992; Law No. 95 of 1995 on Financial Leasing; Real Property Finance Law enacted by Law No. 148 of 2001; Central Bank, Banking Sector and Money Law enacted by Law No. 88 of 2003; and Law No. 10 of 2009 on the Regulation of Control over Non-Banking Financial Markets and Instruments, GAFI shall be the sole administrative authority which has competence to apply the provisions of this Law and Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies enacted by Law No. 159 of 1981.

GAFI may, in respect of the financial and administrative matters, not be confined to the government rules and regulations. In order to carry out the tasks assumed thereby, GAFI may use the services of the best local and global cadres and experts; however, this shall be without prejudice to the provisions of Law No. 63 of 2014 on the Maximum Income Limit for the Paid Employees of Government Agencies. A resolution of GAFI BoD on the regulation of the foregoing matters shall be issued.

In order to realize the objects thereof, GAFI may enter into contracts and carry out dispositions and acts. GAFI may have real property, within the



private domain of the State, allocated or reallocated to GAFI for the purpose of being used in GAFI administrative affairs.

## **Article 71**

In order to realize its objects, GAFI may, in addition to that which is stipulated in this Law, have competence to:

1. Draft, in coordination and cooperation with all appropriate agencies of the State, the investment plan comprising (i) the types, frameworks, geographic areas and sectors of investment; (ii) the real property owned by the State or other public juridical persons and intended for investment; and (iii) acts and means of disposition of such real property under each investment framework;
2. Develop plans, studies and frameworks that would attract and encourage national and foreign capitals to investment in various fields in accordance with the State's investment plan and take the necessary measures to that effect;
3. Create a database and a map of the available investment opportunities and of the targeted Investment Projects and activities; follow up on the updating of such database and map; and make such information and data available to Investors;
4. Issue the required certificates in order for Investor to exercise the incentives and guarantees stipulated in this Law;
5. Develop an investment promotion plan, take by all means all necessary measures to that effect and publish such plan domestically and abroad;
6. Standardize, in coordination with the Appropriate Bodies, all investment official application forms and make such application forms available on internet and other means;
7. Develop for free and investment zones a managerial system that would be in service to the national economy;
8. Study such legislations relating to investment, recommend the necessary actions in respect thereof and review them regularly;



9. Hold conferences, symposia, training courses, workshops and exhibitions in connection with the investment affairs, and organize them domestically and abroad;
10. Cooperate with international and foreign institutions and organizations operating in the field of investment and investment promotion; and
11. Monitor and inspect, in accordance with the rules and procedures set out by the Executive Regulations of this Law and under other laws, the companies governed by the provisions of this Law.

## **Article 72**

Without being confined to the provisions of Law on Regulation of Tenders and Bids enacted by Law No. 89 of 1998, GAFI may, for the purposes of implementing GAFI's plan in respect of promotion of available investment opportunities domestically and abroad, assign such mission to specialized companies under a contract to that effect; this shall be in accordance with the rules set out by the Executive Regulations of this Law.

## **Article 73**

GAFI shall have a board of directors that undertakes formulation of GAFI general policy and supervises the implementation of such policy. GAFI BoD shall, under a decree of the Prime Minister, be formed as follows:

1. The Appropriate Minister as GAFI BoD Chairperson;
2. GAFI CEO;
3. Deputies of GAFI CEO;
4. Three representatives of the relevant bodies and agencies; and
5. Two members of which one is experienced in the field of investment in private sector and the other in law.

Membership term shall be three (3) years that may be renewed.

GAFI BoD shall convene at least once every month. GAFI BoD meeting may not be valid unless attended by at least two-thirds of GAFI BoD members. GAFI BoD may form from among the members thereof one or more committee(s) to be assigned a specific task. GAFI BoD Chairperson



may, when necessary, invite those experts deemed thereby fit to attend the meetings.

GAFI BoD resolutions shall be passed by majority vote of attending members. In case of a tie, GAFI BoD Chairperson shall have the casting vote. The Executive Regulations of this Law shall regulate the scope of functions of GAFI BoD.

GAFI BoD members shall submit a declaration of all Assets thereof; such declaration shall, on an annual basis, be furnished and audited by an independent entity, in order to verify whether there is a violation, or an actual or potential conflict of interests; this shall be reported to SCI through the Appropriate Minister.

## **Article 74 <sup>1</sup>**

GAFI BoD is the supreme authority governing GAFI's affairs. Pursuant to the provisions of this Law and the Executive Regulations thereof, GAFI BoD shall pass those resolutions deemed thereby necessary to realize the objects for which GAFI has been established, and shall, in particular:

1. Set GAFI activity agenda and GAFI programs within the framework of the State's investment policy;
2. Develop the mechanisms of activation of the ISC system, and follow up on the implementation thereof;
3. Determine the consideration for the services rendered by GAFI;
4. Adopt such internal regulations and implementing resolutions in respect of GAFI financial, administrative and technical affairs, and create the organizational structure thereof;
5. Approve GAFI's draft annual budget and final accounts;
6. Set rules of formation as well as scopes of competence and practice for the boards of directors of Free and Investment Zones, provided that a decree on such formation and scope of competence is issued by GAFI CEO;

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<sup>1</sup> The item (14) is added by virtue of Law No. 141 of 2019.

7. Adopt such regulations, systems and application forms required for the establishment, development and management of Free and Investment Zones; and set the rules and mechanisms for the cancellation of projects set up in accordance with the various investment frameworks and the terms required for the lapse of the issued approvals on such projects;
8. Approve, in accordance with the provisions of this Law, the conditions on the granting of licenses, as well as the occupation and recovery of the real property, including any buildings and constructions thereon or that which is within such real property, particularly in respect of Investment Zones;
9. Approve, in coordination with the Customs Authority, the controls of (i) goods entry and exit rules, (ii) goods registration provisions, (iii) the occupancy consideration for spaces within which goods are stored, (iv) examination of documents, (v) conducting review, (vi) Free Zones control and guard system and (vii) the collection of payable fees;
10. Approve the establishment of GAFI branches and offices, in order to activate ISC set forth in this Law and provide Investment services;
11. Create an automation system for Investment services provided through GAFI;
12. Set the rules and regulations that would ensure governance principles being applied, enforce the rules of inspection and continuous monitoring over companies and take the necessary procedures to that effect as set out by the Executive Regulations of this Law;
13. Develop – without prejudice to the national security considerations, the right to privacy and information confidentiality or the protection of third party rights – a system that would ensure access to statistics, data and information required by Investment Project to engage in activity thereof; all Appropriate Bodies must furnish to GAFI anything required to develop such system; and
14. Information and data necessary for calculating direct and indirect foreign investment assets may be requested from Public Entities and Private Entities for statistical purposes; this shall be made as per the applicable



international practices and without prejudice to the national security considerations, the right to privacy and information confidentiality or the protection of third party rights. GAFI shall, to that end, have the right to prepare forms and questionnaires to fulfill such information and data, and shall apply them in all means, including the electronic means; provided that a decree on such forms and questionnaires is issued by the Prime Minister. The aforementioned entities shall provide GAFI with the data within the period specified in the Executive Regulations of this Law.

## **Article 75**

### **GAFI resources shall consist of the following:**

1. Financial appropriations allocated by the State to GAFI;
2. Fees and consideration for services collected by GAFI, except those collected for other bodies;
3. Domestic and international donations, grants and loans approved by GAFI BoD in accordance with the prescribed rules in this regard;
4. Consideration for occupation of those real property owned by or allocated to GAFI; and
5. Any other resources listed under a GAFI BoD resolution issued upon the approval of the Council of Ministers.

## **Article 76**

GAFI shall have an independent budget that shall be drawn up comparable to the budgets of economic entities. GAFI's fiscal year shall be fixed to coincide with the commencement and end of the fiscal year of the State. GAFI's accounts, balances and assets shall fall under the oversight of the Accountability State Authority. All GAFI's resources shall be deposited in a special account under the Treasury Single Account at the Central Bank of Egypt. Budget surplus shall, from one year to another, be carried forward into such special account. Disbursement from the special account shall be under a resolution of GAFI BoD.

## Article 77

Based on a proposal of the Appropriate Minister, a decree of the Prime Minister on the appointment and financial remuneration of GAFI CEO and deputies thereof, for a term of three (3) years that may be extended for a similar term for once, shall be issued. Number of deputies of GAFI CEO may not exceed five (5). The scope of competence of deputies of GAFI CEO shall be specified under a decree of the Appropriate Minister.

GAFI CEO shall represent GAFI before the Judiciary and third parties, assume the direction of GAFI affairs and carry out GAFI BoD resolutions; in order to do so, GAFI CEO may take any necessary measures to streamline the process of the services provided by GAFI to Investors and to apply the control, transparency, governance and prudent management system.

GAFI CEO may authorize any deputy thereof in part of GAFI CEO competencies, exception being made for GAFI representation before the Judiciary or third parties.

The Executive Regulations shall lay down the other competencies and roles of GAFI CEO.

## Article 78

GAFI CEO shall prepare an annual plan, a sustainable strategy for GAFI every five years and a biannual report, comprising a statement on GAFI's work outcome and achievements made in course of investment process streamlining and investment promotion, to be presented to GAFI BoD.

The Appropriate Minister shall submit to both SCI and the Council of Ministers GAFI's annual plan, the aforementioned report and any conclusions contained in and reached by such report in light of the annual plan or the 5-year strategy of GAFI, GAFI's achievements in respect of investment process streamlining and investment promotion as well as the key barriers of investment, and shall present such policies, procedures and legislative amendments recommended by the Appropriate Ministry to improve Investment climate in the State.

GAFI CEO may, when necessary, and upon the approval of GAFI BoD, approve infrastructural completion or development of Public Free Zones not



owned by GAFI, provided any expenses incurred by GAFI shall revert thereto by deduction from the usufruct consideration collected from the projects set up within such zones for the benefit of entity that owns the land.

The Executive Regulations of this Law shall lay down the rules for the aforementioned completion or development, the criteria for valuation of such incurred expenses and the methods of recovery of such expenses.

## **Article 79**

GAFI shall every year list such companies, enjoying the incentives stipulated in this Law, in a report to be published by GAFI on the website thereof; such report shall comprise the business activity type and location, the type of incentives as well as the names of company partners, shareholders or owners.

GAFI shall every year list such companies, accorded lands from among the State's lands under the provisions of this Law, in a report to be published by thereby; such report shall include the purpose of use for which such land is granted; the nature, coordinates and location of such land precisely, experts' valuation, and the names of the partners and the shareholders or the company owners.

The companies shall submit a statement comprising their volume of investments and their annual financial statements, and a statement comprising the number, positions and nationalities of employees recruited by such companies, the total wages of such employees and any other data specified by the Executive Regulations of this Law.

## **Article 80**

GAFI's employees, to be listed under a decree of Minister of Justice in agreement with the Appropriate Minister, shall have the capacity of judicial officers in course of proving crimes committed in violation of the provisions of this Law and Law on Joint-stock Companies, Partnerships Limited by Shares and Limited Liability Companies enacted by Law No. 159 of 1981 along with the implementing decrees of both laws. Such employees shall, in so doing, have the right to access Investment Projects governed by the provisions of this Law to review the documents and records of such projects;



this shall be upon a decree of GAFI CEO to whom shall be reported the outcome of the work of such employees. Investment Projects concerned shall facilitate the mission of such employees.

## **Article 81**

In the event a company or an establishment should be in violation of the provisions of this Law, GAFI shall immediately notify such company or establishment to rectify the violation within a period not exceeding fifteen (15) business days from the date of service of notice.

The notice shall include the time limit specified for violation rectification. If such time limit should lapse while the violation remained unrectified, GAFI CEO may, upon the approval of GAFI BoD, issue a decree suspending the activity of such company or establishment for a period not exceeding ninety (90) days. Should such company or establishment continue to be in violation or commit another violation within one (1) year from the date of the former violation, one of the following actions may be taken:

- a. Suspension of the stipulated incentives and exemptions;
- b. Reduction of the term of the stipulated incentives and exemptions;
- c. Termination of the stipulated incentives and exemptions, including any implications to which such termination should give rise in respect of the approvals and licenses issued to such company or establishment; and
- d. Revocation of the license to operate.

In respect of violations jeopardizing the public health or safety, or the national security, GAFI CEO may, after having notified GAFI BoD, issue a decree suspending the activity of such company or establishment for period of ninety (90) days. Should such company or establishment continue to be in violation or commit another violation within one (1) year from the date of the former violation, GAFI CEO may revoke the license of such company or establishment.



# Part V

## Investment Disputes Settlement

### Article 82

Without prejudice to the right to litigation, any dispute arising between Investor and one or more of the government bodies concerning Investor's capital, the interpretation of the provisions of this Law or the application of this Law may be settled amicably without delay through negotiations between the parties to the dispute.

## Chapter I

### Grievance Committee

### Article 83

One or more committee(s) («Grievance Committee») shall hereby be formed at GAFI to look into grievances against decisions passed in accordance with the provisions of this Law by GAFI or such bodies having competence to grant the approvals, permits and licenses.

Grievance Committee shall be constituted comprising a justice of an authority from among the Judiciary as chairperson, the selection of whom shall be determined by the board of such authority, a GAFI representative and an expert as members.

A decree on Grievance Committee formation, code of procedure and technical secretariat thereof shall be issued by the Appropriate Minister.

### Article 84

Grievances shall be submitted to Grievance Committee within fifteen (15) business days from the date of service of notice or knowledge of the decision subject matter of grievance. Filing a grievance shall result in the lapse of appeal time limits. Grievance Committee may communicate with the parties concerned and the appropriate administrative bodies to request



clarifications, documents and answers to inquiries deemed necessary by Grievance Committee. Grievance Committee may use the various experiences and specializations of GAFI and of other administrative bodies.

Grievance Committee shall, by reasoned decision within thirty (30) days from the closing date of hearings and submissions, decide on matters brought therebefore. Grievance Committee's decision shall be final and binding on all Appropriate Bodies; this shall be without prejudice to Investor's right to recourse to the Judiciary.

The Executive Regulations of this Law shall lay down the place of meeting of Grievance Committee and the methods of service of notices of decisions passed by Grievance Committee.



# Chapter II

## Ministerial Committee for Investment Disputes Resolution

### Article 85

A ministerial committee entitled the “Ministerial Committee for Investment Disputes Resolution” («MCIDR») shall hereby be formed having competence to look into any claims, complaints or disputes, submitted or referred thereto, which might arise between Investors and the State, or to which any entity, authority or company affiliated to the State is a party.

A decree on MCIDR formation shall be issued by the Prime Minister. A vice-chairperson of the State Council to be selected by the Administrative Panel at the State Council shall be a MCIDR member. Approval on MCIDR resolutions shall be obtained from the Council of Ministers. Ministers who are MCIDR members may, when necessary, delegate representatives to attend MCIDR meeting on their behalf and vote on MCIDR resolutions during such meeting.

MCIDR shall have a technical secretariat; a decree on the formation and code of procedure of which shall be issued by the Appropriate Minister.

### Article 86

MCIDR meetings shall only be valid if attended by MCIDR chairperson and half of MCIDR original members at least. MCIDR shall pass its resolutions by majority vote of those present. In case of a tie, the chairperson shall have the casting vote.

An appropriate administrative body shall submit explanatory notes and any required documentation, upon request. If such appropriate administrative body is a MCIDR member, it shall have no vote in any deliberations concerning a matter relating thereto.

MCIDR shall, by a reasoned decision within thirty (30) days from the closing date of hearings and submissions, decide on matters brought therebefore.

## **Article 87**

Without prejudice to Investor's right to recourse to the Judiciary, MCIDR resolutions, following approval thereon by the Council of Ministers, shall be final and binding on the appropriate administrative bodies and shall have the same effect as writs of execution. Failure to execute MCIDR resolutions shall warrant the application of the provisions of Article (123) of the Penal Code and the infliction of the penalty prescribed in such Article (123) of the Penal Code. Filing a grievance against MCIDR resolutions may not result in stay of execution of said resolutions.



## **Chapter III**

# **Ministerial Committee for Investment Contracts Disputes Settlement**

### **Article 88**

A ministerial committee entitled the “Ministerial Committee for Investment Contracts Disputes Settlement” («MCICDS») at the Council of Ministers shall hereby be formed having competence to settle any disputes arising out of the investment contracts to which the State or any entity, authority or company affiliated thereto is a party.

MCICDS shall be formed by a decree of the Prime Minister. A vice-chairperson of the State Council to be selected by the Administrative Panel at the State Council shall be a MCICDS member. Approval on MCICDS resolutions shall be obtained from the Council of Ministers. Presence by proxy in MCICDS meetings shall not be permissible.

MCICDS meetings shall only be valid if attended by MCICDS chairperson and half of MCICDS members. MCICDS shall pass its resolutions by majority vote. In case of a tie, the chairperson shall have the casting vote.

MCICDS shall have a technical secretariat; a decree on the formation and code of procedure of which shall be issued by the Prime Minister.

### **Article 89**

MCICDS shall investigate and handle any disagreements arising between the parties to the investment contracts. In order to do so and with the consent of such contracting parties, MCICDS may reach any required settlement to redress any imbalance in such contracts and to extend the time limits, terms or grace periods stated therein.

MCICDS shall, when necessary, reschedule the financial accruals or correct the pre-contract procedures; all this shall be in the manner that would maintain as far as possible contractual balance and ensure an optimum economic situation saving public property and Investor's rights in light of the circumstances of each case.

MCI-CDS shall report its findings on the status of each settlement, including all elements thereof, to the Council of Ministers. Each settlement shall, upon the approval thereon by the Council of Ministers, be enforceable and binding on the appropriate administrative bodies, and shall have the same effect as writs of execution.



# Chapter IV

## Dispute Settlement Amicable Means along with Arbitration and Mediation Center

### Article 90

Investment disputes arising out of execution of the provisions of this Law may be settled in the manner agreed upon with Investor or in accordance with the provisions of Law on Civil and Commercial Arbitration enacted by Law No. 27 of 1994.

The two parties may, at any time during the dispute, agree to seek settlement of any kind whatsoever in accordance with the applicable rules of dispute settlement; this includes seeking ad hoc arbitration or institutional arbitration.

### Article 91

An independent arbitration and mediation center entitled “The Egyptian Arbitration and Mediation Center” («EAMC») shall hereby be established, shall have juridical personality and shall have its headquarters situated in Cairo governorate.

EAMC shall settle any investment disputes, which might arise among Investors, or among Investors and the State or any public or private subdivision thereof, should they agree at any point to settle the dispute through arbitration or mediation before EAMC; all this shall be subject to the provisions of Egypt’s laws regulating arbitration and dispute settlement.

EAMC management shall be assumed by a board of directors (“EAMC BoD”) consisting of five (5) experienced, specialized, efficient and well-reputed members; a decree on the appointment of such members shall be issued by the Prime Minister.

The term of EAMC BoD shall be five (5) years that may be renewed for once only. An EAMC BoD member may be dismissed during such term only if medically incapacitated to discharge work duties thereof, or in case of loss of trust and confidence in such member, or if such member committed

a fundamental breach to work duties thereof as laid down in EAMC articles of association.

EAMC BoD members shall elect from among themselves the chairperson. EAMC shall have a CEO; a resolution appointing and determining the financial remuneration of such CEO shall be issued by EAMC BoD.

A resolution on EAMC (i) articles of association, (ii) work regulation, (iii) code of professional practice and procedure, (iv) consideration for services rendered by EAMC and (v) the lists of arbitrators and mediators along with their fees respectively shall be issued by EAMC BoD. EAMC articles of association shall be promulgated in the Official Gazette.

EAMC financial resources shall consist of the consideration for the services rendered thereby as specified under EAMC articles of association.

During the first three (3) years from the date on which this Law comes into force, EAMC shall be provided with sufficient financial resources from the State's Public Treasury; EAMC may not otherwise obtain any other assets from the State or any agency thereof

## **Article 91 (bis)<sup>1</sup>**

In respect of the violation of Article (74), Item (14) of this Law, the individual in charge of actual management of a juridical person shall be subject to a fine not exceeding fifty thousand Egyptian pounds (EGP 50,000), if proven to have had knowledge of such violation, and that the breach of the duties specified by that management has contributed to the committal of the crime.

## **Article 92**

Should a crime be committed in the name of and for the account of a juridical person, the individual in charge of actual management thereof may not be subject to any penalty, unless proven to have had knowledge of the crime and intent to commit it to secure a self-interest or an interest for others; this shall be without prejudice to the civil liability provisions.

In the event where a natural person is not found liable to a crime in the manner specified in the previous paragraph, the juridical person shall be

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<sup>1</sup> This Article (91 bis) is added by virtue of Law No. 141 of 2019.



subject to a fine of no less than four times and no more than ten times the legally prescribed fine for the crime. In the event of recurrence, a judgment of revocation of license or dissolution of such juridical person, as the case may be, shall be delivered. Such judgment shall be published at the expense of such juridical person in two (2) widely circulated newspapers.

## **Article 93**

In any event other than flagrante delicto, an application for a criminal action in respect of the crimes laid down in Customs Law enacted by Law No. 66 of 1963, Income Tax Law enacted by Law No. 91 of 2005 and Value Added Tax Law enacted by Law No. 67 of 2016, shall be filed after obtaining the opinion of the Appropriate Minister as to whether the person accused of committing the crime is affiliated to any Investment Projects governed by the provisions of this Law.

The Appropriate Minister shall give opinion in this regard within seven (7) days from the date on which the same has been served a letter of request of opinion to that effect; otherwise, the action may be filed in accordance with the rules prescribed in the aforementioned laws.

## **Article 94**

Without prejudice to the provision of Article (131) of Central Bank, Banking Sector and Money Law enacted by Law No. 88 of 2003, and Clause (XVI) of Law No. 10 of 2009 on the Regulation of Control over Non-Banking Financial Markets and Instruments, any criminal action or investigation may not be taken against Investor in respect of the crimes laid down in Part (IV) of Book (II) of the Penal Code, unless the Appropriate Minister's opinion has been obtained in the manner and in accordance with the same rules laid down in Article (93) of this Law.







# **The Executive Regulations of The Investment Law as Enacted by Law No. 72 of 2017**

**Prime Minister Decree  
No. 2310 of 2017**



## DISCLAIMER

The English version of the Executive Regulations of the new investment law is a translation of the original Arabic for foreign investors' convenience and information purposes only. This translation, to the best of knowledge and capabilities of GAFI Translation Department, is an accurate rendering of the Arabic text. However, if there is any discrepancy, inconsistency, conflict or any other issue(s) between the Arabic original and the English translation, the Arabic original will prevail. Moreover, this translation must not be relied upon for the basis of a legal opinion nor may it be used for taking any course of action whatsoever.

A table of contents and a list of abbreviations have been added to this English translation for any abbreviations, acronyms used in the text. Additional Roman numbering (i, ii, iii...etc) has been inserted within long paragraphs. Figures mentioned in the original Arabic have been translated and written in both letters and numbers. Moreover, the defined terms, including without limitation, «Approval Office», «Investor», «Investment Project»...etc. are used in the same way as is in the Investment Law, since the translation of this Executive Regulations is merely an extension implementing the Investment Law.

This translation is subject to updates, amendments, corrections or modifications, if necessary. Should any mistake, error, inconsistency, or any other ambiguity or issue(s) be found in this translation, kindly communicate it with us on [m.fayez@gafinet.org.eg](mailto:m.fayez@gafinet.org.eg).



## Table of Abbreviations and Acronyms

AOPC	Approval Offices Permanent Committee
BoD	Board of Directors
CAPMS	The Central Agency for Public Mobilization and Statistics
CEO	Chief Executive Officer
CIF	Cost, insurance and freight
EAMC	The Egyptian Arbitration and Mediation Center
EAMC BoD	The Board of Directors of the Egyptian Arbitration and Mediation Center
ECAA	The Egyptian Civil Aviation Authority
EEAA	The Egyptian Environmental Affairs Agency
FRA	Financial Regulatory Authority
FOB	Free on board
GAFI	The General Authority for Investment and Free Zones
GAFI BoD	The Board of Directors of the General Authority for Investment and Free Zones
GAFI CEO	The Chief Executive Officer of the General Authority for Investment and Free Zones
ISC	Investor Service Center
MCICDS	The Ministerial Committee for Investment Contracts Disputes Settlement
MCIDR	The Ministerial Committee for Investment Disputes Resolution
NCPSLU	National Center for Planning State Land Use
PUC(s)	Public Utility Corporation(s)
SCA	The Supreme Council of Antiquities
SCI	The Supreme Council of Investment
SME(s)	Small and medium enterprise(s)
VAT	Value added tax
WIPO	The World Intellectual Property Organization

# **Prime Minister Decree No. 2310 of 2017 Enacting the Executive Regulations of The Investment Law enacted by Law No. 72 of 2017**

## **The Prime Minister,**

After having taken cognizance of the following:

The Constitution;

The Penal Code enacted by Law No. 58 of 1937;

The Civil Code enacted by Law No. 131 of 1948;

The Law of Criminal Procedure enacted by Law No. 150 of 1950;

The Law of Civil and Commercial Procedure enacted by Law No. 13 of 1968;

Law No. 95 of 1945 on the Supply Affairs;

Law No. 68 of 1947 on Notarization;

Law No. 84 of 1949 on the Registration of Merchant Vessels;

Law No. 453 of 1954 on Commercial and Industrial Shops;

Law No. 308 of 1955 on Administrative Attachment;

Law No. 21 of 1958 on Regulation and Promotion of Industry within the Egyptian Territory;

Law No. 113 of 1958 on Recruitment into Joint-stock Companies and Public Institutions;

Law No. 173 of 1958 on Obtainment of Permission before Assuming Work for Foreign Entities;



Law No. 89 of 1960 on Foreigners' Entry to, Residence on and Exit from the Lands of the Arab Republic of Egypt;

The Public Entities Law enacted by Law No. 61 of 1963;

The Customs Law enacted by Law No. 66 of 1963;

Law No. 12 of 1964 on the Establishment of the Egyptian Public Corporation for Maritime Transport;

Law No. 70 of 1964 on Notarization and Publicity Fees;

Law No. 100 of 1964 Regulating the Tenancy and Disposition of the State's Private-domain Real Property;

The Agriculture Law enacted by Law No. 53 of 1966;

Law No. 84 of 1968 on Public Roads;

Law No. 1 of 1973 on Hotels and Tourist Accommodation Facilities;

Law No. 2 of 1973 on Ministry of Tourism's Supervision and Use of Touristic Areas;

Law No. 73 of 1973 on Laying down Conditions and Procedures for Election of Workers' Representatives to the Boards of Directors of Public Sector Units, Joint-stock Companies, Associations and Private Institutions;

The Social Insurance Law enacted by Law No. 79 of 1975;

Law No. 118 of 1975 on Importation and Exportation;

Law No. 34 of 1976 on the Commercial Register;

The Law on Public Sector Entities and Corporations enacted by Law No. 97 of 1983;

The Law on the Protection of Antiquities enacted by Law No. 117 of 1983;

The Law Regulating Customs Exemptions enacted by Law No. 186 of 1986;



The Maritime Trade Law enacted by Law No. 8 of 1990;

Law No. 7 of 1991 on Certain Provisions Pertaining to the State's Private-domain Property;

The Law on Public Business Sector Companies enacted by Law No. 203 of 1991;

The Capital Market Law enacted by Law No. 95 of 1992;

The Environmental Law enacted by Law No. 4 of 1994;

The Law on Civil and Commercial Arbitration enacted by Law No. 27 of 1994;

Law No. 95 of 1995 on Financial Leasing;

Law No. 5 of 1996 on the Rules of Free of Charge Disposition, or Tenancy by way of Nominal Rent, of Desert Lands Owned by the State or by Public Juridical Persons, for the Purpose of Setting up Investment Projects thereon or Expanding such Investment Projects;

Law No. 230 of 1996 Regulating Ownership of Buildings and Vacant Lands by Non-Egyptians;

Law No. 231 of 1996 on Certain Provisions Regulating the Employment of Egyptian by Foreign Parties;

Law No. 3 of 1997 Granting Public Utilities Concession to Build, Operate and Exploit Airports and Landing Areas;

The Law on Regulation of Tenders and Bids enacted by Law No. 89 of 1998;

The Trade Law enacted by Law No. 17 of 1999;

Law No. 7 of 2000 on the Formation of Conciliation Committees for Some Disputes in which Ministries and Public Juridical Persons Take Part;

The Law on Central Deposit and Registration of Securities enacted by Law No. 93 of 2000;



The Real Property Finance Law enacted by Law No. 148 of 2001;

The Law on the Protection of Intellectual Property Rights enacted by Law No. 82 of 2002;

The Law on Economic Zones of Special Nature enacted by Law No. 83 of 2002;

The Law Regulating Telecommunications enacted by Law No. 10 of 2003;

The Labor Law enacted by Law No. 12 of 2003;

The Central Bank, Banking Sector and Money Law enacted by Law No. 88 of 2003;

The Law on the Civil Aviation Service Fees and Consideration enacted by Law No. 93 of 2003;

Law No. 15 of 2004 Regulating Electronic Signature and Establishing Information Technology Industry Development Agency;

Small Enterprises Development Law No. 141 of 2004;

The Law on the Protection of Competition and Prevention of Monopolistic Practices;

The Income Tax Law enacted by Law No. 91 of 2005;

The Building Law enacted by Law No. 119 of 2008;

The Law on the Establishment of Economic Courts enacted No. 120 of 2008;

The Tax Law on Built Real Estates enacted by Law No. 196 of 2008;

Law No. 10 of 2009 on the Regulation of Supervision over Non-bank Financial Markets and Instruments;

The Law Regulating Private Sector Partnership in Infrastructural Projects, Services and Public Utilities enacted by Law No. 67 of 2010;





Law No. 133 of 2010 Granting Petroleum Refining Projects License to Operate under the Free Zones System;

Law No. 14 of 2012 on the Integrated Development in Sinai Peninsula;

The Law on Sukuk [Islamic Bonds] enacted by Law No.10 of 2013;

Law No. 32 of 2014 Regulating Certain Proceedings of Appeal against the State's Contracts;

Law No. 63 of 2014 on the Maximum Income Limit for the Paid Employees of Government Agencies;

Law No. 141 of 2014 Regulating Microfinance;

Law No. 203 of 2014 Promoting Electricity Produced from Renewable Energy Sources;

The Electricity Law enacted by Law 87 of 2015;

The Law Regulating Movable Guarantees enacted by Law No. 115 of 2015;

The Value Added Tax Law enacted by Law No. 67 of 2016;

The Law on Streamlining Industrial Establishments Licensing enacted by Law No. 15 of 2017;

The Sports Law enacted by Law no. 71 of 2017;

The Investment Law enacted by Law No. 72 of 2017; and

Prime Minister Decree No. 1820 of 2015 enacting the Executive Regulations of the Law of Investment Guarantees and Incentives enacted by Law No. 8 of 1997;

**In pursuance of the recommendation of the Minister of Investment,**

**After the approval of the Council of Ministers, and**

**After consulting the State Council,**

**DECREED THE FOLLOWING**



## **Clause I**

Without prejudice to the provisions of Law No. 7 of 1991 on the State's Private-domain Property, the Law on Economic Zones of Special Nature enacted by Law No. 83 of 2002, Law No. 14 of 2012 on the Integrated Development in Sinai Peninsula and the Law on Streamlining Industrial Establishments Licensing enacted by Law No. 15 of 2017, the provisions, hereto attached, of the Executive Regulations of the Investment Law enacted by Law No. 72 of 2017 shall hereby come into force.

## **Clause II**

Without prejudice to the provisions of the Law on Economic Zones of Special Nature enacted by Law No. 83 of 2002, the provisions of the attached Executive Regulations shall apply to the investment projects operating under the Internal Investment System within such zones.

## **Clause III**

The Executive Regulations of the Law of Investment Guarantees and Incentives enacted by the aforementioned Prime Minister Decree No. 1820 of 2015 shall hereby be repealed. Any provision inconsistent with the attached Executive Regulations shall hereby be repealed.

## **Clause IV**

This Decree shall be promulgated in the Official Gazette and shall come into force from the following day to the date of publication thereof.

**Prime Minister**  
**(Engineer/ Sherif Ismail)**

Prime Minister Office

On Şafar 8, 1439 A.H. [October 28, 2017 A.D]

Secretary General of the Council of Ministers  
(Major General SO/ Atef Abd El Fattah)  
(Signature)



# The Executive Regulations

## Part I

### General Provisions

#### Chapter I

#### Activities and Fields governed by the Provisions of the Investment Law

##### Article 1

The following investment activities shall be regarded from among the investment activities governed by the provisions of the Investment Law; this shall be without prejudice to the rules and restrictions set forth in the laws and regulations regulating such investment activities:

##### **I. Industrial sector; this includes the following:**

- 1- Industrial activities transferring and changing the form of materials and raw materials by blending, mixing, processing, shaping or packing the same, as well as the activity of assembly or installation of parts or components to produce intermediate or final products, but excluding the industry of smoke, chewing tobacco, tobacco, mu'assel and snuff, as well as all kinds of liquor and wine;
- 2- The design or manufacturing of industrial equipment and machinery and production lines, and the management of execution or restructuring of factories, including:
  - a. Engineering designs in respect of equipment, production lines and factories;
  - b. The design, manufacturing and promotion of prototypes and molds of machinery and products;
  - c. The production of equipment and production lines; and



- d. The management of execution of industrial projects as well as services and utilities projects of all various activities, and the technical and administrative restructuring of factories.
- 3- Film industry, including, inter alia, the setting up, renting or operation of cinematographic studios, laboratories or cinemas as well as any processes contained therein such as photography, processing, printing, production, display and distribution;
- 4- The integrated industrial development, completion of development, marketing or management of industrial zones; this includes:
- a. Conduction of economic and planning studies to the industrial zones;
  - b. Conduction of economic, engineering and technological studies to the projects;
  - c. Construction of industrial zone infrastructure and exterior infrastructure thereof;
  - d. Marketing and promotion in respect of the lands of the industrial zones in order to attract capitals and industrial projects to the industrial zones;
  - e. Construction of factory buildings inside the industrial zones to be ready for the projects; and
  - f. Management of the industrial zones and maintenance of the utilities and establishments therewithin.

The aforementioned activities may be carried on collectively or separately.

## **II. Agriculture, animal, poultry and fish production sector; this includes the following:**

- 1- Reclamation and cultivation of barren and desert lands, including inter alia:
- a. Lands reclamation and provision with basic utilities that would turn the same into cultivatable lands; and
  - b. Reclaimed lands cultivation, conditional upon that such lands mentioned in (A) and (B) are designated for reclamation and cultivation

purposes, and that the modern methods of irrigation are used in the cultivation process instead of flood irrigation.

- 2- Animal, poultry and fish production including inter alia:
  - a. Raising all kinds of animals, whether for the purpose of breeding, dairying, fattening or meat;
  - b. Raising all kinds of birds and poultry, whether for the purpose of breeding, incubation, egg production, fattening or meat;
  - c. Raising horses; and
  - d. Fisheries.
- 3- Plant and animal genetic engineering.

### **III. Trade sector; this includes the following:**

Such projects investing in the field of internal trade development and promoting investment in trade activities including trade centers, wholesale trade, retail trade and supply chains, provided that such projects are Egyptian joint-stock companies, exception being made for companies and establishments operating in remote areas and new urban communities.

### **IV. Education sector of any kind or on any level whatsoever; this includes the following:**

- 1- Establishment, operation or management of schools;
- 2- Establishment, operation or management of technical education schools and institutions; and
- 3- Establishment of universities.

### **V. Health sector including establishment of hospitals and medical and therapeutic centers which include the following:**

- 1- Specialized, comprehensive or public hospitals and all therapeutic or medical activities included therein; and
- 2- Diagnostic, medical or therapeutic centers.

This shall be subject to the condition that, in respect of hospitals, ten percent (10%) of the number of occupied beds is annually provided free



of charge, and that, in respect of diagnostic, medical and therapeutic centers, ten percent (10%) of the patients is annually provided with medical or therapeutic or diagnostic service free of charge.

## **VI. Transportation sector; this includes the following:**

- 1- Mass transportation inside, from and to cities and urban communities, subject to the following controls:
  - The minimum transportation capacity of a project is no less than three hundred (300) seats;
  - The vehicles to be used in the project are brand new and have never been licensed or used before;
  - The vehicles are powered by natural gas, and for this purpose, diesel-powered vehicles may not be imported;
  - Garages and maintenance workshops are provided to companies located within the new cities;
  - Activity management place of business is located within a new urban community;
  - New companies designate the routes and schedules of their vehicles, subject to the approval of the appropriate department of motor vehicles;
  - Badges indicating the route are placed at the front of the vehicle;
  - Rules and restrictions of the Ministry of Transport in respect of loads and vehicle height limits, as well as the other rules and restrictions are complied with; and
  - Rules of environment protection and prevention of pollution are complied with.
- 2- River, maritime and coastal transportation of vessels operating under the Egyptian flag, and transportation on the high seas, including the following:
  - a. River transportation: this includes the transportation of passengers, goods, supplies or materials of any type, or containers using means of river transportation;

- b. Maritime and coastal transportation: this includes the transportation of raw materials, goods or passengers of vessels operating under the Egyptian flag; and
  - c. High seas maritime transportation: this includes the transportation of raw materials, goods or passengers outside the territorial waters using vessels and various means of maritime transportation such as carriers, vessels and ferries.
- 3- Air transportation and services directly related thereto:
- a. Passengers or goods air transportation, whether regular or casual; and
  - b. The construction, preparation, operation, management, maintenance and use of airports and landing areas or a part thereof; the operation, management and use of the existing airports and the landing areas therewithin; and any other services directly in connection with air transportation such as maintenance, repair, supply and training.
- 4- Road transportation of goods including cross-border transportation and rail transportation.
- 5- Refrigerated transportation of goods, agricultural crops refrigerators, industrial products, foods, container terminals and grain silos; this includes owning and renting means of refrigerated or frozen transportation of goods, agricultural crops refrigerators, industrial products, foods, the refrigeration and freezing of foods, container stations, grain storage silos; shipping and unloading services required to carry on all the aforementioned activities shall be regarded as a part of such activities.

## **VII. Tourism sector; this includes the following:**

- 1- Hotels, safari yachts, motels, hotel apartments and tourist villages, camps and transportation, including:
- a. Hotels, whether stationary or floating, safari yachts, motels, hotel apartments and suites and tourist villages, as well as any activities pertaining or ancillary thereto, whether of servicing, recreational, sporting, commercial or cultural nature, in addition to the completion of or expansion in such establishments, provided that hotels, motels,



hotel apartments and suites or tourist villages rating is not less than three (3) stars and that the total surface area of the sold units of related facilities does not exceed half of the built surface area contained in the accommodation capacity of the project;

- b. Tourist camps, provided that their rating is not less than three (3) stars;

By way of exception from (A) and (B) above, projects set up in al-Wadi al-Jadid (New Valley) governorate and promising areas outside the old valley to be listed under a decree of the Prime Minister shall be exempt from the 3-star rating condition;

- c. All means of tourist transportation, whether through the Nile or by road, sea or air; and
- d. Integrated tourism development projects, provided that such projects are Egyptian joint-stock companies.

2- Management and tourism marketing in respect of hotels, motels, hotel apartments and tourist villages;

3- Erection, operation, management and security of Nile marinas providing integrated services that are necessary for tourism operation, provided that the river environment is protected from pollution and fire risks in the sites prescribed and approved by the Appropriate Bodies, and that the capacity of each marina is no less than twenty- four (24) floating hotels;

4- Erection and operation of yacht marinas, golf playgrounds, diving centers and any other activities relating or ancillary thereto;

5- Patients medical tourism to be carried out by regulating the booking procedures at hospitals, medical and therapeutic centers as well as others to be listed under a decision of the Minister concerned with health in coordination with the Minister concerned with tourism;

6- Environmental tourism to be carried out by establishing and managing eco-hotels, birds and coral reefs watching sites and other outstanding ecosystems; and

7- Service companies at archeological sites and museums as per the provisions and controls to be issued under a resolution of the body concerned with this activity.



## **VIII. Housing, construction and building sector; this includes the following:**

- 1- Housing projects whose units are all rented for non-administrative tenancy purposes, provided that the number of units is not less than fifty (50) housing units, whether constructed in form of one or more buildings;
- 2- Social housing projects and low-income oriented housing projects;
- 3- Real estate investment in cities, new urban communities, remote areas and areas outside the old valley;
- 4- Infrastructure; this includes potable water, sewage, electricity, roads, telecommunications, multi-storey garages, parking meters, overground and underground metro lines, vehicle tunnels, irrigation pump stations, including:
  - a. Erection, or operation, management and maintenance of sewage plants or industrial waste drainage and purification plants, as well as the connections thereof;
  - b. Building, management, utilization and maintenance of free roads, highways and main roads;
  - c. Design, building, or management, operation and maintenance of underground metro lines or parts thereof;
  - d. Design, building, or management, operation and maintenance of overground metro lines, whether inside or between cities;
  - e. Design, building, or management and operation of vehicle tunnels;
  - f. Building, or management and operation of multi-storey garages, whether under or above ground by way of Build, Operate and Transfer (the «BOT»), and parking meters by the same system (BOT);
  - g. Conduction of studies, technical and economic researches, and feasibility studies in the field of infrastructure to Investment Projects;
  - h. Design, building, management, operation, utilization or maintenance of railways and metro lines whether internally or elsewhere;
  - i. Operation, maintenance, and use of mobile transportation units whether internally or elsewhere; and
  - j. Building or management, operation and maintenance of irrigation pump stations, distribution networks thereof and irrigation water transportation lines to the lands allocated for reclamation and cultivation purposes.



5- Planning, building and development of urban areas (industrial zones, urban communities, remote areas and areas outside the old valley).

**IX. Sports sector;** this includes all services provided in the field of sports – whether in form of administration, marketing, operation, or sports games management – or the building of private clubs, academies, spas or fitness centers; companies formed to carry on any type of the aforementioned activities shall be joint-stock companies.

**X. Electricity and energy sector;** this includes the design, installation, production, or management, operation and maintenance of electricity and power generation stations, of any source whatsoever, as well as the networks of distribution and sale of such stations.

**XI. Petroleum and natural resources sector; this includes the following:**

- 1- Petroleum services supporting drilling and exploration operations and including:
  - a. Services relating to petroleum exploration;
  - b. Petroleum wells maintenance and revitalization;
  - c. Drilling equipment and petroleum pumps maintenance;
  - d. Drilling of water wells and non-deep wells required for petroleum purposes;
  - e. Civil works complementary to drilling and maintenance operations;
  - f. Treatment of surface from sediments; and
  - g. Services related to the laying down of lining pipes and production pipes.
- 2- Installation or management of natural gas reception stations, natural gas regasification, or natural gas preparation for distribution, gas networks supply operations from production sites to consumption sites (including cities, villages and development areas) using specialized trucks or pipelines, excluding petroleum transportation; and
- 3- Activities relating to natural or industrial salt pans or rock salt.

**XII. Water sector;** this includes the installation or management, operation and maintenance of water desalination and purification plants, water distribution, treatment and recycling networks and pipelines, in accordance with the established technical and scientific specifications in this regard.

**XIII. Telecommunications and information technology sector;** this includes telecommunications and information technology projects, computer systems and the development thereof, and such projects investing in the development of intellectual property including patents and industrial drawings and prototypes, as follows:

- 1- Information technology and telecommunications industry, including all industrial activities and electronics design and development, data centers, outsourcing activities, software development and technology education;
- 2- Software design and development:
  - a. Characterization, analysis and design of software, databases and applications of any types;
  - b. Design, development of software and applications, and creation of databases and electronic information technology systems, operation thereof and training thereon;
  - c. Creation of various electronic content whether audio, video or data; and
  - d. Data entry on computers and data entry using electronic means.
- 3- Design and manufacturing of computer equipment:
  - a. Characterization, design and upgrade of computer systems of any types; and
  - b. Development, upgrade and operation of integrated systems and training thereon.
- 4- Design, implementation and management of information technology and telecommunications infrastructure projects:
  - a. Characterization and design of data networks, transmission and circulation; and



- b. Implementation and management of data transmission and circulation networks.
- 5- Telecommunications and internet services;
  - 6- Projects investing in the development of intellectual property including patents, prototypes and industrial drawings;
  - 7- The creation of audio, video and data transmission networks, as well as rendering added value services, after having obtained license to do so from the bodies concerned; this shall include cellular networks;
  - 8- Installation or management, operation and maintenance of wired and wireless telecommunication stations and networks, as well as satellites, after having obtained license to do so from the bodies concerned; radio and television shall be excluded;
  - 9- Research and scientific advancement projects aimed at development, projects supporting space science and remote sensing, as well as modern technology projects;
  - 10- Establishment and management of researcher training centers and information technology transfer centers;
  - 11- Establishment, management and development of consultancy and studies centers specialized in fields of information and telecommunications;
  - 12- Technology incubators and entrepreneurship support; and
  - 13- Activities relating to the conversion of traditional audio, video and data content into digital content, including the digitalization of scientific, cultural and artistic content.

# Chapter II

## Investor Social Responsibility

### Article 2

Investor may, apart from Investment Project thereof, allocate a percentage of profits thereof to social development by participating in any or all fields as follows:

- 1- Take necessary measures to safeguard and improve the environment, or improve environment conditions in society and address different environment problems by, for example:
  - Providing mechanisms whereby waste is recycled;
  - Utilizing treatment plants to reuse water;
  - Utilizing new and renewable energy;
  - Disposing of wastes safely; and
  - Reducing emissions of greenhouse gases and any projects in order to adapt to climate changes impacts.
- 2- Provide services or programs in fields of healthcare, social or culture care, or in any other field of development, by:
  - a. Creating job opportunities to persons with special needs;
  - b. Sponsoring youth and sport activities;
  - c. Sponsoring (scientific, artistic and sportive) talents and innovators;
  - d. Participating in poor families care programs, and improving citizens livelihood; or
  - e. Funding (i) awareness-raising campaigns aimed at the promotion of safe emigration and the prevention of illegal emigration; and (ii) training and qualification programs, in the area of providing positive alternatives to illegal emigration, such as entrepreneurship programs or training for employment at various industrial and service sectors



inside Egypt or elsewhere, particularly in the targeted governorates in which such phenomenon is common, in cooperation with the Ministry of Youth and Sports, the Ministry of Labor Force and the Ministry of State for Emigration and Egyptian Expatriate Affairs.

- 3- Support technical education, or fund research, studies and awareness-raising campaigns aiming at developing and improving production, in agreement with one of the universities or scientific research institutions, whether internally or abroad; and
- 4- Conduct training and scientific research in a way that would update technology used in production, and conduct studies aiming at improving the environment and preventing adverse environmental impacts.

The sums of money, of no more than ten percent (10%) of Investor's annual net profits, paid thereby in any of the fields listed in the previous paragraph shall be deemed from among the deductible cost and expense stipulated under Item 8 of Article (23) of the Income Tax Law.

### **Article 3**

Investor allocating a part of profits thereof, to establish a social responsibility system, shall provide GAFI with an annual report enclosing evidencing documents as prescribed by GAFI.

# **Part II**

## **Facilitations and Incentives Relating to Investor**

### **Chapter I**

#### **Non-Egyptian Investors Residence and Foreign Employment Regulation**

#### **Article 4**

Subject to the laws regulating residence in the Arab Republic of Egypt, non-Egyptian Investors shall, in course of being granted residence, satisfy the following conditions:

1. A non-Egyptian Investor shall be a founder, shareholder or partner in a company, or shall be an establishment owner; and
2. The residence period may neither be less than one (1) year nor exceed the term of the project.

GAFI BoD may add any other conditions, subject to the approval of the Ministry of Interior.

A residence permit shall be revoked, in the event of Investor's exit "takharouj" from the company, the crossing out of company name by virtue of liquidation or the crossing out of establishment name from the Commercial Register.

#### **Article 5**

An application for residence shall be submitted using the application form designated by GAFI for this purpose. A residence permit shall be granted in accordance with the rules and controls to be stipulated under a GAFI BoD resolution, subject to the approval of the Ministry of Interior, in light of the categories and relative weights of companies object, capital, number of labor and project site.

A residence permit period shall, upon incorporation, be one (1) year that may be renewed for a similar period in the event that an Investor demonstrates



seriousness in starting up the implementation of the project. Such period may be renewed for other periods each not exceeding five (5) years. In all cases, the residence permit period may not exceed the term of the project.

## **Article 6**

An Investment Project may employ foreign workers up to ten percent (10%) of the total number of Investment Project workers. This percentage may be increased up to twenty percent (20%), should employment of national workers having the required qualifications be not possible.

A committee shall, by virtue of GAFI CEO decision, be formed comprising technical and legal members, along with Appropriate Bodies representatives. This committee shall have competence to decide on applications for prescribed foreign labor employment percentage increase, and shall cause its resolutions to be approved by GAFI CEO. Such committee shall, upon reviewing submitted applications:

1. Review the academic qualifications and expertise of the foreign worker and to what extent such qualifications and expertise match the professions in which such worker is licensed to operate;
2. Take the opinion of the body concerned with supervision over economic activities carried on by a company or establishment, and, in abiding by national security requirements, take the opinion of the security authorities;
3. Observe the principle of reciprocity in respect of the State which the foreign Investor holds nationality thereof (if any);
4. Observe the State's economic need and interest in respect of foreign expertise;
5. Observe a company's or establishment's need to specialists or consultants and the working conditions therein, as well as the impact of production or investment approval or rejection;
6. Consider to what extent can a company or establishment create job opportunities to Egyptian labor;
7. Consider to what extent can a company or establishment be committed to meeting any prior obligations, and the extent of compliance with the provisions of the law;



8. Give preference to such foreign worker born and residing on a permanent basis in the Country, should there be more than one (1) foreign worker having the same specialization; and
9. Consider the extent of compliance of a company or establishment, permitted to employ foreign experts or specialists, in respect of hiring Egyptian workers, whose qualifications are compatible with those of the foreign experts and specialists, to work as assistants to the foreign experts and specialists, provided that the foreigner trains such Egyptian workers and provides periodic reports on their progress.

Foreign workers in an Investment Project may transfer abroad all or part of their financial dues in accordance with the applicable rules of the Central Bank of Egypt («CBE»).



# Chapter II

## Guarantees

### Article 7

All decisions made by GAFI or other bodies on Investment Project affairs shall be reasoned decisions. Service of notice of such decisions on the parties concerned shall be effected by virtue of a registered letter with an acknowledgment of receipt or by any other means, to be agreed upon with the Investor upon application being made for the service, such as email or fax, in accordance with the application form designated for this purpose.

### Article 8

An appropriate administrative body may not revoke or suspend the licenses issued for Investment Project, nor may it reclaim the real property allocated for the same, unless it has served a notice on Investor, by virtue of a registered letter with an acknowledgment of receipt, comprising the violations with which Investor is charged, has heard Investor's evidence and has given Investor an adequate grace period not exceeding sixty (60) days from the date of service of notice to rectify the violations. Should such grace period lapse while the Investor has not rectified the violations, the appropriate administrative body shall, before making a decision in this regard, obtain GAFI's opinion by virtue of a letter comprising all legal actions taken against the Investor. GAFI shall give opinion thereof within seven (7) days from the date on which GAFI receives such letter.

Investor may file a grievance against the revocation or suspension of license, or against property reclamation before the Grievance Committee stated in Article (83) of the Investment Law.

### Article 9

In application of the provisions of Article (6) of the aforementioned Investment Law, cash transfers pertaining to foreign Investment shall include the following:

- a. Free foreign cash, transferred through one of the banks registered at CBE, used in setting up or expanding any of the projects engaged in



any of the activities set forth in the Investment Law or these Executive Regulations;

- b. Free foreign cash, transferred through one of the banks registered at CBE, used in subscription in or purchase of Egyptian securities from the Egyptian Exchange, in accordance with the rules to be prescribed by GAFI BoD;
- c. Egyptian cash paid, subject to the approval of the bodies concerned, to satisfy liabilities payable in free foreign cash, should such Egyptian cash be used in setting up or expanding any of the projects;
- d. Machinery, equipment, primary materials, commodity requirements and means of transportation arriving from abroad to set up or expand the projects;
- e. Intellectual property rights, and intangible assets owned by residents abroad and used in setting up or expanding the projects, such as patents, trademarks and trade names registered with any WIPO member state, or in accordance with the international registration rules set forth in the international conventions in force in this respect; and
- f. Profits that may be transferred abroad generated by Investment Project, should such profits be used in completing or increasing the capital of Investment Project or be invested in another project.

Valuation of the invested capital referred to in Items (D and E) above shall be in accordance with the Egyptian Accounting Standards.



# Chapter III

## Special and Additional Incentives

### Article 10<sup>1</sup>

In application of the provision of Article (11) of the Investment Law, the geographic territory of Sectors (A and B) shall be set in accordance with the investment map as follows:

#### I. Sector (A)

It includes Suez Canal Economic Zone, the Golden Triangle Economic Zone, New Administrative Capital and the most-in-need-of-development zones, to be listed under a resolution of the Council of Ministers, which are characterized by:

- 1- Low economic development and domestic production, and high volume of informal sector;
- 2- Low employment rates and job opportunities, and high unemployment rates; and
- 3- The following social indicators:
  - Evident high population densities;
  - Low quality of education, and high illiteracy rates;
  - Low level of health services; and
  - High rates of poverty.

#### II. Sector (B)

It includes the remaining parts of the Republic, in particular, the areas, in which elements of development are available, that contribute to the attraction of investments in order to seize development opportunities available therein and develop adjacent areas thereto; this shall be in respect of the following Investment Projects:

- Labor-intensive projects, subject to the controls prescribed in these Executive Regulations;

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<sup>1</sup> The second paragraph is replaced by virtue of Prime Minister Decree No. 2467 of 2020.

- SMEs;
- Projects depending on or producing new and renewable energy;
- National and strategic projects to be listed under a resolution of The Supreme Council of Investment (SCI);
- Tourism projects to be listed under a resolution of the SCI;
- Electricity generation and distribution projects to be listed under a decree of the Prime Minister, based on a joint proposal of the Appropriate Minister, the minister concerned with electricity affairs and Minister of Finance;
- Projects exporting no less than fifty percent (50%) of products thereof outside the geographic territory of the Arab Republic of Egypt;
- Automotive manufacturing and the supplying industries thereof;
- Wood, furniture, printing, packaging and chemical industries;
- Antibiotics, tumor drugs and cosmetics industry;
- Food, agricultural crops and agricultural waste recycling industries;
- Engineering, metallurgical, textile and leather industries; and
- Industries pertaining to information technology and telecommunications.

## **Article 11**

An Investment Project shall, in application of the provisions of the Investment Law, be considered labor-intensive whenever it satisfies the following two conditions:

- 1- The number of employees as evident in the employer's social insurances subscription form is no less than five hundred (500) employees; and
- 2- The direct labor cost of such Investment Project exceeds thirty percent (30%) of the total operating cost thereof.

Project investment cost shall mean such costs required to set up an Investment Project represented in property rights, in addition to long-term liabilities invested in setting up or establishing fixed corporeal (tangible) assets or incorporeal (intangible) assets, conditional on payment of value thereof in cash, and working capital.



## Article 12

In order for companies and establishments to be granted the Special Incentives stipulated in Article (13) of the Investment Law, they must have started production or engaged in activity, as the case may be, in accordance with the report approved by GAFI, and must satisfy one of the following conditions:

- 1- The Arab Republic of Egypt is one of the principal places of production of products in which such companies and establishments specialize, or the principal place of the products in which such companies and establishments specialize is the Arab Republic of Egypt;
- 2- Such companies and establishments, in course of financing their projects, depend on foreign cash transferred from abroad through an Egyptian bank in accordance with the rules specified by CBE BoD;
- 3- Such companies and establishments export abroad no less than fifty percent (50%) of their products;
- 4- The activity of a company or an establishment includes operation in any cutting-edge modern technology field and cutting-edge technology transfer into Egypt, and support of industries supplying such field or transfer;
- 5- The local component is strongly included in the products of an Investment Project, provided that the percentage of local components, including raw materials and production requirements, in the products of the Investment Project, is no less than fifty percent (50%), in accordance with the applicable rules of the Industrial Development Authority; or
- 6- The activity of a company or an establishment is based on research conclusions reached through research projects carried out inside the Arab Republic of Egypt.

## Article 13

Companies and establishments governed by the provisions of the Investment Law shall notify GAFI of the date of commencement of production or engagement in activity within ninety (90) days from the commencement date. A statement of the investment costs certified by a chartered accountant

registered at the Register of Accountants and Auditors, shall be attached to the aforementioned notice.

A company carrying on the activity of integrated tourism development shall serve on GAFI the aforementioned notice for each project carried out by such company.

GAFI shall solely set the procedures determining the date of commencement of production or engagement in activity through one or more committee(s) to be formed under a decision of GAFI CEO or a delegate thereof. The bodies concerned with the activity of the project shall participate in such committee(s). Such committee(s) may conduct necessary inspections to set the date of commencement of production or engagement in activity, and to carry out the required documentation assessment. Such committee(s) shall prepare a report on the outcome of inspection(s) and assessment of accessed documents, data and records conducted thereby, within fifteen (15) business days from the date on which the aforementioned fulfilled notice has been duly received thereby. Such report shall include the foundations on which the committee(s) stood in determining the date of commencement of production or engagement in activity and the value of investment costs. Such report shall be caused to be approved by GAFI CEO or a delegate thereof, and shall be final. The company or establishment, and the Appropriate Bodies shall be notified of the outcome of the report after being approved.

Companies and establishments may file a grievance against such report and the grounds on which such report is established before the committee stated in Article (83) of the Investment Law.



# **Part III**

## **Investor Service Center**

### **Chapter I**

#### **Investor Service Center Regulation and Investment Guidebooks**

#### **Article 14**

GAFI CEO shall, in coordination with the governmental bodies and Public Utilities Companies (PUC), set the number of operating and standby duty personnel required to represent such entities at the ISC, provided that the operating personnel job level is no less than senior, unless otherwise necessitated. Delegation of such personnel to ISC shall be effected by virtue of a GAFI CEO decision; such employment shall be for a period of one (1) year that may be renewed conditional upon GAFI approval. GAFI may, if deemed necessary thereby, terminate such delegation in coordination with the bodies such personnel represent.

#### **Article 15**

In order for any representatives of governmental bodies and PUCs to be delegated to ISC, they shall satisfy the following conditions:

- 1- The representative has never been subject to a disciplinary action or such disciplinary action has been cleared;
- 2- The representative has never been convicted of a felony nor subject to a freedom-restricting penalty in a crime involving breach of honor or trust, unless legally rehabilitated;
- 3- The representative has the required experiences to perform the role delegated therefor; and
- 4- The representative has been rated «excellent» in the competency evaluation report for the last two (2) years.



## Article 16

The relevant bodies shall, after having obtained the approval of the Ministry of Defense in accordance with the rules and regulations necessary for defending the State, provide GAFI with the prescribed conditions, procedures and time limits, as well as all required data, documents and application forms in connection with the allocation of real property and the issuance of approvals, permits and licenses pertaining to the investment activities governed by the provisions of the Investment Law; this shall be within sixty (60) days from the date on which these Executive Regulations come into force.

A guidebook shall be issued by virtue of GAFI CEO and shall include the following information and data:

- 1- The name of the body having competence to issue an approval, permit or license, and the administrative subsidiarity thereof;
- 2- The documents required to be submitted by the Investor;
- 3- The procedures required for obtainment of investment services;
- 4- The fees and consideration for obtainment of an approval, permit or license in accordance with the applicable laws;
- 5- The technical rules and controls for obtainment of an approval, permit or license in accordance with the applicable laws and regulations;
- 6- Time limit prescribed for providing Investment services as regulated by the Investment Law;
- 7- The legislative basis relating to Investment services; and
- 8- The necessary documents to effect insurance subscription, in coordination with the National Organization for Social Insurance.

This guidebook shall be made available on the website and in the publications of GAFI and the other bodies.

GAFI shall review and update this guidebook regularly, and as necessary, in light of the amendments to the effective legislations in the State.



# Chapter II

## Approval Offices and Certificates

### Article 17

In order for Approval Offices to be licensed to operate as, they shall satisfy the following conditions:

- 1- The applicant for a license to operate as Approval Office is a joint-stock company whose activity is limited to the work of the Approval Offices;
- 2- An application is submitted to the Approval Offices Permanent Committee («AOPC») using the application form approved by GAFI in this respect, provided that the application is signed by the legal representative of the company, or the attorney thereof, bears the seal of the company and contains, in an attachment thereto, all documents listed in the application form approved in this respect;
- 3- The office includes specialized technical personnel whose qualifications match the area(s) of specialization in respect of which the office issues an approval certificate, and whose experience is no less than ten (10) years in the aforementioned area(s) of specialization;
- 4- The office has sufficient tangible resources enabling the same to engage in the activity of granting an approval certificate;
- 5- The office submits a notarized copy of a one-year insurance policy, which may be renewed for similar period(s), against risks and damage arising out of the activities carried on by such offices; and
- 6- The license or license renewal fee is paid as follows:

Description	Fee
Granting license to the Approval Office whereby may issue an approval certificate indicating that an Investment Project satisfies the criteria for obtainment of a one comprehensive approval, permit or license allowing such an Investment Project to be set up, operated or expanded.	Ten thousands Egyptian Pounds (EGP 10,000)

Granting license to the Approval Office whereby may grant two (2) approval certificates indicating that an Investment Project satisfies the criteria for obtainment of two types of approvals, permits or licenses allowing such an Investment Project to be set up, operated or expanded.	Fifteen thousand Egyptian pounds (EGP 15,000)
More than that.	Twenty thousand Egyptian pounds (EGP 20,000)

## Article 18

Upon a decision given by GAFI CEO or on its behalf, a license shall be issued to the Approval Offices for one year that may be renewed for the same period or similar periods upon an application submitted using the application form prepared for this purpose no later than one month before the expiry of the license period. Upon renewal, requirements for obtaining licenses shall be taken into consideration, as well as the valuation outcomes of the Approval Offices provided by the Approval Offices Permanent Committee (AOPC).

## Article 19

The Approval Offices shall conclude a one-year insurance policy, not less than one million Egyptian pounds (EGP 1,000,000), covering the value estimated by GAFI. The policy shall be issued, on behalf of GAFI, by one of the companies licensed-to-operate inside Egypt and governed by the supervision of the Financial Regulatory Authority (FRA).

The policy shall cover risks and damages caused by Approval Offices in practicing its profession and affect the concerned person who authorized the Approval Office or affect third parties; whether these risks and damages are caused by errors, negligence or dereliction of the Approval Offices or affiliates thereof, and are made during the policy period.



## Article 20

A committee shall be formed at GAFI and entitled «Approval Offices Permanent Committee» (AOPC), chaired by one of the CEO Deputies and shall consist of the following members:

- Head of the Investment Services Sector;
- Head of the Central Administration for Licenses;
- Head of the Central Administration for Engineering Affairs;
- Head of the Investor Service Center (ISC);
- Three members of expertise in the fields of law, accounting, consulting and other technical specializations; and
- Representative of the Appropriate Body in the ISC.

The Committee may call upon the specialization required to accomplish duties thereof.

The Appropriate Minister for investment affairs, upon a proposal of GAFI CEO, shall issue a decision on the formation of the AOPC and its technical secretariat, as well as designating members thereof.

## Article 21

The AOPC scope of competence shall include the following:

1. Considering Approval Offices applications for licenses, in order to assure that the prescribed conditions and controls of licenses issuance and renewals are met, in addition to presenting the application to GAFI CEO;
2. Laying down the criteria for determining the considerations of services rendered, in addition to presenting them to GAFI CEO to be approved by GAFI BoD;
3. Carrying out regular follow-up of the Approval Offices to ensure compliance with conditions and controls prescribed by the Law;
4. Preparing a biannual report comprising the assessment of the Approval Offices performance; such report shall be presented to GAFI CEO to decide what deems appropriate should the assessment is low;

5. Furnishing the administrative appropriate bodies with a list of the Approval Offices registered at GAFI;
6. Examining the violations attributed to the Approval Offices or employees thereof; and taking any measures and procedures stipulated in the Investment Law or these Executive Regulations. GAFI CEO shall present the examination outcome to GAFI BoD to inflict any of the penalties prescribed in Article (22) of the Investment Law where appropriate;
7. Receiving, examining and assessing proposals and complaints brought by Approval Offices, and presenting the same to GAFI CEO to take the necessary course of action; and
8. Setting policies that would improve the Approval Offices performance.

## **Article 22**

The licensed Approval Offices may not assign the obtained license to third party in any manner whatsoever. In the event of non-compliance with this matter, the AOPC shall report such matter to GAFI CEO to be proposed to GAFI BoD in order to revoke the license.

## **Article 23**

Further to the rules of professional responsibility stipulated in the Investment Law, the Approval Offices shall comply with the following rules:

1. Conducting the required examination for issuing the approval, permission or license within a time frame appropriate to the nature of the procedure;
2. Training the human resources performing the examination;
3. Following the necessary technical modalities for examining the documents to assure its compliance with the conditions and controls prescribed for such matter;
4. Preparing a database including all applications submitted to the Approval Offices, as well as the assessment and examination outcomes and the duration thereof;
5. Providing fair treatment for the applications submitted to the Approval Offices;



6. Abiding by the criteria of determining the considerations of services rendered;
7. Providing insurance for employees thereof;
8. Assuming liability of the employees' actions and behaviors inside the office; and
9. The Approval Offices or employees thereof should not conclude a labor contract with GAFI, or with any of the appropriate administrative bodies or with approval applicants in any manner whatsoever relevant to activities performed by the Approval Offices.

GAFI shall develop a performance appraisal system for the Approval Offices encompassing service standards and timelines, considerations collected by the Approval Offices and the extent of compliance with the rules of professional responsibility; such system shall be upon a resolution by GAFI BoD based on a proposal of GAFI CEO.

## **Article 24**

The Investor shall submit to the specialized Approval Offices, licensed by GAFI, an application form enclosing two copies of all documents required in accordance with the guidebook, stated in Article (19) of the Investment Law, which comprises the conditions and the procedures in respect of investment activities, to be examined for assuring the fulfilment of conditions and procedures necessary for the issuance of the required certificate of approval as per the type and nature of each license.

The Approval Offices are accorded the right to perform all field observations, and to conduct assessments, examinations and others necessary for the issuance of the aforementioned certificate.

## **Article 25**

The licensed Approval Offices shall, at their own liability, issue to the Investor three (3) true copies of the certificate of approval, one of which is furnished to the Investor, agent or representative thereof; such copy shall be valid for one year and comprise a statement of compliance that indicates to what extent the investment project has satisfied all or part of the conditions

set under the laws and regulations regulating the issuance of approvals, permits and licenses. Another copy shall be furnished to the ISC at GAFI or the branches thereof and to the Appropriate Body, enclosing a copy of all documents, on the basis of which the certificate was issued, by virtue of a registered letter with an acknowledgment of receipt or delivered in-person at the headquarter of the Appropriate Body in return for a receipt-of-delivery.

## **Article 26**

Without prejudice to the criminal or civil liability arising from the violations committed by the Approval Offices registered at GAFI, the CEO, upon a proposal of the AOPC, and in the event of violating any of the license conditions issued thereto, shall serve a warning to the Approval Office by virtue of a registered letter with an acknowledgment of receipt to rectify the violations within a maximum of fifteen (15) days from the date of receipt on which the warning was issued.

In the event that the fifteen (15) days elapsed and the Approval Office failed to rectify the violations, GAFI BoD, upon a proposal of GAFI CEO, shall cross out the Approval Office from GAFI's register for a period not exceeding one year.

The issuance of a false certificate or a certificate violating the rules stated in the Investment Law or these Executive Regulations shall result in the eligibility of the insurance value and its encashment thereof to the beneficiaries as elaborated in Article (19) in these Executive Regulations; moreover, the Approval Office shall be crossed out from the register at GAFI for a period not exceeding three (3) years upon a resolution of GAFI BoD upon a proposal from GAFI CEO.

In the event of recurrence of such violation, the Approval Office shall be crossed out permanently from the register at GAFI upon a resolution of GAFI BoD.

In all cases, GAFI shall notify the Approval Offices with the resolution issued on this matter by virtue of a registered letter with an acknowledgment of receipt.



## Article 27

The Approval Office shall be crossed out from the relevant register at GAFI in the following events:

1. The dissolution, termination or liquidation of the joint-stock company of the Approval Office;
2. The revocation of the license-to-operate issued thereto by GAFI;
3. The licensee does not renew the granted license within two months following the expiration date; or
4. The suspension or liquidation of the Approval Office, or the desire to suspend, temporarily or permanently, its business at minimum of three (3) months before the date prescribed for that.

GAFI BoD shall issue the crossing out resolution upon a recommendation of the AOPC; in all cases, the Approval Office must complete the examination of all applications submitted thereto at least before crossing it out.

## Article 28

GAFI shall (i) publish the data of the registered Approval Office or any amendments made in the Registry prepared for such matter, (ii) cross out the Office, either temporarily or permanently (iii) or revoke or suspend its license in the Investment Gazette or in any other means of publication, and under all circumstances, such publication shall be at the expense of the Approval Office.

## Article 29

The certificate of approval submitted, attached to the Investor's application, to the Appropriate Body must be accepted by the said Appropriate Body, the representative thereof at ISC and other administrative bodies. However, this may not prevent the Appropriate Body or the representative thereof from raising a reasoned objection against the certificate within maximum ten (10) business days from the date of submitting the certificate.

The Appropriate Bodies shall examine the applications submitted through the ISC, ensure the extent of compliance with the necessary conditions of



accepting the applications as stated in the Investment Law, and decide on the application within a period not exceeding sixty (60) days starting from the date of receiving the application fulfilling the necessary documents.

In all cases, the Investor and GAFI shall be notified -by virtue of a registered letter with an acknowledgment of receipt- with the decision, whether approved or rejected, made within seven (7) days starting from the date of elapsing the two (2) periods stipulated in the aforementioned two paragraphs; the relevant parties may raise grievances against the said decision of rejection before the Committee elaborated in Article (83) of the Investment Law.

In case such periods elapsed without a decision by the Appropriate Body, whether a decision of approval or rejection, this shall be deemed an acceptance to the Investor's application and shall be issued by GAFI CEO in the form designated for that purpose; the Appropriate Body shall be officially notified with such approval, said approval shall be self-executing and binding on all bodies within the limits of its listed data; the Appropriate Body may not disturb the Investor, suspend setting up the project or carrying on the activity thereof only in cases regulated by the Investment Law and after referring the matter to GAFI.



# Chapter III

## Incorporation of Companies – Mechanization – Liquidation

### Article 30

Subject to the provisions of the Capital Market Law and the Law on Economic Zones of Special Nature, GAFI – through the ISC at GAFI or at branches thereof – shall be the sole appropriate administrative body to provide all the services of incorporation and post incorporation to companies and establishments operating any of the activities stipulated in the Investment Law or were subject to the Law on joint-stock companies, partnerships limited by shares and limited liability companies, notwithstanding the governing legal structure.

GAFI may not be confined to any procedures stipulated in other laws, and all relevant bodies must adjust positions thereof in order to activate such services.

### Article 31

Each type of company shall have an articles of association and incorporation, issued upon a decision by the Appropriate Minister. Each company shall have a certificate of incorporation and a decision by GAFI CEO shall determine the data thereof. Each company shall have an incorporation application and a decision by GAFI CEO shall determine the data thereof, and it shall be registered at the Commercial Register.

Promptly upon the issuance of such certificate or form by GAFI, all Appropriate Bodies, banks and relevant bodies shall deem it, as the case may be, as an official document in their dealings.

### Article 32

Those who are willing to incorporate shall follow the below steps:

1. Create an account on GAFI's website to obtain electronic incorporation services;



2. Complete the incorporation application form, which determines the governing legal structure and system, as well as all data and necessary documents to obtain the service;
3. Submit the incorporation application electronically or completing all amendments (if any);
4. Pay the incorporation fees electronically in one installment to the relevant provider of the incorporation services and the post incorporation services; and
5. Sign electronically on all forms.

GAFI shall decide on approving the company's name upon submitting the incorporation application.

## **Article 33**

Apart from incorporation cases where the party who is willing to incorporate shall obtain a pre-approval for the project, the party who is willing to incorporate shall attach all necessary documents for the application to be reviewed as per the type of company, in particular, the following documents:

### **I. Corporations:**

1. The submission of a certificate, obtained from one of the accredited and the so licensed banks, indicating the payment of the legal percentage;
2. A copy of the personal identity (national identity card) of the founders, members of the Board of Directors, managers or partners;
3. A copy of the incorporation powers of attorney; and
4. The permission of the Appropriate Authority, if the founder or the member of the BoD is a public employee or an employee in one of the Public Sector corporations or the Public Business Sector for cases of joint-stock companies.

### **II. Partnerships and Sole Proprietorships**

1. A copy of the personal identity (national identity card) of the partners or the owner of the Sole Proprietorships as deemed appropriate;



2. A copy of the incorporation powers of attorney as deemed appropriate;
3. An acknowledgment from the joint partner, the attorney thereof, non-partner manager or the establishment owner indicating that he is not a public employee or an employee in one of the Public Sector corporations or the Public Business Sector.

## **Article 34**

The articles of incorporation and association, along with amendments thereof, shall be published at the expenses of the concerned parties in the Investment Gazette of GAFI or in any electronic means.

The publication may be in a foreign language, if the concerned parties require so, on their own liability.

GAFI BoD shall lay down the conditions and procedural rules for amending articles of incorporation and association.

## **Article 35**

Upon a decision made by GAFI CEO, a certificate of the investment project shall be issued or any amendments thereto, including the following data:

1. The Unique National Number for the establishment or the company notwithstanding its legal structure, as per the international standards in such matters, and the code of the licensed activity; taking into consideration the integration with consensus recording data and the laying down of the system of a Unique Number for companies and establishments;
2. The name of the project, the activity and the geographical territory thereof;
3. The investment costs of the project and licenses of carrying on the activity;
4. The name of the manager-in-charge or the managing director who actually performs management tasks and data thereof;
5. The system of incentives granted to the investment project, the benefits and the validity period thereof;
6. The legal structure of the project;
7. The licensed, issued and paid-up capital of the project; and
8. The head quarter and the location of carrying on activity.

## Article 36<sup>1</sup>

The companies during the incorporation process may have their capital fixed at any convertible free currency, subject to the following conditions:

1. The deposit of the percentage prescribed from the capital in joint-stock companies or partnerships limited by shares in foreign currency accounts at any bank licensed by the Central Bank of Egypt; and
2. The deposit of the total capital for the rest of the companies' legal structures in foreign currency accounts at any bank licensed by the Central Bank of Egypt.

In all circumstances, the depository shall be conducted with the same currency in accordance with the data determined by the Investor or attorney thereof in the investment application; the aforementioned companies shall be obliged to prepare financial statements, in accordance with the Egyptian Accounting Standards (EAS), with the same currency of incorporation, without prejudice to the commitment of the Corporations to publish financial statements thereof.

The established companies may request the designated capital to be converted from Egyptian pounds into any convertible free currency in accordance with the following controls:

1. The extra-ordinary general meeting (or all partners) with the majority stated in the company's articles of association or incorporation shall issue a resolution to convert the designated capital into foreign currency;
2. The issued capital prior to the conversion shall not be less than two hundred and fifty million Egyptian pounds (EGP 250,000,000) and to be fully paid;
3. The designated capital shall be converted as per the prevailing rate of exchange declared by the Central Bank of Egypt at the date of approval by the extra-ordinary general meeting, provided that completing the conversion procedures at a maximum of one hundred and twenty (120) days from that date;

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<sup>1</sup> The last paragraph of item (4) of the third paragraph is added by virtue of Prime Minister Decree No. 910 of 2021.



4. Provide what indicates that founders and shareholders or partners have paid, at the time of incorporation, a hundred percent (100%) of the company's paid-up capital in the designated free currency transferred from abroad, and provide what indicates that shareholders have paid hundred percent (100%) of the rest of the issued capital through converting from a foreign currencies transferred from abroad or from the company's profits gained prior to the conversion.

Council of Ministers may, upon a joint proposal from the Competent Minister and the Appropriate Minister, and after the approval of GAFI BoD, and taking the opinion of the CBE, exempt the companies stipulated in Article (20) of the Law from this condition for considerations of public interest;

5. Financial statements of the company at the year prior to the conversion shall be reformulated to be in the converted foreign currency in accordance with the Egyptian Accounting Standards; and
6. Financial statements of the company shall be prepared and published with the same converted currency.

The aforementioned controls shall apply (i) in the event a company changes the legal structure thereof, or goes through merger or split-up, or (ii) in the event a company converts to the internal investment system from the free zones system or vice versa, if, as a consequence of any of the foregoing events, the capital of the new company – whether the capital of the company whose legal structure has been changed, the merging or resulting company, or the company converting from the free zones system to the internal investment system or vice versa – is designated using one of the free currencies.

## **Article 37**

GAFI shall establish an automated and unified system encompassing data, application forms and documents required to provide incorporation services for companies and establishments, whatsoever their legal structure and system governed thereby, and to provide post incorporation services via electronic networking and other necessary technological means; GAFI shall make this system available via internet in a safe manner.

GAFI may also make this system available via mobile phones or tablets promptly upon activation.

Such system shall be the only reliable system before all other bodies.

## **Article 38**

Appropriate Bodies shall establish and develop their technological infrastructure, information systems and current electronic databases to provide a safe information circulation and integration with the electronic systems, thus providing all stages of services of incorporation and post incorporation in GAFI.

The Appropriate Minister, in coordination with the concerned ministers, all within their scope of functions, shall (i) take the necessary procedures to activate the electronic services system (the «E-services System»); (ii) integrate work systems and databases of the Appropriate Bodies with E-services System and database of GAFI; (iii) follow-up on such bodies compliance in respect of adjusting their positions.

Appropriate Bodies shall provide GAFI with all documents, application forms and data of services provision.

Representatives of such Bodies in GAFI, until adjusting their positions, may provide services assigned thereto via the electronic systems provided by GAFI in headquarters thereof.

Without prejudice to the provision of Article (50) of the Investment Law, Appropriate Bodies shall accept the electronic payment of all fees and charges imposed by laws.

## **Article 39**

The below procedures shall be followed upon voluntary liquidation of companies governed by provisions of the Investment Law and the Law on joint-stock companies, partnerships limited by shares and limited liability companies:

### **I. Appointment of the liquidator and entering its name in the Commercial Register:**

Appointment of the liquidator shall be upon a decision by all partners or the general meeting of the company, as the case may be. An entry of



such liquidator's name, scope of mission and duration thereof shall be effected in the commercial registry and the phrase «Under Liquidation» shall be added to the name of the company.

This shall be published by GAFI in the Investment Gazette and in a widely circulated daily newspaper, within one week from the date on which the company has been placed under liquidation in the Commercial Register; or such publication shall be in any other electronic means at the expense of the company under liquidation. Publication must include the following:

- a. The liquidator name, summary of its mission and the duration of the liquidation;
- b. The company's name in conjunction with the phrase «Under Liquidation»;
- c. The date of the liquidator's receipt of applications for verification of debts attached to supporting documents thereof, provided that such date shall be at least one month after the publication date.

Appropriate administrative bodies shall be notified that the company is under liquidation, and such bodies shall furnish to GAFI and the liquidator a notice comprising the liabilities of such company, whether final or due, within maximum one hundred and twenty (120) days from the date of being notified by GAFI or the date on which the liquidator has filed an application of liquidation. The expiry of this period without notifying such liabilities shall be deemed a discharge on the part of the company under liquidation, without prejudice to the criminal and disciplinary liability of the person-in-charge of issuing a false statement or the person responsible for the lapse of the aforementioned term without replying to the application.

## **II. Completion of the liquidation proceedings:**

The liquidator shall submit to GAFI the minutes of all partners meeting or the minutes of the ordinary general meeting that enclose the approval of partners or shareholders by the majority, stipulated in the company's articles of incorporation or association, on the report prepared thereby pertaining the outcome of the liquidation proceedings. Such minutes shall be attached to the following:



1. The final liquidation account approved by the liquidator in accordance with the Egyptian Accounting Standards recognized in preparing financial statements;
2. An acknowledgment by the liquidator to the effect that the liquidation proceedings have been duly carried out by same, that the company's liabilities have been fulfilled and that the outstanding liquidation proceeds, if any, have been distributed on the relevant partners/ shareholders;
3. Evidence on publication; and
4. An acknowledgment by the liquidator and partners or shareholders of liability thereof for the liquidation proceedings.

GAFI shall deliver a letter to the liquidator approving the company to be liquidated at such liquidator's own liability, addressed to the appropriate Commercial Register to cross out the company from the Register based on a request of the liquidator and the approval of all partners or the ordinary general meeting.

The appropriate Commercial Register shall promptly cross out the company upon receiving GAFI's letter approving the liquidation.



# Chapter IV

## The Prior and Comprehensive Approval

### Article 40

Within the framework of the economic development plan of the State, GAFI may provide the approvals, permits or licenses required for carrying on investment activities on the lands intended for investment before such lands have been allocated to Investors.

The relevant bodies shall provide GAFI with such approvals, permits or licenses within a term not exceeding sixty (60) days from the date of GAFI's request for such approvals, permits or licenses.

GAFI shall proclaim such lands that have fulfilled all approvals, permits and licenses, and shall receive applications from investors, provided that fees and other charges payable to the Appropriate Bodies in consideration of said approvals, permits or licenses shall be collected from Investors upon completion of the land allocation procedures.

In all cases, Investor shall obtain the approvals, permits or licenses to start the production or engage in the activity as the case may be. Investor shall also implement the schedule submitted thereby to GAFI for carrying on the activity in the time limits specified in the schedule.

### Article 41

Terms of determining the projects, whether national or strategic, shall be listed under a resolution of the Council of Ministries based on a joint proposal of the Appropriate Minister and the relevant minister. Such terms shall be periodically amended and updated in light of the economic development plan of the State.

### Article 42<sup>1</sup>

Those who apply for the Comprehensive Approval stipulated in Article (20) of the Investment Law must meet the following terms:

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<sup>1</sup> This Article is replaced by virtue of Prime Minister Decree No. 4426 of 2022.

1. They shall be in the form of an Egyptian joint-stock company or a limited liability company incorporated and existing in accordance with the provisions of the Investment Law enacted by Law No. 72 of 2017 or with the Law on Joint-stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and Single Member Companies enacted by Law No. 159 of 1981, provided that the applicant submit a declaration of solvency to implement the project, as set out by GAFI BoD in this regard, and provided further that in all cases the company be incorporated at a date later than that date on which the Investment Law comes into force.
2. They shall submit project preliminary feasibility study prepared by a reputable and licensed national or international consultancy firm.
3. They shall submit a schedule for implementing the project.
4. They shall provide an acknowledgement to the effect that they will provide all utilities of the infrastructure (roads – water – sewage – electricity – communications – waste management).
5. They shall submit an acknowledgment to the effect that they will abide by all terms and conditions pertaining to the company's business activity in accordance with the laws and regulations regulating such activity.

## **Article 43<sup>1</sup>**

Companies incorporated to launch strategic or national projects – contributing to the achievement of the sustainable development in accordance with the economic development plan – or partnership projects conducted between the private sector and the State, the public sector or the public business sector, in the fields of public utilities and infrastructure, new or renewable energy, roads, transportation, ports or communications and information technology shall apply for the Comprehensive Approval from GAFI. GAFI shall assess such application for the approval and verify the fulfillment of controls and requirements stated in the previous Article.

The Appropriate Minister concerned with investment affairs shall, in agreement with the concerned Minister, present the company's application

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<sup>1</sup> The second paragraph is replaced by virtue of Prime Minister Decree No. 2300 of 2022



to the Council of Ministers to obtain a resolution granting the company a Comprehensive Approval on the setup, operation and management of the project, including the building licenses and the allocation of the real property required therefor. Such approval shall be self-executing without the need for any further procedure.

GAFI shall coordinate with all the Appropriate Bodies relevant to the company's activity, and such bodies shall streamline all procedures concerning the company's activity.

# Chapter V

## The Real Estate Allocation for Investment

### Article 44

Administrative bodies of competent jurisdiction shall, upon coordination with all Appropriate Bodies and the National Center for Planning State Land Uses (NCPSLU), furnish to GAFI detailed maps on which all real property available for investment and falling within the jurisdiction thereof respectively are specified for inclusion in the investment map, along with a complete database comprising the prescribed location, surface area, building terms, estimated price, utilities condition, appropriate investment activities to the nature of such real property, as well as the manner of disposition thereof.

GAFI may request any other necessary data from the bodies of competent jurisdiction or others to develop the investment map. Said bodies shall periodically update these data every six (6) months or whenever requested by GAFI.

GAFI, in coordination with all bodies of competent jurisdiction, shall establish the infrastructure for the electronic integration therewith, allowing the speed exchange of data and information pertaining real properties available for investment.

Upon the approval of the Council of Ministers, the President of the Republic shall, based on a proposal by Appropriate Minister in coordination with the body of competent jurisdiction, issue a decree transferring the ownership of, changing the body of competent jurisdiction or the supervision over some of the private-domain property of the State or of other public juridical persons from the administrative bodies of competent jurisdiction to GAFI, whenever necessitated by the implementation of the investment plan after being approved by the Supreme Council of Investment, provided that GAFI disposes of such real property in accordance with the provisions of the Investment Law and these Executive Regulations.

### Article 45

The investment plan shall include provisions specifying the types, systems, terms, geographic areas and sectors of investment. Said plan shall list the real property owned by the State or other public juridical persons intended



for investment, as well as acts and manner of disposition of such real property according to the type of the investment system.

GAFI shall draft the investment map in full coordination and cooperation with all concerned State agencies, along with providing an electronic link to exchange such maps and data among administrative bodies of competent jurisdiction and GAFI.

The investment plan shall be reviewed at least once every three (3) years, and whenever necessary based on GAFI's recommendation.

## **Article 46**

Disposition of real property, falling within the private-domain property of the State or of other public juridical persons, to Investors shall be for the purpose of Investment in accordance with the provisions, controls and procedures stipulated in the Investment Law and these Executive Regulations, after assuring that there is no serious dispute thereon, taking into account the State's investment plan, the volume of Investment Project, the nature of the activity thereof as well as the value of Assets invested therein through GAFI in coordination with appropriate administrative bodies.

The provisions of said Law on Regulation of Tenders and Bids may not apply to the disposition, exception being made for matters in respect of which a special provision is not stipulated in the Investment Law, and for such provisions consistent with the provisions of this Law.

Administrative bodies of competent jurisdiction over the real property and GAFI shall notify each other of serious dealings on real properties, listed in the investment map, within a period not exceeding three (3) business days. Dealings on such real properties shall be deemed serious whenever an official application is submitted, attached with all the necessary documents.

Investor shall comply with the schedule submitted thereby in respect of the implementation of the Investment Project approved by the Appropriate Body, as long as such Appropriate Body has fulfilled the obligations thereof toward such Investor. An Investor may not make amendments to the Investment Project, including change of object, expansion, increase in volume or any other amendments, except with a written approval of the Appropriate Body obtained directly or through the Appropriate Body Representative at ISC.

## Article 47

Subject to the provision of Article (37) of the Investment Law, real property required for setting up or expanding Investment Projects may be disposed of by one of the following acts: **sale, lease, lease-to-own, usufruct licensing.**

Disposition of such real properties shall be upon either (i) Investor's submission of an application form for this purpose to GAFI or one of the branches or offices thereof, stating the purpose, surface area and location on which Investor willing to set up the Investment Project; or (ii) an invitation by GAFI, in coordination with appropriate administrative bodies, offering the available investment opportunities thereof through different means, such as conferences; or (iii) an announcement through the proper means of publication, including the announcement on GAFI's website, after coordination with the appropriate administrative body. In all cases, said announcement must include the real properties' surface area, locations, acts of disposition, features, prices and other terms required to be met by the investor, as well as deadline for the submission of applications and other requirements to achieve the purpose of the announcement. In all cases, submission of applications shall not be less than fifteen (15) days from the date of the announcement.

## Article 48

Administrative bodies of competent jurisdiction may be partners in Investment Projects by holding real properties as contributions in-kind within the capital of the project company, in accordance with the following conditions and controls:

1. The project company shall be in the form of an Egyptian joint stock company; and
2. The contributions in-kind shall be valued by one of the valuations entities stated in Article (64) of the Investment Law, provided that the valuation report shall be approved by the Appropriate Authority in such body.

Administrative bodies of competent jurisdiction may be partners by holding the real property in the project through one of the following forms:



- Public-Private Partnership (PPP);
- Partnership in consideration of long-term usufruct;
- Build, Operate and Transfer (BOT);
- Build, Own, Operate and Transfer (BOOT); or
- Partnership by a percentage of the project revenues.

In all cases, any form of the aforementioned partnerships in the Investment Project shall be approved by the Council of Ministers.

The announcement of partnership shall specify its type, nature of the real property and nature of the activity desired to be set up on such property. Partnership by holding the real property shall be based on an invitation or an announcement by GAFI in coordination with the administrative bodies of competent jurisdiction.

## **Article 49**

For the sole purpose of development, and pursuant to the investment map in the areas to be listed under a decree issued by the President of the Republic and upon the approval of the Council of Ministers, based on a joint proposal of the Appropriate Minister and the minister concerned, the private-domain real property of the State or of the public juridical persons may be disposed free of charge in favor of Investors satisfying the technical and financial conditions to be specified under a resolution of the Council of Ministers. Investor shall submit to body of competent jurisdiction a cash collateral letter, or an equivalent thereof, not exceeding five percent (5%) of the value of the project investment costs within fifteen (15) business days from the date on which the investor has been notified by a letter with an acknowledgement of receipt of investor's fulfillment of technical and financial conditions, in accordance with the following controls:

- In respect of projects of production nature: Investor shall submit a collateral letter, or an equivalent thereof, by one percent (1%) of the value of project investment costs;
- In respect of projects of service nature: Investor shall submit a collateral letter, or an equivalent thereof, by three percent (3%) of the value of project investment costs; and



- In respect of projects of storage nature: Investor shall submit a collateral letter, or an equivalent thereof, by five percent (5%) of the value of project investment costs.

The collateral shall be deposited at the body of competent jurisdiction, in a manner consistent with the nature of the collateral, under an official receipt indicating the application number and the date of such receipt; there shall be no interest on such amount. The approved cheques drawn on the banks shall be accepted, as well as those drawn on banks abroad, provided being endorsed with acceptance by one of the accredited banks inside the State.

Such collateral shall be redeemed after the elapse of three (3) years from the date on which actual production starts, in respect of projects of production activity, or, from the date of engagement in activity in respect of other projects, provided Investor complies with the terms of disposition.

In case of failure to complete this contracting for a reason by Investor, said collateral may be redeemed thereto after the deduction of any administrative expenses incurred by GAFI or the concerned administrative body, without the need of any judicial proceedings.

## **Article 50**

Competing applications of investors shall be in accordance with Article (63) of the Investment Law in any of the following cases:

- The increase of the number of applications for allocation over the number of land plots available at that time, taking into consideration unity of the project types;
- The increase of the number of applications for allocation over the number of projects or licenses announced thereon; or
- The increase of the projects similar in nature and volume of investment over the surface areas available in the zones targeted for investment.

## **Article 51**

In case of competing Investors' applications for acquiring the real property required to set up Investment Projects - whether by sale, lease, lease-to-own or usufruct licensing - the order of preference among those who satisfy



the technical and financial conditions required for Investment shall be upon a system of points based on foundations agreed upon with the bodies of competent jurisdiction over the properties. Such foundations shall include the following:

1. Technical specifications of the project, specially the technology used and the extent of modernity thereof;
2. The previous expertise or world renown;
3. The project ability to provide foreign currency, either through exporting its products abroad or providing an alternative local product imported from abroad;
4. The expected investment costs of the project; and
5. The value of the submitted financial offer and the way of payment thereof.

If the order of preference in respect of Investors cannot be made based on the aforementioned system of points, preference may be conducted in accordance with the highest bid offered from among Investors.

In all cases, the announcement shall include a statement of foundations based on which preference among investors is made.

## **Article 52**

The application for estimating the price of sale or tenancy value, or the consideration for usufruct, submitted to any administrative body stipulated in Article (64) of the Investment Law, shall include all information that enables the valuation entity to accomplish its work, in accordance with the following criteria:

1. Prices of the nearby real-properties;
2. Costs of preparing the real property and the necessary infrastructure, and the extent of availability of the main utilities;
3. Investment activities that can be set up on such lands or real properties; and
4. Other technical elements deemed necessary by the appropriate administrative body for conducting the valuation.

## Article 53

A valuation report of sale price, rent, usufruct consideration shall continue to be valid for one (1) year from the date on which it has been submitted to GAFI and the body of competent jurisdiction, unless economic changes impacting such valuation occur. Payable fees to the valuation entity in consideration of valuation may not be less than a half per mille (0.0005) of the land being valued nor more than one hundred thousand pounds (EGP 100,000). The fees shall be paid by the body of competent jurisdiction upon completion of allocation.

## Article 54

The relevant body of competent jurisdiction shall assess the applications of disposition of real property submitted by Investors and provide GAFI with technical opinion thereof on Investor s' application, substantiated by the reasons of rejection or acceptance. Such opinion shall be made within one (1) week from the date of receiving the application or from the time limit specified in the announcement for receiving Investor s' applications, as the case may be.

## Article 55

The committees formed as per the provision of Article (65) of the Investment Law shall assess Investor s' fulfilled applications in accordance with the form designated for that purpose, to verify the availability of the technical and financial conditions stipulated previously by GAFI in coordination with the administrative body of competent jurisdiction. Deciding on such applications shall be within maximum thirty (30) days from the date of receiving the technical opinion from the relevant body of jurisdiction. GAFI's CEO shall approve recommendations of these committees, provided that the relevant administrative body and the Investor are notified of the decision by virtue of a registered letter with an acknowledgment of receipt or any other means agreed upon with the Investor during the submission of application, such as the e-mail, determined thereby in the application for real property allocation in accordance with the form designated for that purpose, provided that said notification shall include the procedures necessary for completion of the contracting procedures.



The names of Investors, to whom the allocation of real property is made, shall be posted on GAFI's official website on the internet, in addition to means of communication aforementioned.

GAFI shall collect sale price, rent, usufruct consideration, as the case may be, payable to the relevant administrative body in accordance with the applicable payment means and procedures therein. GAFI BoD shall determine the payable consideration for its services related to disposition of real property within thirty (30) days from the date on which these Executive Regulations come into force.

## **Article 56**

Upon a decision by GAFI CEO, a committee shall be formed, chaired by one of the specialists in GAFI and shall include representatives of the relevant administrative bodies. The committee shall prepare and draw up all kinds of standard draft contracts of real property disposition. GAFI CEO shall propose these standards or any amendments thereto to be approved by GAFI BoD after being reviewed by Conseil d'Etat (the «State Council»). These standards shall be a basis for contract concluded between the Investor and the body of competent jurisdiction over the real property.

## **Article 57**

For the purpose of enforcing the provisions of the Investment Law, the Investor shall comply with the object for which disposition of real property is made. The Investor may change the object stipulated in the contract only after obtaining a written approval of the administrative body of competent jurisdiction, in the events where the nature and location of the real property allow such change, provided the elapse of one year from the date of production commencement or activity engagement, as well as the obtainment of approval from all relevant bodies on said change. The Investor shall pay at least 50% of the difference between the value of the property, on time of obtaining it, and the market value on the date of application submission. The relevant administrative body shall respond to the application of the Investor by either acceptance or rejection, and mention reasons thereof within thirty (30) days from the date of submitting the application; GAFI and the Investor shall be notified with such response. Failure to respond within the time limit

shall be deemed rejection of the application by the appropriate administrative body.

The Investor shall have the right to raise grievance against such rejection before the committee stated in Article (83) of the Investment Law.

## **Article 58**

The relevant administrative bodies shall not rescind the contract concluded with the Investor unless GAFI BoD approval is obtained. GAFI CEO shall propose the follow-up reports stated in Article (67) of the Investment Law to GAFI BoD, provided said reports shall include the obligations breached by the Investor in detail and state whether such breach is considered one of the cases stipulated in the Article (67). The report shall be accompanied with the supporting documents thereto.

In such case, GAFI BoD may either approve the recession of the contract by the relevant administrative body or give a response encompassing the absence of justifications of such recession within thirty (30) days from the date of receiving the follow-up report by GAFI; the relevant administrative body, in case of insistence on contract recession, shall seek the Ministerial Committee for Investment Contracts Disputes Settlement” («MCICDS») stipulated in Article (88) of the Investment Law within fifteen (15) days, otherwise, it is considered relinquishment by the relevant administrative body of adherence to recession justifications mentioned in the follow-up report. MCICDS shall consider the matter within maximum sixty (60) days.

## **Article 59**

For the purpose of enforcing the provision of Article (67) of the Investment Law, the substantial violations that lead to recession of the contract shall include the investor's failure, without a proof, to:

1. Pay the installments due or the consideration for usufruct in due dates stated in the contract, despite, having been served a notice of the necessity of payment;
2. Remove buildings established in violation of the controls and the executive drawings approved to establish the Investment Project stipulated in terms of the contract; and



3. Start the actual production, in respect of projects of production nature, or commence the engagement in activity within the period stated in terms of the contract or comply with the schedule.

The real property shall be recovered by virtue of a reasoned decision from GAFI CEO and the Investor shall be notified thereof, by virtue of a registered letter with an acknowledgment of receipt. The Investor may have the right to raise a grievance against that decision in accordance with procedures stipulated in the Investment Law and these Executive Regulations.

# **Part IV**

## **Investment, Technological and Free Zones**

### **Chapter I**

#### **Investment Zones**

#### **Article 60**

Investment zones, specialized in various fields of investment, shall be established by virtue of decree of the Prime Minister upon mutual proposal of both the Appropriate Minister and the minister concerned, subject to a proposal of GAFI BoD in accordance with the application submitted from the entity that would like to establish an investment zone. The decree shall include the location, coordinates, area, nature of the activity(s) permitted to operate, and the schedule for establishment and operation, in addition to any general conditions pertaining to the engagement in such activities. Other activities may be added to the main activity(s) permitted to operate within the zone by virtue of decree of the Prime Minister upon a proposal of the Appropriate Minister.

Every investment zone shall have a developer responsible for carrying out the establishment works, management, development and promotion in accordance with the schedule stated in the establishment decree, otherwise, the decree shall be deemed null and void. Upon a decree of the Prime Minister or a delegate thereof, subject to GAFI BoD approval, the schedule of establishment and operation of the zone may be extended in light of the justifications presented by the developer.

#### **Article 61**

Applications for establishment of Investment Zones shall be submitted by the minister concerned or the entity wishing to establish an Investment Zone. The following documents shall be attached to the said applications:

1. A description of the site on which an Investment Zone is to be established; such description shall include the surface area, location, coordinates



and a recent cadastral map of the site, as well as the legal form of site land possession;

2. A statement that includes utilities, ready infrastructure and required infrastructure, and a statement on the estimated water quantities and power required to the Investment Zone throughout the various phases of an activity;
3. The Investment Zone development and marketing strategy, including (i) a general description of the type of projects to be attracted and promoted in the Investment Zone, (ii) the estimated number of such projects, (iii) the required capitals therefor, and (iv) the number of labor expected to be employed throughout the various phases of an activity;
4. The proposed master plan in respect of the Investment Zone including the services to be provided to the Investors;
5. Data of the company assigned to establish, develop, manage and promote the Investment Zone; such data shall include the company's prior experience, shareholders, distribution of capital, and basic information on the other entities applying for license;
6. A proposed schedule for the establishment and use of the Investment Zone;
7. A statement of compliance with all environment and health standards, Civil Defense requirements, and occupational safety and health standards in force in the Arab Republic of Egypt, and compliance with the conditions of the decree establishing the Investment Zone;
8. A standard contract form to be concluded with whomever would like to invest in the Investment Zone, enclosing such company's compliance with the aforementioned standards and requirements in Item (7) above; the company's compliance with the resolutions, rules and regulations set out by GAFI BoD to manage and regulate Investment Zones; and the company's compliance with the terms of land recovery, should they be not used within a specific period of time.



## Article 62

A committee shall, by virtue of GAFI CEO decision, be formed at GAFI to assess applications for approval on the establishment of Investment Zones. Members of the said committee shall be representatives of the public entities concerned with the main activities to be carried on in an Investment Zone, a representative of the Ministry of Finance and a representative of the body having jurisdiction over the land on which such an Investment Zone is to be established. The committee shall assess each application, and obtain the approvals of the bodies concerned with the activity or the main activities in the Investment Zone, and shall obtain the approvals of the Ministry of Defense, National Center for Planning State Land Use («NCPSLU»), the Supreme Council of Antiquities («SCA»), the Egyptian Environmental Affairs Agency («EEAA») and the Egyptian Civil Aviation Authority respectively. The committee shall produce recommendations thereof in light of the rules and regulations set out by GAFI BoD, and shall present the same including the reasons for acceptance or rejection of an application to GAFI BoD. GAFI BoD shall look into the recommendations of the committee and deliver a resolution in respect thereof. The Appropriate Minister jointly with the minister concerned shall, in case of acceptance of the application, report to the Prime Minister to issue the decree licensing the establishment of Investment Zone.

## Article 63

Each Investment Zone shall have a board of directors («Investment Zone BoD») to be formed for three (3) years, upon a decision of the Appropriate Minister in agreement with the minister concerned by the activity of the Investment Zone.

An Investment Zone BoD shall include (i) representatives of the bodies concerned with the activity or the main activities licensed to be carried on within the Investment Zone, (ii) the body having jurisdiction over the land, (iii) the Ministry of Finance, (iv) one or more members from among the representatives of the bodies licensed to develop the Investment Zone and the investors of the Investment Zone, (v) one or more experienced members, (vi) bodies concerned with supporting and funding projects, and (vii) representatives of any other bodies deemed fit by the Appropriate Minister and the minister concerned to be included in the Investment Zone BoD.



A decision forming an Investment Zone BoD shall lay down the rules of holding meetings, as well as the allowances and honoraria of the members thereof, provided that the BoD shall convene at least once per month or whenever necessary for conduction of business.

## **Article 64**

An Investment Zone BoD shall have competence to (i) develop an action plan along with the required conditions and standards for engagement in activity and regulation of work in the Investment Zone; and (ii) approve the action plan from GAFI BoD. In order to do so, an Investment Zone BoD may, in particular:

1. Set such conditions, standards and rules relating to the general and detailed planning of such Investment Zone, and to the building process therein, in a way that would ensure compliance with the international levels and standards, and that would boost Investment Zones competitiveness, without prejudice to the provisions of the foregoing Building Code;
2. Set such conditions and standards necessary for licensing the setting up of commercial, service or industrial projects, or any other activities, in the Investment Zone, or the suspension or revocation of such license, without prejudice to the substantive conditions in connection with the licensing in any other laws;
3. Set such conditions and standards required for granting environmental, occupational safety and health, and Civil Defense approvals, provided that such conditions and standards are not less than the requirements stipulated in the laws regulating this respect and that such conditions and standards are set in coordination with the bodies concerned;
4. Approve projects in accordance with conditions and standards approved by GAFI BoD;
5. License the establishment and management of public utilities and infrastructure, and grant through the affiliated executive offices thereof all other licenses to the projects of such Investment Zone;

6. Overcome obstacles, whether internally or elsewhere, impeding Investment Zones Developers and Investors in course of dealing with the bodies concerned; and
7. Follow up on Investment Zones implementation progress and that of the projects operating therein.

An Investment Zone BoD may license private sector companies to develop, manage and promote Investment in the Investment Zone, without prejudice to Developer's obligations set forth in the decree establishing the Investment Zone.

An Investment Zone BoD may form committees from among the members thereof and GAFI personnel, or through participation of external bodies; such committees shall carry out specific tasks for the benefit of the Investment Zone.

## **Article 65**

An Investment Zone BoD shall provide GAFI CEO with quarterly reports. GAFI CEO shall present such reports to GAFI BoD and the minister concerned. Such reports shall include (i) the Investment Zone implementation progress; (ii) the Developer's extent of compliance with the schedule stated in the decree establishing the Investment Zone; (iii) obstacles that might be facing the Investment Zone or the projects operating therein, and the actions taken in respect thereof; and (iv) the Investment Zone BoD extent of compliance with controls and standards approved by GAFI BoD in respect of engagement in activity within the Investment Zone.

## **Article 66**

An Investment Zone BoD Chairperson shall have competence to grant Investment Projects license to operate, provided the license includes a statement of the objects for which such license has been granted and the effective term thereof, which may not exceed five (5) years. A temporary license of one (1) year may be granted to the Investment Project, in order that the Investment Project obtains the approvals of the bodies concerned with the activity; such temporary license may be renewed for another six (6) months for once only at the liability of the Investment Project. The



license may not be waived, in whole or in part, except with the approval of Investment Zone BoD, and rejection to grant or waive such license shall be effected by virtue of a reasoned decision. A party concerned may raise grievance against such decision before the committee stated in Article (83) of the Investment Law.

When dealing with various state agencies in course of obtaining services, facilitations, and privileges for the Investment Project, the license to operate shall suffice, without any need for registration in the Industrial Register.

Any other administrative body may not take any actions within Investment Zones, established by a decree of the Prime Minister, or against the Investment Projects operating therein, unless after having notified GAFI.

## **Article 67**

An Investment Zone shall have an executive office (the “Executive Office”) consisting of GAFI personnel to be formed by a decision of GAFI CEO after having been approved by the Appropriate Minister.

The Executive Office shall carry out the following tasks:

1. Implement the Investment Zone BoD resolutions – pertaining to the granting of all licenses required by the Investment Projects approved to be set up within the Investment Zone, in accordance with the controls and standards approved by GAFI BoD – within a period not exceeding one (1) month from the date on which a complete application for license has been submitted, and in the event of rejection of an application for setting up a project or granting license thereto, such rejection shall be effected by virtue of a reasoned decision;
2. Follow up on the implementation of the Investment Zone BoD resolutions and communicate with all bodies in connection with the Investment Projects set up within the Investment Zone; and
3. Follow up on and monitor Investment Projects within the Investment Zone to verify the extent of compliance of such Investment Projects with the conditions, controls and procedures relating to engagement in activity.

The Executive Office shall receive a consideration for the actual services provided thereby to Investors, based on the type of services prescribed by GAFI BoD, including in particular:

- Approval on setting up an Investment Project;
- Issuance of building licenses;
- Issuance of license to operate decisions; and
- Any other services provided by the Executive Office and approved by GAFI BoD.

All foregoing provided services may not exceed one per mille percent (0.001%) of the Investment Project's investment costs.

An Investment Project operating within an Investment Zone shall annually submit to the Executive Office a report audited by the chartered accountant of such Investment Project and evidencing the investment costs. Such report shall be submitted within the first month of the fiscal year to settle the paid consideration for services. Should an evidence on the exact investment costs be not submitted within the aforementioned period, this shall be considered an approval by the Investment Project that the paid consideration has not exceeded the value of one per mille percent (0.001%) of the stipulated investment costs.

## **Article 68**

GAFI CEO may form from among the management of the Executive Offices and the bodies concerned with the activities a committee. This committee shall assume a supervisory role, follow up on and support Investment Zones Projects, and shall have the authority to issue or renew the approvals of the bodies concerned in accordance with the applicable rules and procedures of each body.

## **Article 69**

A license establishing an Investment Zone may, by virtue of a decree of the Prime Minister based on a mutual proposal of both the Appropriate Minister and the minister concerned, be revoked based on an application being made by the Developer in this respect giving grounds for revocation, provided that the aforementioned proposal includes the following documents:



- The Investment Zone BoD approval on the revocation; and
- The Developer's payment in full to GAFI's accruals against the Investment Projects operating within the Investment Zone until the date of revocation.

After issuance of the revocation decree of the Investment Zone, all bodies concerned shall be notified of such decree.

Investment Zones, which GAFI, at its discretion, deems unserious, in violation of the permitted activities or unfeasible, shall be exempted from the aforementioned controls; however, GAFI may decide, by virtue of decree of the Prime Minister, subject to the approval of GAFI BoD based on a mutual proposal of the Appropriate Minister and the minister concerned, to close down such Zones.

# Chapter II

## Technological Zones

### Article 70

Technological Zones shall be established by virtue of a decree of the Prime Minister based on GAFI BoD recommendation, in light of an application being made by the Minister of Communications and Information Technology.

The decree shall include (i) the sites, (ii) the coordinates, (iii) the surface area, (iv) the nature of the activity or the activities permitted to be carried on, (v) the schedule of construction and operation, and (vi) any other conditions deemed by GAFI BoD fit to be added in respect of the activities, permitted to be carried on within the Investment Zone, including any industrial activities, electronics design and development, data centers, outsourcing activities, software development, technological education, and other associated or ancillary activities.

Other activities may, by virtue of a decree of the Prime Minister based on a mutual proposal of the Appropriate Minister and Minister of Communications and Information Technology, be added to the activity(s) permitted to be carried on within a Technological Zone.

Each Technological Zone shall have a Developer, who shall carry out construction works, management, development and promotion in accordance with the schedule stipulated in the decree establishing such zone; otherwise, the decree shall be deemed as if not issued in the first place. Upon a decree of the Prime Minister, subject to GAFI BoD approval, the schedule of construction and operation of the Investment Zone may be extended in light of the justifications provided by the Developer.

### Article 71

Technological Zones shall be governed by the provisions of Articles (66) and (67) of these Executive Regulations.

Machinery, equipment and tools required by Investment Projects within Technological Zones to carry on a licensed activity may not be subject to taxes and customs duties, and the release of such machinery, equipment



and tools shall be in accordance with the customs procedures specified by the Minister of Finance.

Machinery, equipment and tools shall be defined as complete production lines, including all requirements thereof, even if consigned in parts, until the completion of setting up the project.

Investment Projects shall, in accordance with the provisions of this Article (71), be fully liable to the aforementioned machinery, equipment and tools. An Investment Project shall provide an insurance policy on all machinery and equipment against all accidents before starting the procedures of obtaining a license to operate.

Investment Projects shall annually make an inventory of the aforementioned machinery and equipment; importation invoices of such machinery and equipment shall be caused to be approved by the Technological Zone Executive Office in the light of the controls laid down by GAFI BoD.

## **Article 72**

Each Technological Zone shall have a board of directors («Technological Zone BoD») to be formed for three (3) years by a decision of the Minister Communications and Information Technology in agreement with the Appropriate Minister.

A Technological Zone BoD shall include (i) representatives of the bodies concerned with the activity licensed to be carried on within the Technological Zone, (ii) the body having jurisdiction over the land, (iii) the Ministry of Finance, (iv) one or more members from among the representatives of the bodies licensed to develop the Technological Zone and the investors of the Technological Zone, (v) one or more experienced members, (vi) bodies concerned with supporting and funding projects, and (vii) representatives of any other bodies deemed fit by the Minister of Communications and Information Technology in agreement with the Appropriate Minister to be included in the Technological Zone BoD.

## **Article 73**

A Technological Zone BoD may pass all resolutions and procedures necessary for managing and regulating work within the Technological Zone, approve the setting up of Investment Projects, and may in particular:



1. Set such conditions, standards and rules relating to the general and detailed planning of such Technological Zone, and to the building process therein, in a way that would ensure compliance with the international levels and standards, and that would boost Technological Zones competitiveness, without prejudice to the provisions of the foregoing Building Code;
2. Set such conditions and standards that are necessary for the issuance, suspension or revocation of the licenses establishing Investment Projects within the Technological Zone;
3. Set such conditions and standards required for granting environmental, occupational safety and health, and Civil Defense approvals, provided that such conditions and standards are not less than the requirements stipulated in the laws regulating this respect and that such conditions and standards are set in coordination with the bodies concerned;
4. Approve projects in accordance with conditions and standards approved by GAFI BoD;
5. License the establishment and management of public utilities and infrastructure, and grant all other licenses to the projects of such Technological Zone;
6. Overcome obstacles, whether internally or elsewhere, impeding Technological Zones Developers and Investors in course of dealing with the bodies concerned; and
7. Follow up on Technological Zones implementation progress and that of the projects operating therein.

A Technological Zone BoD shall submit to GAFI BoD quarterly reports on (i) the Technological Zone implementation progress, (ii) the Developer's extent of compliance with the schedule specified in the decree establishing the Technological Zone (iii) obstacles that might be facing the Technological Zone or the projects operating therein, and the actions taken in respect thereof; and (iv) the Technological Zone BoD extent of compliance with controls and standards approved by GAFI BoD in respect of engagement in activity within the Technological Zone.



# Chapter III

## Free Zones

### Article 74

A permanent technical committee concerned with free zones affairs shall be formed at GAFI upon a decision of GAFI CEO, which shall set out the scope of competence of such committee. The committee shall look into what may be submitted thereto, and may in particular:

1. Develop such Free Zones policies that are to be proposed to GAFI BoD;
2. Assess application forms for setting up Public Free Zones projects;
3. Approve the amendment of articles of association of companies and legal structures thereof, extend companies lifetime, and extend the effective period of licenses to operate and others before being proposed to the appropriate Free Zone BoD; and
4. Provide solutions to problems and overcome obstacles impeding the Investment Projects of the Free Zones, in a way that would ensure implementation of GAFI's policy in respect of promotion and attraction of Investments.

The committee shall meet on a weekly basis, and shall, with the authorization of the appropriate Free Zone management, inform the Investors of such committee's resolutions within three (3) days from the day on which the resolutions have been approved.

### Article 75

Upon a proposal of the Appropriate Minister, the Council of Ministers shall issue a decree approving the establishment of Private Free Zones.

GAFI BoD shall pass a resolution setting out the procedures for obtainment, renewal and amendment of Investment Projects licenses to operate.

An appropriate Free Zone BoD Chairperson shall pass a decision granting license to operate to an Investment Project and approving the Investment Project site, provided that the license to operate includes a statement of the objects of the Investment Project, the effective term and limitations

of such license, and the collateral amount to be paid to GAFI against potential liabilities to be incurred by the Investment Project. The Free Zone BoD Chairperson shall have competence to look into the renewal of the aforementioned license and amendments thereof.

## **Article 76<sup>1</sup>**

Council of Ministers may, based on Appropriate Minister's recommendation and GAFI's assessment, approve setting up Private Free Zones, subject to the following conditions:

1. The project must be either a joint stock company or a limited liability company.
2. The percentage of the local components must reach at least thirty percent (30%) within three (3) years from operations start date.
3. The percentage of the exports abroad must be at least eighty percent (80%), exception being made for strategic projects of special importance.
4. Private Free Zone projects must observe the regulations of the industrial safety, fire and civil defense, as set under the applicable Egyptian Code in this respect or as set under the decrees issued by the minister concerned with industrial affairs in respect of industrial establishments. Private Free Zone projects shall, at their own expense, secure their facilities and the boundaries thereof by guard towers, surveillance cameras, and security individuals from among GAFI and ports security personnel.
5. GAFI shall, as per the mechanisms set by GAFI BoD and approved by Council of Ministers, follow up on the activities of Private Free Zones projects in a way that would guarantee the projects' proper functioning and assure compliance with the applicable procedures in respect of carrying on the activities. The appropriate zone management shall submit periodical reports to such zone's BoD that shall ascertain whether or not it is feasible for the projects to continue operating under the Private Free Zones Framework. All Free Zones projects shall put all records and invoices at the disposal of GAFI during inspection and

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<sup>1</sup> The article is replaced by virtue of Prime Minister Decree No. 2140 of 2023.



follow-up processes. GAFI may, at its discretion, use the services of any relevant bodies in this regard. A final approval on a project shall be null and void, should Investor fail to demonstrate seriousness in carrying out implementing procedures including, inter alia, (i) starting incorporation procedures; (ii) submitting the engineering drawings; (iii) obtaining from the bodies concerned such approvals that are required to complete setting up the project; and (iv) providing the action plan for operations start, within six (6) months from the day on which Investor is served a notice to the effect that the project is approved. This six-month time limit may be extended for another, if the persons concerned provide such justifications that the Free Zone BoD deems acceptable at its discretion.

Council of Ministers may, upon the considerations it takes into account at its own discretion on a case-by-case basis, the recommendation of the Appropriate Minister, and the approval of GAFI BoD, exempt a project from one or more of said conditions.”

### **Article (76 bis.)<sup>1</sup>**

As an exception from the restrictions set forth in Article (76) hereof except for Item (5) thereof, Council of Ministers may, based on Appropriate Minister's recommendation and GAFI's assessment, approve setting up service Private Free Zones consisting of a principal service project that undertakes setting up, developing, managing, and giving space to other subsidiary service projects carrying on under the Private Free Zones Framework similar business activities from among those specified in Article (1) hereof. Such approval may be granted, subject to the following conditions:

1. The principal project in the service Private Free Zone must be a joint stock or a limited liability company.
2. The principal project in said zone must comply with the Civil Defense and Fire Department regulations as set under the applicable Egyptian Code in this respect.
3. GAFI BoD shall, in a resolution approved by Council of Minister based on the Appropriate Minister's recommendation, lay down the conditions and procedures to be followed in setting up the subsidiary service projects within the service Private Free Zone.

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<sup>1</sup> The article is added by virtue of Prime Minister Decree No. 2140 of 2023.

4. The Public Free Zone BoD in whose geographical territory the service Private Free Zone is located shall have competence to approve setting up projects within such service Private Free Zone or revoke same. The Public Free Zone BoD Chairperson shall also have competence to grant said projects license-to-operate and to assess whether to renew or amend such license. The license-to-operate must include provisions specifying project objectives, term, limitations, as well as the collateral amount kept to satisfy any liabilities that might become payable by the project.

## **Article 77**

After the permanent technical committee concerned with Free Zones affairs assesses and gives opinion thereof on an application form for setting up an Investment Project, engagement in activities operating under the Free Zones System shall be in accordance with what has been licensed by the appropriate Public Free Zone BoD.

## **Article 78**

A Public Free Zone BoD shall have competence to grant final approval as well as cancel the same in respect of setting up projects. The Public Free Zone BoD Chairperson shall issue a decree granting projects license to operate in accordance with the rules specified by GAFI BoD. Such license to operate shall include a statement of the objects of the Investment Project, the effective term thereof, the boundaries of the site and the collateral amount to be paid to GAFI against potential liabilities to be incurred by the Investment Project and not to exceed two percent (2%) of the investment costs, provided that:

- a. In respect of the industrial and assembly projects, the cash collateral is one percent (1%) of the investment costs, provided further that such percentage does not exceed seventy five thousand dollars (\$75,000) or the equivalent thereof with the free currencies; and
- b. In respect of storage projects or projects, whose main activity does not require entry or exit of commodities, the collateral is two percent (2%) of the investment costs, provided further that such percentage does not



exceed a hundred and twenty five thousand dollars (\$125,000) or the equivalent thereof with the free currencies.

The amount of the collateral shall be recalculated every three (3) years based on the project investment costs as evidenced in the latest financial statements and the final accounts submitted to the appropriate Free Zone, or in the event that the project submitted a request having an impact on the investment costs thereof.

## **Article 79**

GAFI shall have the competence to value or approve increase of assets, liabilities, and contributions in kind provided as capitals for Free Zones projects, or provided upon merger or conversion of legal structure into a corporation; the internal regulations of the Free Zones shall specify all procedures and documents required for the valuation process, the manner of objection on the valuation, and the fees to be paid in return for the services rendered by the valuation committee.

## **Article 80**

A zone management shall announce and propose vacant areas and investment opportunities available therein to Investors. An Investor shall submit an application to the zone management indicating the object and the required surface area on which the Investor's project is wished to be set up; such application shall be the application form designated for this purpose. Allocation of said real property shall be based on the following criteria:

- 1- The object of the project (nature of business activity);
- 2- The capital and investment costs of the project;
- 3- The targeted employment volume; and
- 4- To what extent the surface area requested to be licensed fits the activity intended to be carried on.

## **Article 81**

A zone management shall submit the application of an Investment Project, after such an Investment Project have been initially approved, to such zone



BoD in order for the latter to decide on such application, after the relevant Investor has paid ten percent (10%) of the usufruct consideration, up to a maximum of one thousand dollars (\$1,000), as an advance payment demonstrating seriousness in execution of said Investment Project, provided that such amount is deducted from the usufruct consideration upon land being handed over. Such an amount may not be refunded in the event of failure to execute the Investment Project due to reasons related to the Investment Project. Such zone BoD resolutions shall be caused to be approved by GAFI CEO.

## **Article 82**

Within thirty (30) days from the day on which an Investor has been notified that the Investment Project thereof has been approved to be set up, such Investor shall head to zone management to receive the land allocated to such Investor, and sign, after payment of the specified usufruct consideration, the records of land allocation and usufruct contracts. The day of signing the records of land allocation and handover shall be deemed a duly served notice of land handover.

Should the person concerned fail to head to the management zone to receive the land within the aforementioned period, the issued approval shall be deemed as if not issued in the first place, unless the Investor provides justifications acceptable by the zone BoD.

Within ninety (90) days from the day on which the records of land handover have been signed, the licensee shall carry out the legal procedures prescribed for setting up the project, and launch the implementing phase as per the submitted schedule; otherwise the approval setting up the Investment Project shall be null and void. This period may be extended for another in light of the justifications provided by the Investor or the representative thereof and estimated by the respective zone BoD.

GAFI BoD shall specify the categories of the usufruct consideration per each square meter (m<sup>2</sup>) of land, allocated for Investment Projects within the Public Free Zones, based on the nature of each activity and the economic needs of each zone. GAFI BoD may, when necessary, reconsider such categories.



## Article 83

GAFI CEO may, when necessary, and after the approval of GAFI BoD, approve the completion or development of the infrastructure of Public Free Zones not owned by GAFI, provided any expenses incurred by GAFI shall revert thereto by deduction from the usufruct consideration collected from the projects set up within such zones for the benefit of the entity owning the land, subject to that:

- 1- GAFI makes an estimate of the required works for infrastructural completion or development, and specifies the value of costs thereof, and the method and period in which such costs are to be recovered, in accordance with the study conducted on the development works of each zone separately, and as per the applicable rules of the Free Zones owned by GAFI; and
- 2- The BoD of the Public Free Zone, which is not owned by GAFI, approves that GAFI shall carry out the required works in return for the specified value of costs and as per the specified methods of payment.

## Article 84

The licensed projects shall be confined to the surface areas allocated thereto. They may not store goods or scraps, or construct buildings or establishments outside the boundaries of such surface areas, and shall maintain the civilized appearance of the Public Free Zone. In the event of violation, the violator shall rectify such violation within the period specified by the zone management; otherwise the violation shall be rectified at the expense of the violator and, in such case, the violator shall pay double the occupancy consideration prescribed for the surface areas occupied without license, unless the zone BoD at its discretion, exempts the violator, based on the justifications provided thereby, from the said duplication of occupancy consideration.

The zone BoD may double the occupancy consideration, in the event of recurrence of violation, and the violator shall pay the doubled consideration without prejudice to the right of the zone BoD to claim compensation.

In the event that the project exploits surface areas allocated to other projects, a double occupancy consideration shall be paid by the project that has





exploited surface areas, and a sublease fee shall be imposed against the project to whom such exploited surface areas are allocated; this shall be in accordance with the rules specified by GAFI BoD.

## **Article 85**

Upon project cancellation or nullification of approval granted thereto, the project shall hand over the land allocated therefor free and clear of any occupancy to the respective zone management. Should the land site be occupied with buildings, facilities or assets, the project shall, at its own expense, within the period specified by the respective zone BoD, vacate such buildings, facilities or assets; which period may not exceed six (6) months from the date on which the project has been served a notice to vacate by virtue of a registered letter with an acknowledgment of receipt.

The project may, within the aforementioned period, assign the site, including the buildings and facilities thereon, to another existing and new an assignment consideration of one percent (1%) of the value of such buildings and facilities shall revert to GAFI that shall value the aforementioned buildings and facilities.

The project may assign such buildings and facilities to the respective zone management, and shall deposit the value thereof with GAFI in an account in favor of the Investor, after deducting the fees of the aforementioned assignment or any accruals due to GAFI, provided that any goods or assets, if any, shall be vacated by the project within the aforementioned period.

Should project fail to abide by the provisions of the previous two paragraphs, the respective zone BoD shall pass a resolution of administrative eviction and recovery of possession of the site. In the event that there are assets or goods on the site, the respective zone management and the Customs shall make and furnish an inventory of such assets, and surrender such assets, to the customs department concerned, which shall either maintain such assets temporarily or sell the same in accordance with the Customs Law provisions on the abandoned or unclaimed goods, and shall deposit such price in an account with GAFI in favor of the Investor



## Article 86

Goods imported under the Free Zones System shall be incorporated in the packing lists with an express stipulation in such lists, bills of lading and invoices that such goods are consigned to the Free Zone.

The Free Zone management may waive such condition, should such goods be imported in the name of the project, whether for its own account or for the account of third parties, provided that the project or the third parties have no business activities within the Country.

## Article 87

In respect of transporting and securing transit goods or goods consigned to the Free Zones located within customs zones, the following procedures shall apply:

- 1- Using application form designated for this purpose, the project shall furnish to the zone management concerned a declaration in original and one copy to the effect that the goods are consigned to the Free Zones; the shipping delivery order shall be attached to such declaration;
- 2- The zone management shall endorse the original of the declaration to the effect that the project operates under the Free Zones System, and that the goods contained in the declaration are necessary items for the licensed activity. The original of the declaration shall be then referred to the customs department concerned for checking shipping documents and authorizing goods to be transported to the Free Zone, as per the direct transit system, subject to reconciliation, through and at the full liability of the shipping agency;
- 3- Immediately upon the arrival of goods to the Free Zone, the free zone management shall conduct an inspection, either through random sampling or detailed checking as the case may be. The customs department concerned shall be furnished with a copy of the inspection outcome. The goods shall then be handed over to the project officer in charge, and shall henceforth become in such officer's full custody and under full liability thereof; and

- 4- Machinery, equipment and means of transportation of special uses, except passenger vehicles released for Public and Private Free Zones, may be utilized within the customs zones located in seaports, should the nature of the activity licensed to the zone so require.

Should the foregoing items temporarily exit the Free Zone or the customs zone to enter the Country, and then return to the Free Zone, the guarantees, conditions and procedures to be laid down in a resolution of the Council of Ministers, issued upon a proposal of the Appropriate Minister and Minister of Finance, shall apply to such items.

## **Article 88**

In respect of transporting and securing goods consigned to the Free Zones having ports of their own, the following procedures shall apply:

- 1- Ship captains and aircraft pilots or representatives thereof (shipping agencies/airline offices) shall, within twenty-four (24) hours from the arrival of ship or aircraft, submit the packing list (manifest) of goods bound to the Free Zone to the customs department concerned;
- 2- The Free Zone management concerned shall notify the consignees concerned included in the packing list of the arrival of their consignments, instructing them to withdraw the same within forty-eight (48) hours from the date of notice, otherwise the Free Zone management may cause the consignment to be carried at the consignees' expense to such places as the Free Zone management concerned may decide;
- 3- The project shall submit an importation declaration, approved by the Free Zone management and enclosing the shipping delivery order, to the customs department concerned for registration and processing in accordance with the prescribed procedures for goods in transit; and
- 4- Following registration, the declaration shall be attached to the consignment documents while referred to the Free Zone management for inspection or detailed checking as the case may be. The goods shall then be handed over to the project, and shall henceforth become in such project's full custody and under full liability thereof. The Customs shall be furnished with a copy of the inspection outcome.



## Article 89

In respect of transporting and securing goods consigned to the Free Zones established within the Country, the following procedures shall apply:

- 1- A person concerned shall submit the following documents to the zone management concerned:
  - a. A declaration, in original and two (2) copies, of goods consigned to the Free Zones to be filled in the application form provided by GAFI; and
  - b. Consignment invoices and packing list.
- 2- The zone management shall endorse the original declaration to the effect that the project operates under the Free Zones System, and that the goods listed in the declaration are necessary items for the licensed activity. The original and the copy of the aforementioned declaration shall be submitted to the person concerned.
- 3- The original and the copy of the aforementioned declaration shall then be submitted to the customs department concerned for customs processing under a transit customs certificate, whereupon the goods are transported to the Free Zone.
- 4- Goods shall be delivered to the person concerned, together with the customs forwarding request and a copy of the importation declaration endorsed by the customs department concerned to the effect that transit procedures have been completed on goods sent to the Free Zone, for relocation to the Free Zone management, for completion of inspection and filling of inspection details in original and two (2) copies in the presence of the person concerned.
- 5- Forwarding request counterfoil shall, subject to approval, be returned enclosing a copy of the inspection details to the customs department concerned.

In all cases, the person concerned shall be held liable for any shortage, loss or damage that may be caused to the goods during transportation from the Customs to the Free Zone.

## Article 90

GAFI shall, upon the request of the person concerned, submit to the Egyptian Customs Authority a guarantee, as specified by the Egyptian Customs Authority, against the value of taxes and customs duties due on goods, during transportation of such goods from customs zones to the Free Zones, vice versa or between the Free Zones.

GAFI shall submit the aforementioned guarantee in return for collecting one per mille (0.001) of the value of such guarantee, subject to the submission by the project of an insurance policy, against theft, damage and fire risks, amounting to the total value of the guarantee.

## Article 91

Subject to the approval of the Prime Minister, the Appropriate Minister may, with the consent of the Investor, when it is necessary to meet the basic needs of the Country, allow commodities, materials, equipment and devices consigned to the Free Zones to be released from the customs zone to enter the Country, only after completion of all the customs and importation procedures, collection of taxes and customs duties due and full payment of GAFI's accruals.

## Article 92

All products of smoke, tobacco, chewing tobacco, *mu'assel*, snuff, cigarettes and cigars manufactured in the Free Zones shall hereby be banned from entering the Country.

## Article 93

In respect of consignments exported abroad by the projects licensed to operate in the Free Zones having ports of their own, or established within the customs zones or within the Country, the following procedures shall apply:

- 1- The person concerned shall, on the application form provided by GAFI, submit to the Free Zone management concerned, for checking and approval, an exportation declaration in original and two (2) copies, along with evidence on payment of the guarantee, submitted by GAFI upon the request of such person concerned, and the consignment invoice.



- 2- A committee of the Customs and the zone management shall, in the presence of the project representative, inspect the consignment and check it against the documents submitted by the project. The inspection outcome shall be inscribed on the original declaration, which shall be submitted to the customs department concerned for processing as required and issuance of the exportation release permit.
- 3- Parcels shall, under the customs supervision, be packed, lead-stamped and dispatched to the exportation port.
- 4- The exportation customs department shall annotate on the exportation declaration copy attached to the goods that the exportation process has been effected. The declaration shall be then handed over to the person concerned who shall return the same to the Free Zone within fifteen (15) days.

## **Article 94**

Goods may be circulated among projects within the same Free Zone or from one Free Zone to another, whenever required in the interest of realizing the objects licensed for such projects.

Circulation of goods among projects within a Public Free Zone or among various Free Zones shall be subject to the approval of the Free Zones managements concerned.

## **Article 95**

A project or an establishment licensed in the Free Zones shall be fully liable to any shortage, loss or change in the type, number or weight fixed upon storage of goods or products, unless such shortage, loss or change was caused by the nature of such item or as a result of force majeure or fortuitous events. The zone management concerned may demand taxes and customs duties to be paid, in addition to penalty for any such shortage or excess as it may deem unacceptable in said goods and products, subject to the rules and limits to be laid down by a resolution of GAFI BoD.

The aforementioned provisions may not apply on loss resulting from industrial processing in accordance with the applicable technical ratios in this respect.

## Article 96

With the exception of banned plants and farm products, and those infected with deleterious plant epidemic, goods and products may not be subject to any specified time limits as regards period of retention within the Free Zones.

As an exception to the provision of the preceding paragraph, a Public Free Zone management may order some of these goods, commodities or products to be dispatched out and sold for the account of their respective owners and taxes and customs duties deducted, or order the destruction thereof in the following events:

- 1- If such items are perishable or dangerous to public health as may be decided by the appropriate public authorities;
- 2- If the consignments existing in the zone will be adversely affected by such items continued presence within the zone; or
- 3- If, for any reason, the activity of the project or establishment is suspended for a time period justifying that such items or commodities must not be retained within the zone.

In all cases, the zone management may not enforce such order at the expense of the project or the establishment, unless such project or establishment has refused to execute the issued written order to carry away from the zone or destroy such items within the time limit specified by the zone management.

## Article 97

A Public Free Zone management may, upon an application being made by a project or an establishment, authorize stored goods or products to be destroyed. Application for destruction shall be submitted to the zone management, and shall comprise the reasons justifying destruction as well as type, description, quantities, weights, value and importation date of goods or products to be destroyed.

A Free Zone BoD Chairperson shall decide on the application, subject to scrutiny and verification of reasons and data contained therein, and subject to inspection of the items to be destroyed by a committee, to be formed by a decision of such Chairperson, which shall report on the items approved to be destroyed as well as the date, place and manner of so doing, in such a



way as to ensure safety and security, and avoid any threat to public health.

Specialized technical expertise may, whenever necessary, be invited to participate in the inspection committee, verify the data contained in the said application for destruction and give opinion on the manner of destruction.

## **Article 98**

Goods and products specified in the permit shall be destroyed in the time, place and manner specified, in the presence of Appropriate Bodies Representatives as well as the representative of the project or the establishment. Quantities already destroyed shall be deducted from the balances of the project or the establishment registered on the books of such project or establishment. Procedures completed shall be entered into a verbal process.

## **Article 99**

GAFI may, upon an application being made in writing by the person concerned, authorize the admission of local and foreign goods, materials, parts and raw materials, owned by the project or third parties, from within the Country to the Free Zone on a temporary basis for repair or industrial processing and later repatriation into the Country, without having to be subject to applicable importation rules. These rules shall apply to goods and raw materials, whereon manufacturing processes were conducted, upon repatriation into the Country.

The application shall be submitted along with a declaration containing (i) a description and quantities of items, (ii) type of processes to be undertaken, whether for the purpose of repairing or industrially processing such items, (iii) the estimated value of the foregoing, (iv) ratios of expected waste in case of industrial processing as per the universally-acknowledged technical ratios, (v) type and value of foreign-made materials included in the industrial processing, and (vi) the fixed date for withdrawing completed items. The original declaration shall be caused to be approved by the Free Zone management concerned that shall retain a copy thereof.

The declaration shall be submitted along with an undertaking by the project to return the items from the Free Zone into the Country following repair or



processing, or to complete customs, exportation and monetary procedures, should the project elect to export the items abroad.

GAFI shall decide on the application within a period not exceeding three (3) days from the date of the completion of documents and the conducting of necessary inspections.

## **Article 100**

An application for dispatch out of the Free Zone and repatriation into the Country shall be submitted by the person concerned to GAFI, after repairs and industrial processing have been made. The application shall indicate (i) the works effected and the value thereof, (ii) the value of foreign materials used in such works, (iii) the period of completing the works, and (iv) the shape of items after processing. Enclosed with the application shall be a copy of the admission application, a declaration to the effect that such are the very items earlier permitted for admission into the zone and the repair or industrial processing invoice. The original declaration shall be caused to be approved by the zone management that shall retain a copy thereof.

## **Article 101**

The items referred to in the preceding Article (100) shall, in the presence of the person concerned, be inspected by a joint committee of the zone management and the Customs, which shall verify the accuracy of data against the submitted documents. A decision to release items shall be issued subject to payment of the prescribed taxes and customs duties. The project shall submit the endorsed original declaration to the customs department concerned for necessary customs processing. The project shall keep a copy for submission together with other documents, when readmitting items into the country. Items shall be handed over to and shall remain in the full custody and under full liability of the project representative pending repatriation.

## **Article 102**

A Public Free Zone project licensed to undertake repair and industrial processing operations shall assign from among the warehouses thereof separate warehouses for goods, materials, parts and raw materials to be



repaired or processed, and shall maintain a separate account for such activity other than the account of the main activity licensed to such project, in such a way as to ensure that individual results will be shown for each activity separately.

### **Article 103**

Dispatching plain packages, empty cans, damaged products rendered unfit for exportation as well as processing leftovers out of the Free Zones into the Country shall be subject to the approval of the Free Zone management. The project shall submit to the customs department concerned a statement of such items endorsed, based on such approval, by the free zone management concerned for completing customs processing, inspection, reconciliation, collection of taxes and customs duties due and allowing exit of items.

Materials and wastes resulting from the activities of projects operating within the Free Zones may be admitted into the Country, whenever such admission is for the purpose of getting rid of or recycling such materials and wastes, in accordance with the safe ways and means set forth under the Environment Law, and at the expense of the person concerned.

### **Article 104**

GAFI's accruals payable by Free Zones projects may be collected in any foreign currency accepted by the Egyptian banks.

### **Article 105**

Subject to the provisions of articles (41) and (44) of the aforementioned Investment Law, the prescribed fee shall be collected as follows:

#### **I. In respect of Public Free Zones Projects:**

- Storage projects shall, upon entry of goods consigned to the Free Zones for the account of such projects, be subject to a fee of two percent (2%) of the value, calculated based on CIF value or the Customs valuation of such goods, whichever amount is higher, and to a fee of two percent (2%) of the value of purchases in direct supply operations comprising goods purchase and sale;

- Manufacturing and assembly projects shall, upon commodity exit, be subject to a fee of one percent (1%) of such commodity, calculated based on the FOB value thereof, and to a fee of one percent (1%) of the operating value of industrial processing or supplementary processes carried out on goods and materials being toll-manufactured within the Free Zones; and
- Projects, whose main activity does not require entry or exit of commodities, shall be subject to a fee of one percent (1%) of the total revenues generated thereby, without deduction of any charges in return for obtainment of such revenues, and to a fee of one percent (1%) of the value of commission in direct supply operations restricted to the collection of brokerage commission, provided that the fee set forth in this paragraph is collected biannually based on the statement of revenues provided by the project in respect of the relevant period;

## **II. In respect of Private Free Zones Projects:**

- Manufacturing and assembly projects shall be subject to a fee of one percent (1%) of the total revenues generated thereby, upon exportation of commodities abroad, as evidenced by the customs document so indicating, and to a fee of one percent (1%) of the operating value of industrial processing or supplementary processes carried out on goods and materials being toll-manufactured within the Free Zones;
- Manufacturing and assembly projects shall be subject to a fee of two percent (2%) of the total revenues generated thereby, upon entry of commodities into the Country, as evidenced by the sales invoice;
- Storage projects shall be subject to a fee of two percent (2%) of the total revenues generated thereby upon exportation of commodities as evidenced by the sales invoice; and
- Projects, whose main activity does not require entry or exit of commodities, shall be subject to a fee of two percent (2%) of the total revenues generated thereby, without deduction of any charges in return for obtainment of such revenues, and to a fee of two percent (2%) of the value of commission in direct supply operations restricted to the collection of brokerage commission, provided that the fee set forth in this



paragraph is collected biannually based on the statement of revenues provided by the project in respect of the relevant period.

The collected fees, set forth in Item (II) of this Article (105), shall be biannually distributed on a fifty-fifty basis between GAFI and the Ministry of Finance.

Direct transit goods consigned to zones having ports of their own shall be exempted from payment of such fee, provided that the final destination of such goods is expressly stipulated in the documents of the consignment, and that the consignment is re-exported to another country.

In all cases, final settlement of the fee due shall be based upon the type of the activity of the project as evidenced by the financial statements thereof and the notes complementing the same that are certified by a chartered accountant, exception being made for the previously mentioned fees.

## **Article 106**

Projects carrying on activity under the Free Zones System shall provide the Free Zone management concerned, the Ministry of Finance, and the Ministry of Investment and International Cooperation with a copy of the financial statements and the notes thereto approved by a chartered accountant within ninety (90) days following expiry of the fiscal year of the project.

The Free Zone management concerned shall have the right to inspect and audit the items of the financial statements and the notes thereto, and demand the project submit the analytical data necessary for review audit purposes.

## **Article 107**

Free Zones projects shall, in return for the services provided by GAFI thereto, pay to GAFI a consideration. This consideration shall, in respect of industrial and assembly projects, be half per mille percent (0.0005%) of the issued capital of such projects, and shall, in respect of storage projects, services projects and projects licensed to carry on more than one activity, be one per mille percent (0.001%) of the issued capital of such projects, provided that the amount of the consideration does not exceed one hundred thousand Egyptian pounds (100,000), and that the consideration is paid with the freely convertible currency.

The service consideration shall be calculated for a full Gregorian year, except for the initial year, which shall be prorated to the period remaining from the date on which activity has been licensed to be carried on until the end of the Gregorian year.

## **Article 108**

The Free Zone management concerned shall collect GAFI's accruals due on the project by deducting the same from the financial guarantee provided by the project, should the project fail to pay within fifteen (15) days from the date on which such project has been notified by virtue of a registered letter with an acknowledgement of receipt to pay.

In such case, the project shall complete the value of the guarantee within fifteen (15) days from the date on which the same has been notified to that effect by virtue of a registered letter with an acknowledgment of receipt. Should the value of the guarantee remain uncompleted, this matter shall be brought before the Free Zone BoD who shall decide thereon.

## **Article 109**

An Investor shall provide a comprehensive insurance on all buildings, machinery and equipment against all accidents and risks arising out of engagement in a licensed activity, provided that the insurance policy is issued by one of the companies licensed to operate in the Arab Republic of Egypt.

In the event where an accident or a risk being insured against occurs, and the insured buildings and establishments have become jeopardizing assets and lives or the surrounding projects, the Free Zone BoD may issue a reasoned resolution obligating the project to remove such buildings and establishments. Investor or a representative thereof shall be notified, by virtue of a registered letter with an acknowledgment of receipt, of such resolution within one (1) week from the date on which such resolution has been passed. When necessary, the Free Zone management may shorten that time limit.

Investor shall, at Investor's own expense and within the time limit to be specified by the zone management, implement the resolution of removal. Should Investor fail to implement such resolution, the Zone BoD may



suspend or cancel the project, depending on the gravity of threat such buildings and establishments pose if remained unremoved.

## **Article 110**

Projects shall annually make an inventory of assets thereof, in the presence of the representatives of the Free Zone concerned and the bodies concerned representatives deemed by the zone management fit to attend the making of such inventory. The Free Zone management may conduct total or partial inventory of any item, whenever circumstances so require. In the event of any unaccounted shortage or excess, such shall be entered into a verbal process, which shall include in detail the item, quantity and weight, as well as the date of the inventory. The representative of the project, the representative of the Free Zone and the representative of body engaged by the zone management shall sign on the verbal process.

The project shall place the records and the books at the disposal of the zone management for inspection and reconciliation. In the event of unaccounted shortage or excess, the zone management shall notify the Customs to collect the taxes, customs duties and fines prescribed by the Customs Law.

## **Article 111**

Should a project be in violation of the provisions of the Investment Law, these Executive Regulations, the bylaws of the Free Zone, the license conditions or the decisions of the Free Zone, and fail to rectify the violation within the time limit specified by GAFI, GAFI may suspend the activity of such project for a certain period or revoke the license granted thereto, depending upon the gravity of the violation, the circumstances in which the violation has been committed and the extent of damage caused to the national economy.

## **Article 112**

In the event of revocation of approval granted to the project, the Investor shall carry out the liquidation proceedings, and terminate the physical presence of activity in accordance with the controls set out by the bylaws of the Free Zone.

## Article 113

A licensee shall, upon employing any person to work therefor in the Free Zone, enter into an employment contract of four duplicates; two for the two parties, a duplicate to the Free Zone management and a duplicate to the zone labor office. In case the contract was entered into in a foreign language, an Arabic translation of the contract shall be attached to each of the two duplicates.

A licensee shall maintain the criminal record and a copy of the personal identity (national identity card or passport) and shall communicate with the Free Zone management to obtain an entry permit to the Free Zone for the worker.

A licensee shall provide social insurance to workers therefor. The appropriate social insurance office shall be notified of an application for insurance on a worker enclosing a duplicate of the employment contract, provided that the National Organization for Social Insurance is furnished with an annual statement listing the names of workers in the Free Zone projects, along with the wages, dates of employment and dates of end of service of such workers.

## Article 114

The Labor Law provisions on the social and medical services necessary for workers protection during work shall apply to the workers of the Free Zones licensed establishments, without prejudice to any more favorable privileges accorded by the systems of such establishments. The Free Zones bylaws shall regulate the affairs of the workers of such projects, and shall include, in particular, the following:

- a. Percentage of Egyptian workers which may not be less than eighty percent (80%) of the project workers;
- b. Minimum wages which may not be less than the minimum applicable wages outside the Free Zone within Egypt;
- c. Daily working hours and weekends, which may not exceed forty-eight (48) hours per week;
- d. Overtime working hours and accrued payments thereof; and



- e. Social and medical services provided by the projects for the workers and the precautions necessary for the protection of such workers during work.

## **Article 115**

GAFI shall set up security and monitoring systems to realize the security and safety of individuals, projects, establishments, commodities and goods inside the Public Free Zones in a way as to maintain such zones and prevent crimes, and shall procure fire extinguishers and maintenance thereof.

## **Article 116**

GAFI or the head of the Public Free Zone concerned, as the case may be, shall grant entry permits into the Free Zone to each of the following:

- 1- Employers or representatives thereof upon acceptance of the applications submitted by such employers or representatives; such permits shall be granted for a term similar to that specified in the license to operate;
- 2- Workers in projects and establishments licensed to carry on activity in the Free Zone as per the applications submitted by the employers; such permits shall be issued for period of one (1) year that may be renewed;
- 3- GAFI personnel whose job tasks require entry into the Free Zone; and
- 4- Persons who shall, when appropriate, temporally and irregularly enter the Free Zone in accordance with the rules to be issued by a resolution of GAFI.

## **Article 117**

Entry or residence permits shall be cancelled:

- 1- If permit holder is sentenced in or attempts at a smuggling or theft felony or crime;
- 2- If permit holder's service or employment at the project or establishment for which such permit holder works has been terminated; or
- 3- If the permit holder's activity licensed to be carried on within the Free Zone has been terminated or suspended.





## Article 118

The permit may be cancelled:

- 1- If permit holder assaults or resists any of the public authorities officers or judicial officers, or obstructs GAFI personnel from performing their duties; or
- 2- If permit holder violates the provisions of law, these Executive Regulations or any other regulations, decisions or instructions issued by GAFI.

## Article 119

A person who desires to permanently carry on a profession or occupation in the Public Free Zone on his own shall submit an application to the CEO of the Free Zone in order to obtain the license.

The license shall be issued in consideration of a fee of five thousand Egyptian pounds (EGP 5,000) per year.

The licensee shall, within the sixty (60) days following the issuance of license, submit to GAFI the commercial registration number or professional practice license, as the case may be, and a copy of the tax card showing the new business activity within the zone. License shall be voided if the aforementioned items are not submitted on the set date.

## Article 120

GAFI CEO may license the conversion of projects set up under the Public Free Zone System to the Internal Investment System in accordance with the conditions and procedures laid down by GAFI BoD, and particularly subject to that:

- 1- The project has operated under the Free Zone System for at least one (1) year;
- 2- In respect of projects established in the Public Free Zones, activity is carried on outside the geographic boundaries of the Free Zone; and
- 3- In respect of carrying on activity under the Free Zones System, the accruals of GAFI and other governmental bodies have been be paid.



Projects operating within the Private Free Zones shall be converted to the Internal Investment System in accordance with the two conditions (1) and (3) above, together with the other conditions and procedures to be laid down by GAFI BoD in this regard and issued by a decree of the Council of Ministers upon a proposal of the Appropriate Minister.



# **Part V**

## **Regulation of Investment Environment**

### **Chapter I**

#### **Bodies in Charge of Investment Affairs**

#### **Article 121**

GAFI BoD shall, upon the invitation of GAFI BoD Chairperson, convene at least once every month. GAFI BoD meeting may not be valid unless attended by at least two-thirds of members thereof. GAFI BoD may convene partially or fully using one of the modern means of technology (Conference Call/ Video Conference Call), in which case, each member shall send opinion thereof on the adopted resolutions via e-mail, which shall be duly signed electronically, or any other means, within a period not exceeding forty-eight (48) hours from the date of convening. Should a member fail to send opinion thereof within the specified period, this shall be deemed an approval on such member's part to the form and content of the minutes of the respective meeting.

GAFI BoD may constitute from among the members thereof one or more committee(s) to be assigned a specific task.

GAFI BoD Chairperson may, when necessary, invite experts deemed thereby fit to attend meetings; however, such experts may not have a counted vote in GAFI BoD resolutions.

GAFI BoD resolutions shall be passed by majority of votes of attending members. In case of a tie, GAFI BoD Chairperson shall have the casting vote. GAFI CEO shall implement GAFI BoD resolutions.

#### **Article 122**

GAFI BoD shall have a technical secretariat to be composed of a chairperson and a sufficient number of GAFI personnel; a decision on the selection and the financial remuneration of such chairperson and personnel shall be issued by GAFI BoD Chairperson upon a proposal of GAFI CEO.



The technical secretariat shall prepare the subject matters and the agenda for approval by GAFI BoD Chairperson, send invitations to members and invitees, as the case may be, and maintain for the purpose of recording GAFI BoD minutes of meeting and resolutions regular books to that effect.

## **Article 123**

GAFI BoD Chairperson shall propose the agenda of the meeting for discussion and adoption of such resolutions as deemed fit by GAFI BoD.

GAFI BoD Chairperson may, at discretion thereof, propose to GAFI BoD any new business.

Without prejudice to the publicity of GAFI BoD resolutions, GAFI BoD discussions shall be confidential, and may not be disclosed except with the permission of GAFI BoD Chairperson or of the investigation and prosecution bodies. The technical secretariat shall provide a detailed summary of such discussions, the volume of votes and the resolution passed in that respect in minutes of meeting to be approved by the Appropriate Minister.

When necessary, the technical secretariat may, upon the approval of GAFI BoD Chairperson, send a brief, comprising justifications and evidences, on the matter in respect of which a resolution is required to be passed, to all GAFI BoD members using either of the following means: (delivery in person, fax or e-mail). GAFI BoD members shall provide opinions thereof in that respect using either of the aforementioned means, and in which case, GAFI BoD resolution shall be passed upon the approval of all members thereof, provided that GAFI BoD is informed of all actions taken in that respect during the first subsequent GAFI BoD meeting.

## **Article 124**

Should a company or an establishment be in violation of the provisions of the Investment Law, GAFI CEO or a representative thereof shall notify such company or establishment to rectify the violation within a period not exceeding fifteen (15) business days from the date of service of notice.

Should such company or establishment fail to rectify the violation within the specified time limit in the notice, GAFI CEO may, upon the approval of GAFI BoD, issue a decision suspending the activity of such company or

establishment for a period not exceeding ninety (90) days. The decision effecting the suspension shall indicate all actions taken. Should such company or establishment continue to be in the same violation or commit other violations within one (1) year from the date of notice of the former violation, GAFI CEO may, upon the approval of GAFI BoD, take any of the following actions depending upon the gravity and the recurrence of violations:

- a. Suspension of the stipulated incentives and exemptions;
- b. Reduction of the term of the stipulated incentives and exemptions;
- c. Termination of the stipulated incentives and exemptions, including any implications to which such termination should give rise in respect of the approvals and licenses issued to such company or establishment; and
- d. Revocation of the license to operate.

In respect of violations jeopardizing the public health or safety, or the national security, GAFI CEO may, after having notified GAFI BoD, issue a decision suspending the activity of such company or establishment for period of ninety (90) days. Should such company or establishment continue to be in violation or commit another violation within one (1) year from the date of the former violation, GAFI CEO may revoke the license of such company or establishment.

## **Article 125**

GAFI may assign the mission of implementing the plan thereof in respect of promotion of available investment opportunities domestically and abroad to companies specialized in the field of promotion. A company wishing to carry on this activity shall be a joint-stock company. The activity of such company shall be limited to the marketing and promotion of zones development and attraction of Investors.

Companies specialized in the aforementioned field and satisfying such financial and technical requirements to be issued by a GAFI BoD resolution as are necessary for engagement into a contract with such companies shall be listed in a record to be kept at GAFI.



## Article 126

The companies shall submit an annual statement as of the fiscal year subsequent to production/activity commencement date. The annual statement shall include the following information:

- The volume of investments of the company;
- The financial statements;
- Number, positions and nationalities of employees and total wages thereof;
- The capital as evidenced by the latest budget, and the investment cost;
- The company main place of business and the site on which the activity is carried on;
- The type of incentives accorded to the company;
- Names of company partners, shareholders or owners;
- The commercial and tax registration number;
- A statement on the system adopted by the company in the field of social development outside the investment project; and
- The approved object and the object, which is accorded incentives.

## Article (126 bis)<sup>1</sup>

In the application of the provision of Article (74) of the aforementioned Investment Law, the terms “Public Entities” and “Private Entities” shall have the following meanings:

Public Entities: means ministries, public bodies, governorates, and other public legal persons having jurisdiction to grant companies and establishments licenses required for incorporation and carrying on business or to supervise and oversee such companies and establishments in accordance with special laws or decrees, or international agreements or contracts, including, without limitation, Ministry of Petroleum and Mineral Resources (“MPMR”); Ministry of Electricity and Renewable Energy (“MERE”); Central Bank of Egypt (CBE);

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<sup>1</sup> This article is added by virtue of Prime Minister Decree No. 2731 of 2019

Financial Regulatory Authority (FRA); Egyptian Stock Exchange; Industrial Development Authority (IDA); and the authorities of the economic zones of special nature. Misr for Central Clearing, Depository and Registry (“MCDR”) shall be deemed a Public Entity.

Private Entities: means all companies that have been or will be duly incorporated in the Arab Republic of Egypt irrespective of the legal framework whereby such companies are governed, and all investment projects governed by the aforementioned Investment Law and in which foreigners hold any number of shares.

### **Article (126 bis. A)<sup>1</sup>**

Without prejudice to the provisions of the Central Bank, Banking Sector and Money Law, Public Entities and Private Entities referred to in Article (126 bis) of these Executive Regulations shall, within the following time limits, provide GAFI with the information and data required to calculate the assets of direct and indirect foreign investments. In so doing, Public Entities and Private Entities shall fill up and send the forms and surveys to be set out by a decree of Prime Minister through the electronic system set up by GAFI for the calculation of foreign investment assets or through any other means, and during the following terms:

- I. In respect of Public Entities, quarterly periodic reports encompassing the available information and data in connection with the companies in which there is a foreign shareholding – be it by way of incorporation, change of capital or object, or change of company shareholders or BoD structure – shall be submitted within maximum thirty (30) days from the end of March, June, September, December per annum.

Quarterly periodic reports encompassing the information and data related to international agreements and contracts concluded with the foreign investors shall be submitted within maximum forty-five (45) days from the end of March, June, September, December per annum.

- II. In respect of Private Entities, reports shall be submitted within maximum thirty (30) days from the date of incorporation, change of capital or object, or change of company shareholders or BoD structure.

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<sup>1</sup> This article is added by virtue of Prime Minister Decree No. 2731 of 2019



Quarterly periodic reports shall be submitted within maximum forty-five (45) days as of every yearly quarter at the end of March, June, September, December per annum.

Annual periodic reports shall be submitted within the following four months as of the end of the fiscal year.





## **Chapter II**

# **Subsequent Monitoring, Inspection and Governance Procedures**

### **Article 127**

GAFI shall follow up on the implementation of the provisions of the Investment Law and these Executive Regulations. GAFI may, within the scope functions thereof, investigate any shareholder, partner or other stakeholder complaint relating to the implementation of the provisions of the Investment Law, and the Law on joint-stock companies, partnerships limited by shares and limited liability companies.

GAFI may, at discretion thereof, take any actions in respect of the violations revealed thereto, in accordance with the rules and procedures legally prescribed for GAFI.

GAFI CEO shall issue decisions relating to the streamlining and simplification of procedures to Investors and the replacement of books and papers with electronic means compatible with the technological development in such a way as to expedite provision of services to Investors in respect of all procedures falling within GAFI's scope of functions and including in particular:

1. Setting such controls and conditions that would streamline all procedures relating to the general meetings and the meetings of boards of directors of companies, and the ratification of minutes thereof, in terms of service provision time, the documents and other matters required for service provision and the electronic provision of service immediately after activation at GAFI;
2. Developing, standardizing and simplifying capital increase or decrease procedures, the financial valuation models as well as the process of validating the estimated values for such models, without prejudice to the scope of functions legally prescribed for FRA; and
3. Setting controls that would ensure separation of the regulation of investment procedures from subsequent monitoring over companies.

Without prejudice to any of the conditions stipulated in the other laws, GAFI BoD shall set such controls and conditions that are relating to inspection



procedures and subsequent monitoring over companies of any legal structure whatsoever.

## **Article 128**

In addition to GAFI's monitoring role, GAFI shall set such rules that would ensure that the principles and rules of governance, liabilities, guarantees and rights accorded by the law to companies be applied.

Such rules, controls and systems ensuring that the aforementioned principles be applied shall be issued under a resolution of GAFI BoD.

# Chapter III

## Grievances

### Article 129

One or more committee(s) («Grievance Committee») shall hereby be formed to look into grievances against the administrative resolutions passed in accordance with the provisions of the Investment Law and these Executive Regulations by GAFI or administrative bodies having competence to grant the approvals, permits and licenses.

Grievance Committee shall be constituted comprising a Justice of an authority from among the Judiciary as chairperson, the selection of whom shall be determined by the board of such authority, a GAFI representative and an expert as members.

A record designated for the listing of various fields experts shall be created at GAFI. From among said experts, an expert shall be appointed as a Grievance Committee member, provided that said member is specialized in the field being the subject matter of the grievance. Laying down the required controls and conditions for listing these experts shall be under a resolution to be issued by GAFI BoD.

A decision on Grievance Committee formation and code of procedure shall be issued by the Appropriate Minister.

### Article 130

Grievance shall be brought before the Grievance Committee within fifteen (15) days from the date of service of notice or knowledge of the decision being the subject matter of the grievance.

Grievance Committee shall convene at the headquarter of GAFI at least every fifteen (15) days. Should a Grievance Committee expert member excuse oneself from the Grievance Committee, the expert listed as next of the excused member in the record designated for that purpose shall be appointed by a decision of GAFI CEO.

Grievance Committee may communicate with the parties concerned and the appropriate administrative bodies to request clarifications, inquiries and



documents deemed necessary by Grievance Committee to decide on the grievance. Grievance Committee may use the various experiences and specializations of GAFI and of other administrative bodies

Grievance Committee shall decide on the grievance within thirty (30) days from the closing date of hearings and submissions. Grievance Committee's resolution shall include the reasons behind issuing the same. Grievance Committee resolution shall be final and binding on all Appropriate Bodies. The technical secretariat of the Grievance Committee shall, by virtue of registered letter with an acknowledgment of receipt, notify the parties concerned of the resolution thereof. The lapse of the aforementioned time limit without having decided on the grievance shall be deemed rejection of the grievance.

## **Article 131**

Grievance Committee shall have a technical secretariat; a decision on formation of which shall be issued by the Appropriate Minister. The technical secretariat shall be comprised of a sufficient number of specialized and full-time employees. Delegation into such secretariat shall be permissible.

The technical secretariat shall receive grievances on the application form designated for that purpose, and shall, upon receiving such grievances, list them in a record designated for that purpose. The technical secretariat shall give the grievant a receipt indicating the listing date and number, and shall in particular:

- 1- Create a grievance file and present it to the Chairperson of the Grievance Committee immediately after receiving the grievance in order for the Chairperson to arrange a hearing for looking into the grievance;
- 2- Notify the grievant of the hearing date using any of the notification means stipulated in Article (7) of these Executive Regulations before the hearing date by sufficient time, in order for the grievant to be present, either in person or by a legal representative thereof, before the Grievance Committee;
- 3- Undertake the tasks of the secretarial work of the Grievance Committee and write up the minutes of hearings of the Grievance Committee;

- 4- Undertake all administrative works relating the work of the Grievance Committee, and create a database of all grievances brought before the Grievance Committee and the resolutions passed thereon;
- 5- Notify the person concerned with an endorsed copy of the resolution passed by the Grievance Committee on the grievance, and the grounds substantiating such resolution; and
- 6- Carry out any other tasks assigned thereto by the Grievance Committee.

## **Article 132**

A grievance shall include, in particular, the following data:

- 1- Grievant name, capacity and address;
- 2- The resolution being subject matter of grievance, the issuance date thereof, and the date of service of notice or knowledge;
- 3- A brief on the subject matter of the grievance giving an account of the grounds substantiating such grievance;
- 4- Documents evidencing the grievance;
- 5- Payment receipt, to be specified by GAFI BoD, for the Grievance Committee services.

## **Article 133**

GAFI shall provide an electronic schedule to list the grievances. Such schedule shall include the grievance date; subject matter; the resolution being the subject matter of grievance; grievant name and capacity thereof; and the hearing date on which the grievance is to be looked into and postponements thereto. This schedule shall be linked to GAFI's official website on the internet.



# Relevant Cabinet decisions



# Prime Minister Decree No. 2732 of 2019

## Council of Ministers,

After having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017;

Executive Regulations of Investment Law issued by Prime Minister Decree No. 2310 of 2017;

After the approval of the Board of Directors of the General Authority for Investment and Free Zones (GAFI BoD);

After taking the opinion of the Central Bank of Egypt (CBE);

After taking the opinion of the Financial Regularity Authority (FRA);

Upon the recommendation of Competent Minister of Investment;

DECREED THE FOLLOWING:

### Clause (I)

The attached forms and questionnaires for receiving data and information necessary for calculating the assets of foreign direct and indirect investment, provided by private entities in accordance with Article (126) bis (a) of the aforementioned Executive Regulations of the Investment Law, shall be applied.

### Clause (II)

The present Decree shall in the Official Gazette be published and shall as of the day subsequent to the date of publication be enforced.

Presidency of the Council of Ministers

On Rabì I 9, 1441 A.H. (November 6, 2019 A.D.)

**Prime Minister,**  
**Dr. Mostafa Kamal Madbouly**



**Foreign Investment Statistics  
Establishment and Amendment Form**

(This form is to be completed within 30 days of establishment or amendment date)

**I. General Information:**

<b>1. Company Name</b>		
<b>2. Incorporation Date</b>		<b>3. Legal Form</b>
<b>4. Sector</b>		<b>5. Sub-sector</b>
<b>6. Management Address</b>		<b>7. Governorate</b>
<b>8. Site Address</b>		<b>9. Governorate</b>
<b>10. Telephone no</b>		<b>11. Website</b>
<b>12. Commercial Registration no</b>		<b>13. Tax Registration no</b>
<b>14. Financial Manager Name</b>		<b>15. Financial Manager Telephone no</b>
<b>16. Financial Manager Email</b>		
<b>17. Data Provider Name</b>		<b>18. Data Provider Position</b>
<b>19. Data Provider Telephone no</b>		<b>20. Data Provider Email</b>



## II. Shareholders Structure and Company's Capital:

21. Shareholder Structure*											
Shareholder Name	Nationality	Residency	Identification no (National ID - Passport no. - Commercial Registration no)	No. of Shares		Share %	Voting power %	Related with another Shareholder (Select the shareholder)	Board Representation %	Mother Company**	Country of the Mother Company
				Common	Preferred						
A. Foreign Shareholders											
B. Egyptian Shareholders											
	Egyptian										
	Egyptian										
	Egyptian										
Total						100%					



Shareholder Name	Nationality	Residency	Identification no (National ID - Passport no. - Commercial Registration no)	Current						Country of the Mother Company		
				No. of Shares		Share %	Voting power %	Related with another Shareholder (Select the shareholder)	Board Representation %		Mother Company**	
				Common	Preferred							
A. Foreign Shareholders												
B. Egyptian Shareholders												
	Egyptian											
	Egyptian											
	Egyptian											
Total						100%						

\* If the company is listed, please mention only the shareholders who own 2.5% or more of the shares. Unless, the voting power of the shareholder is 10% or more, or in case a grouped fellow enterprises or individuals own 10% or more.

\*\* If Mother Company is an SPV, then please state the Mother company of the SPV.

Disclosure Currency	EGP / USD / EUR / GBP / Other (please specify)		
Values in Thousands			
22. Capital	Item	Current	Previous
A. Issued Capital			
B. Paid-in Capital			
C. In case of Capital Expansion, please specify the source of expansion (more than one option can be selected)		1. Retained Earnings 2. Reserves 3. Cash 4. Shareholders Credit 5. Assets in kind 6. Merges and Acquisitions 7. Others (please mention)	

Please Attach the Quarterly Financial Statement if available

The Ministry of Investment and International Cooperation is committed to the confidentiality of the data provided in this form which will be used to calculate FDI statistics at the macro level.



## Foreign Investment Statistics Quarter Form

(This form is to be completed within 45 days of the end of each quarter)

Data Reference	Consolidated / Standalone
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If the Consolidated is selected, please list the names of subsidiaries of the holding company

### I. General Information:

1. Company Name	
2. Incorporation Date	3. Legal Form
4. Sector	5. Sub-sector
6. Management Address	7. Governorate
8. Site Address	9. Governorate
10. Telephone no	11. Website
12. Commercial Registration no	13. Tax Registration no
14. Financial Manager Name	15. Financial Manager Telephone no
16. Financial Manager Email	
17. Data Provider Name	18. Data Provider Position
19. Data Provider Telephone no	20. Data Provider Email

## II. Shareholders Structure and Company's Capital:

21. Shareholder Structure*											
Shareholder Name	Nationality	Residency	Identification no (National ID - Passport no. - Commercial Registration no)	No. of Shares		Share %	Voting power %	Related with another Shareholder (Select the shareholder)	Board Representation %	Mother Company **	Country of the Mother Company
				Common	Preferred						
<b>A. Foreign Shareholders</b>											
<b>B. Egyptian Shareholders</b>											
	Egyptian										
	Egyptian										
	Egyptian										
	<b>Total</b>					<b>100%</b>					

Shareholder Name	Nationality	Residency	Identification no (National ID - Passport no. - Commercial Registration no)	Current Quarter						Country of the Mother Company	
				No. of Shares		Share %	Voting power %	Related with another Shareholder (Select the shareholder)	Board Representation %		Mother Company**
				Common	Preferred						
A. Foreign Shareholders											
B. Egyptian Shareholders											
	Egyptian										
	Egyptian										
	Egyptian										
	Total					100%					

\* If the company is listed, please mention only the shareholders who own 2.5% or more of the shares. Unless, the voting power of the shareholder is 10% or more, or in case a grouped fellow enterprises or individuals own 10% or more.

\*\* If Mother Company is an SPV, then please state the Mother company of the SPV.

Disclosure Currency	EGP / USD / EUR / GBP / Other (please specify)	
Values in Thousands		
22. Equity		
Item	Current Quarter	Previous Quarter
A. Issued Capital		
B. Paid-in Capital		
C. In case of Capital Expansion, please specify the source of expansion (more than one option can be selected)	1. Retained Earnings 2. Reserves 3. Cash 4. Shareholders Credit 5. Assests in kind 6. Merges and Acquisitions 7. Others (please mention)	
D. Profit (Loss) from previous years		
E. Profit or Losses of the Period		
F. Reserves		
G. Dividends Paid (If Any)		
H. Treasury Stocks (-)		
*please specify the name of the shareholder(s) from whom the treasury stocks were Purchased		
I. Others		

### III. Transactions of Foreign Shareholders and/or their Related Parties:

23. Financial Transactions due to or due from Foreign Shareholders and their Related Parties:

Foreign Shareholder or Related Party Name	Shareholder Residency - Related Party Nationality	Shareholder in relation	Transaction Type	Due from shareholder or a Related Party	Due To shareholder or a Related Party
			Banks		
			Expenses Payment		
			Dividend Payable/Receivable		
			Interest on loans		
			Others (please specify)		

24. Other Transactions due to or due from Foreign Shareholders and their Related Parties:

Foreign Shareholder or Related Party Name	Shareholder Residency - Related Party Nationality	Shareholder in relation	Transaction Type	Due from shareholder or a Related Party	Due To shareholder or a Related Party
			Machinery and Equipment		
			Other (please specify)		

Please Attach the Quarterly Financial Statement if available

The Ministry of Investment and International Cooperation is committed to the confidentiality of the data provided in this form which will be used to calculate FDI statistics at the macro level.



**Foreign Investment Statistics  
Annual Form**

(This form is to be completed within 4 months of the end of the company's financial year)

Data Reference	Consolidated / Standalone
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If the Consolidated is selected, please list the names of subsidiaries of the holding company

**1. General Information:**

1. Company Name:			
2. Incorporation Date:	3. Legal Form		
4. Sector:	5. Sub-sector		
6. No. of Egyptian Employees/Workers:	Males	7. No. of Foreign Employees/Workers:	
	Females		
8. Management Address	9. Governorate		
10. Site Address	11. Governorate		
12. Telephone no	13. Website		
14. Commercial Registration no	15. Tax Registration no		
16. Financial Manager Name	17. Financial Manager Telephone no		
18. Financial Manager Email			
19. Data Provider Name	20. Data Provider Position		
21. Data Provider Telephone no.	22. Data Provider Email		

\* The Ministry of Investment and International Cooperation is committed to the confidentiality of the data provided in this form which will be used to calculate FDI statistics at the aggregate level.



## 2. Shareholders Structure:

Disclosure Currency	EGP / USD / EUR / GBP / other (please specify)	
Items	Current Year	Comparable Year
1. Authorized Capital:		
2. Issued Capital:		
3. Common shares book value Per share:		
4. Common shares market value per share(for listed companies only - free float):		
5. Preferred shares book value Per share:		
6. Preferred shares market value per share(for listed companies only - free float):		
7. Please Attach the latest Board of directors structure:		

Values in Thousands

Shareholder Name	Nationality	Residency	Comparable Year							
			Share %	Common	Preferred	Voting power %	Related with another Shareholder (Select the (shareholder	Mother Company **	Country of the Mother Company	
<b>A. Foreign Shareholders:</b>										
<b>B. Egyptian Shareholders:</b>										
	Egyptian									
	Egyptian									
<b>Total</b>			<b>100%</b>							



Shareholder Name	Nationality	Residency	Current Year							
			Share %	Common	Preferred	Voting power %	Related with another Shareholder (Select the shareholder)	Mother Company **	Country of the Mother Company	
:A. Foreign Shareholders										
:B. Egyptian Shareholders										
	Egyptian									
	Egyptian									
<b>Total</b>			<b>100%</b>							

\* If the company is listed, please mention only the shareholders who own 2.5% or more of the shares. Unless, the voting power of the shareholder is 10% or more, or in case a grouped fellow enterprises or individuals own 10% or more.

\*\* If Mother Company is an SPV, then please state the Mother company of the SPV.

### 3. Equity:

Item	Value in Thousands	
	Comparable Year	Current Year
1. Paid-in Capital		
2. Additional paid-in capital		
3. Retained Earnings		
3.1 Profit (Loss) of the year		
3.2 Profit (Loss) from previous years		
4. Reserves		
5. Treasury stocks (for Joint stock companies only)		
*please specify the name of the shareholder(s) from whom the treasury stocks were Purchased		
6. Others		
7. Total Equity		



4. Assets

in Thousands Value

1. Long-Term Assets		Previous Year	Current Year			
1.1 Fixed Assets						
1.2. Long-term equity Investments						
Item	Nature of the relationship	Name	Nationality	Investment Share%	Previous Year investment amount	Current Year investment amount
A. Investments issued by foreign DIE abroad	Shareholder					
	Related with another Shareholder (Select the shareholder)					
	Others					
B. Investments issued by resident entities			Egyptian			

1.3 Long-Term loans					
Item	Name	Nationality	Previous Year Loan value	Current Year Loan value	
A.To foreign direct investors					
B.To related parties of foreign direct investors (Select the shareholder)					
C. To other non-residents					
D.To residents (Egyptians)		Egyptian			
Item	Previous Year		Current Year		
1.4 Other Long-Term Assets					
1.5 Total Long-Term Assets					

## 2. Current Assets

Item	Previous Year	Current Year
<b>2.1 Inventory</b>		
<b>2.2 Shareholders Debit balances:</b>		
Shareholder Name	Previous Year	Current Year
<b>2.3 Short-Term Loans:</b>		
Item	Name	Nationality
A. To foreign direct investors		
B. To related parties of foreign direct investors (Select the shareholder)		
C. To other non-residents		
D. To residents (Egyptians)	Egyptian	



2.4 Amounts due to the Company				
Item	Name	Nationality	Previous Year	Current Year
A.To foreign direct investors				
B.To related parties of foreign direct investors (Select the shareholder)				
C. To other non-residents				
D.To residents (Egyptians)		Egyptian		
2.5 Other Financial Instruments (bonds&treasury bills ,etc.)				
Item	Name	Nationality	Previous Year	Current Year
A.issued by foreign direct investors				
B.issued by related parties of foreign direct investors (Select the shareholder)				
C. To other non-residents				
D.To residents (Egyptians)		Egyptian		

	Previous Year	Current Year
<b>2.6 Cash and cash equivalent</b>		
Cash in-hand		
Cash in banks		
<b>2.7 Other Current Assets</b>		
<b>2.8 Total Current Assets</b>		

## 5. Liabilities

Value in Thousands					
1. Current Liabilities					
1.1 Short-Term Loans					
Item	Name	Nationality	Previous year Loan amount	Current year Loan amount	
A.From foreign direct investors					
B.From related parties of foreign direct investors (Select the shareholder)					
C.From other non-residents					
D.From residents (Egyptians)		Egyptian			
1.2 Amounts due from the Company					
Item	Name	Nationality	Previous year	Current year	
A.From foreign direct investors					
B.From related parties of foreign direct investors (Select the shareholder)					
C.From other non-residents					
D.From residents (Egyptians)		Egyptian			
Item		Previous year		Current year	
1.3 Other Current Liabilities					
1.4 Total Current Liabilities					





## 6. Operational Data

Items	Value in Thousands	
	Previous Year	Current Year
<b>1. Revenue</b>		
1.1 Domestic Revenue		
1.2 Exports Revenue		
<b>2. Operating Costs</b>		
2.1 Raw Materials		
2.1.1 Domestic		
2.1.2 Imported		
2.2 Payroll		
2.2.1 Egyptian workers payroll		
2.2.2 Foreign workers payroll		
2.3 Depreciations		
2.4 Others		
<b>3. Operating Gross Profit (Revenue)</b>		

Items	Previous Year	Current Year
4. Non Operating Costs/Administrative Expenses		
4.1 Research & Development Expenses		
4.2 Depreciation of fixed assets		
4.3 Salaries		
4.3.1 Salaries of Egyptian employees		
4.3.2 Salaries of foreign employees		
4.4 Company participation in CSR projects		
4.5 Others		
5. Net Income before Interest & Taxes		
6. Interest		
7. Taxes		
8. Net Profit/Loss		
9. Dividends Declared		
10. Dividends Paid		

**7. Attached Documents**

<b>1. Please Upload annual financial statements including auditor's report and Explanatory notes</b>	
<b>2. Please Upload any other documents</b>	



# **Council of Ministers**

## **Decree No. 6 of 2020**

### **On Rules and Conditions of the Existing Investment Projects Expansions› Enjoyment of the Incentives Stipulated in Articles (11) and (13) of Investment Law**

#### **Council of Ministers,**

After having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No 269 of 2018 on the Ministerial Formation (as amended);

After having taken the opinion of Ministry of Finance; and

Upon the approval of Council of Ministers;

DECREED THE FOLLOWING:

#### **Clause (I)**

Expansions of existing Investment Projects shall enjoy the incentives stipulated in Articles (11) and (13) of the aforementioned Investment Law whenever the following rules and conditions are available:

- 1- Such project expansion is an activity from among the activities stipulated in Article (1) of the Executive Regulations of Investment Law;
- 2- Capital increase of Investment Project is endorsed in the Commercial Register at a date later than the date of entry into force of Investment Law;
- 3- Capital increase is used in adding new assets to Investment Project that would increase productivity of the project in a way that ensures the increase of production, taking into account that the valuation of such increase is made by the valuation committees of GAFI;
- 4- Separate and regular accounts and income statements are designated for such expansions; and



5- The enjoyment of incentives by Investment Project expansions is limited to the increase of production resulting from these expansions.

A resolution of technical standards and regulations needed to verify the availability of the rules and conditions stipulated in this Article shall be issued by GAFI BoD.

### **Clause (II)**

GAFI CEO or whomever thereby authorized shall, upon the verification of the completion of rules and conditions stipulated in Article (1) of the present Decree without requiring the consent of another body, issue the certificate needed by the investment expansion to enjoy the incentives aforementioned in accordance with a written request submitted by the legal representative of Investment Project attached thereto the documents to be specified under a Decree by GAFI CEO.

### **Clause (III)**

The present Decree shall in the Official Gazette be published and shall as of the day subsequent to the date of publication be enforced.

Prime Minister Office

On 22 Jumada II, 1441 A.H [16 February 2020 A.D].

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# **Council of Ministers Decree No. 7 of 2020**

## **Council of Ministers,**

After having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Ministerial Formation (as amended); and

Upon the approval of Council of Ministers;

DECREED THE FOLLOWING:

### **Clause (I)**

The following areas, as indicated in the attached investment map, shall, in the application of the provision of Article (11) of the aforementioned Investment Law, be designated as most in need of development sector (A) areas:

- The southern part of Giza governorate;
- Governorates of Suez Canal region: Port Said, Ismailia and Suez (East of Suez Canal);
- Border governorates including Red Sea and South Safaga; and
- Upper Egypt governorates.

A resolution of technical standards and regulations needed to verify the availability of the rules and conditions stipulated in this Article shall be issued by GAFI BoD.

### **Clause (II)**

The present Decree shall in the Official Gazette be published and shall as of the day subsequent to the date of publication be enforced.

Prime Minister Office,

On 22 Jumada II, 1441 A.H. [16 February 2020 A.D].

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# **Council of Ministers Decree No. 22 of 2020**

## **Council of Ministers,**

After having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Ministerial Formation (as amended); and

Upon the approval of Council of Ministers;

DECREED THE FOLLOWING:

### **Clause (I)**

Companies and establishments incorporation term referred to in the first paragraph of Item (2) of Article (12) of the aforementioned Investment Law shall be extended as of October 29, 2020 for three (3) years.

### **Clause (II)**

The present Decree shall in the Official Gazette be published and the Appropriate Bodies shall implement the same.

Prime Minister Office,

On 26 Shawwal, 1441 A.H. [18 June 2020 A.D].

**Prime Minister,**

**Dr. Mostafa Kamal Madbouly**



# **Prime Minister Decree No. 369 of 2020**

## **Council of Ministers,**

After having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers (as amended);

After the approval of the Board of Directors of the General Authority for Investment and Free Zones (GAFI BoD);

After taking the opinion of the Central Bank of Egypt (CBE); and

After taking the opinion of the Financial Regulatory Authority (FRA);

DECREED THE FOLLOWING:

### **Clause (I)**

The attached forms and questionnaires for receiving the data and information requisite for calculating the assets of foreign direct and indirect investment provided by public entities in accordance with Article (126) bis (a) of the Executive Regulations of the Investment Law issued by Prime Minister Decree No. 2310 of 2017.

### **Clause (II)**

The present Decree shall be published in the Official Gazette, and shall come into force the next day of publication thereof.

Presidency of the Council of Ministers

On Jumada II 17, 1441 A.H (February 11, 2020 A.D)

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**

(The forms and questionnaires attached to the present Decree can be read in the Arabic version of the Executive Regulations)



# Prime Minister Decree No. 104 of 2022

**Prime Minister,**

*After* having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Micro, Small and Medium Enterprises Development Law enacted by Law No. 152 of 2020;

Presidential Decree No. 269 of 2018 on the Ministerial Formation (as amended);

Prime Minister Decree No. 7 of 2020, in application of the provision of Article (11) of the aforementioned Investment Law, to designate sector (A) areas most in need of development;

Prime Minister Decree No. 3152 of 2019 on the Delegation of some the Powers vested in the Competent Minister of Investment to the Chief Executive Officer of the General Authority for Investment and Free Zones («GAFI CEO»);

In light of the joint proposal made by GAFI CEO, Minister of Finance, and Ministers competent to (Electricity and Renewable Energy, Petroleum and Mineral Resources, Tourism and antiquities, Planning and Economic Development, Communications and Information Technology (MCIT), Agriculture and Land Reclamation, Public Business Sector, Transportation, Trade and Industry) affairs; and

*Upon* the approval of Council of Ministers;

DECREED THE FOLLOWING:

## Clause (I)

The sub-sectors of investment activities shall be distributed in the geographical territory of Sectors (A) and (B) in accordance with the two attached tables.



## **Clause (II)**

The companies and establishments addressed by the provisions of the Decree shall obtain the required approvals, permits and licenses from the competent authorities according to the nature of each activity mentioned in the aforementioned tables.

## **Clause (III)**

The present Decree shall be promulgated in the Official Gazette, and shall come into force from the next day of publication thereof.

Council of Ministers,

On Jumada al-Akhira 1, 1443 A.H [January 4, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**

## Table (1)

Sub-sectors of Investment Activities within the Geographical Areas of Sector (A)

First: Industry	1. Supplying industries for new and renewable energy production projects:	1- Solar cells and their components and station components (inverter - fiber-optic filaments). 2- Inputs of green hydrogen production projects and green fuel derivatives. 3- Electrolyser to produce Green hydrogen 4- Wind turbine parts and accessories.
	2- Automotive manufacturing and supplying industries thereof:	1- Electric cars and buses that run on natural gas. 2- Automotive electric motors. 3- Gas cylinders. 4- Electric vehicle charging stations projects. 5- Research centers and approval laboratories related to the automotive industry <sup>1</sup>
	3- Wood, furniture, printing, packaging and chemical industries:	1- Multipurpose Furniture 2- Glass cutlery (Pyrex) 3- Sodium carbonate (soda ash)
	4- Antibiotics, tumor drugs and cosmetics industry:	1- Medicines active ingredients 2- Vaccines 3- Cosmetics
	5- Food industries and agricultural crops:	1- Dried vegetables and fruits 2- Medicinal and aromatic plant oils and pastes 3- Agricultural waste recycling 4- Food preparations 5- Dates

<sup>1</sup> The item (5) is added by virtue of Prime Minister Decree No. 4427 of 2022.



	<p>6- Engineering, metallurgical and mining industries:</p>	<ol style="list-style-type: none"> <li>1- Sewage and industrial treatment plants and sea water desalination with the use of environment-friendly technologies and all kinds of modern technology.</li> <li>2- Electronic and electrical equipment.</li> <li>3- Machinery, equipment and production lines (automatic lathes for metals and wood)</li> <li>4- Containers industry</li> <li>5- Printed Circuits Boards (PCB)</li> <li>6- Water desalination supplies</li> <li>7- Fluid pumps</li> <li>8- Agricultural tractors</li> <li>9- Mobile phones</li> <li>10- Medical metal furniture</li> <li>11- Molds (metal / plastic)</li> <li>12- Boilers and supplies thereof</li> <li>13- Derivatives and post-separation of black sand concentrates (granite, illmenite and monazite)</li> </ol>
<p>Second: Tourism</p>	<ol style="list-style-type: none"> <li>1. Hotels, whether stationary or floating, hotel apartments, tourist villages, and activities pertaining or ancillary thereto, whether of servicing, recreational, sporting, commercial or cultural nature, in addition to the completion of or expansion in such establishments, provided that hotels, hotel apartments and tourist villages rating is not less than three (3) stars and that the total surface area of the sold units of related facilities does not exceed half of the built surface area contained in the accommodation capacity of the project.</li> <li>2. Environmental tourism with regard to eco-tourism destinations such as eco-hotels and bird-watching sites, and the integration of biodiversity into the tourism sector.</li> <li>3. Construction of green infrastructure and conservation of energy efficiency activities for tourism projects.</li> <li>4. All investment activities for the development of sustainable tourism and green tourism.</li> </ol>	



	<ol style="list-style-type: none"> <li>5. Erection and operation of yacht marinas, golf playgrounds, diving centers and any other activities relating or ancillary thereto;</li> <li>6. Management and tourism marketing in respect of hotels, hotel apartments and tourist villages;</li> <li>7. Service companies at archaeological sites and museums in as per the controls and provisions to be issued under a resolution of the body concerned with this activity.</li> </ol>	
<p>Third: Communication and Information Technology</p>		<ol style="list-style-type: none"> <li>1- Software design and development.</li> <li>2- Outsourcing activities that is relevant to human development.</li> <li>3- Electronics design, development and manufacture.</li> <li>4- Data and call centers.</li> </ol>
<p>Fourth: Petroleum and Natural Resources</p>	<ol style="list-style-type: none"> <li>1- Petroleum services supporting drilling and exploration operations:</li> </ol>	<ol style="list-style-type: none"> <li>1- Services related to petroleum exploration.</li> <li>2- Oil well maintenance.</li> <li>3- Drilling of shallow water wells for petroleum purposes.</li> <li>4- Building and laying of pipelines for transporting crude oil, petroleum products and gas.</li> <li>5- Building of warehouses for filling and storing crude oil, petroleum products and filling butane gas.</li> <li>6- Production and refining activities of primary, intermediate and final petroleum, natural gas and petrochemicals products.</li> </ol>
	<ol style="list-style-type: none"> <li>2- Natural and liquefied gas projects:</li> </ol>	<ol style="list-style-type: none"> <li>1- Extension of internal networks for the delivery of natural gas to customers (domestic / commercial / industrial).</li> <li>2- Manufacture of meters and supplies for natural gas delivery process.</li> <li>3- Compressed and liquefied natural gas car refuelling stations.</li> <li>4- Centres to convert vehicles to work with compressed and liquefied natural gas.</li> <li>5- Building of natural gas receiving stations, re-change or redistribution.</li> </ol>



		6- Extend gas network lines from production sites to utilization sites from cities, villages and development areas by specialized tankers or pipelines, and this does not include oil transportation.
	3- Non-green hydrogen production projects and derivatives thereof:	<p>1- Production of non-green hydrogen and derivatives thereof.</p> <p>2- Production of biofuels, biomass, and the complementary and transformative industries based on them.</p> <p>3- Energy efficiency improvement projects in petroleum projects.</p>
	4- Emission Reduction Projects:	<p>1- Methane reduction and removal projects.</p> <p>2- Carbon reduction and removal projects.</p> <p>3- Carbon utilization and storage projects.</p>
	5- Petrochemical projects, products and complementary activities:	<p>1- Manufacture of primary, intermediate and final petrochemical products</p> <p>2- Startup projects for petrochemical industry implementations (e.g. small and medium enterprises).</p> <p>3- Manufacture of green and future petrochemical products such as (green plastic / timber from agricultural waste / re-manufacturing projects).</p> <p>4- Manufacture of all kinds of fertilizers such as (specialized fertilizers/compound fertilizers/ industrial urea/slow decomposition fertilizers) and industries based on them.</p> <p>5- Complementary activities for petrochemical projects such as (water desalination / industrial gas production / storage / trading / buying, selling and marketing / production of additives and catalysts / import and export of logistic and marine services / test laboratories.</p>

	<p>6- Mineral wealth projects (mining activities): searching for and exploiting minerals:</p>	<p>1- Activities related to prospecting, extracting, cutting, processing, extracting, purifying, and performing any industrial operations on them, and this does not include gravel and sand quarries.</p> <p>2- Aerial surveying and excavation works.</p> <p>3- Metal analysis and testing laboratories.</p> <p>4- Manufacture of mineral ores.</p> <p>5- Gold refining and metal extraction plants.</p> <p>6- Metal and ores concentration units.</p> <p>7- Mining or industrial complexes related to mining such as phosphate, quartz, white sand, talc and other mining ores projects.</p> <p>8- Mining infrastructure works.</p>
<p>Fifth: Agriculture, Livestock and Poultry Sector</p>	<p>1. Reclamation and cultivation of barren and desert lands, including lands reclamation and provision with basic utilities that would turn the same into cultivatable lands, reclaimed lands cultivation, conditional upon that such lands are designated for reclamation and cultivation purposes, and that the modern methods of irrigation are used in the cultivation process instead of flood irrigation.</p> <p>2. Raising all kinds of animals for the purposes of breeding or dairy production.</p> <p>3. Raising of poultry.</p>	
<p>Sixth: Transportation Sector</p>	<p>1- Maritime and coastal transportation and transportation on the high seas:</p>	<p>1- Supply, management and operation of container stations.</p> <p>2- Transportation of raw materials, goods and passengers of vessels operating under the Egyptian flag.</p> <p>3- Transportation of raw materials, goods and passengers outside the territorial waters using vessels and various means of maritime transportation such as carriers, vessels and ferries.</p>



	<p>2- Land and dry ports and logistics centers:</p>	<p>1- Establishment, management and operation of dry ports, logistic centers and all related activities</p> <p>2- Establishment, management and utilization of warehouses and yards within dry ports and logistic centers.</p> <p>3- Loading, unloading and transportation operations within dry ports and logistic centers.</p> <p>This is in accordance with the terms and conditions set by the General Authority for Land and Dry Ports.</p>
	<p>3- Design, building, management, operation, utilization or maintenance of railways:</p>	<p>1- Management, operation and maintenance of railways (passenger/cargo, electric/diesel traction)</p> <p>2- Management, operation and maintenance of trains (passenger/cargo, electric/diesel traction)</p> <p>3- Management and operation of maintenance workshops</p> <p>4- Management and operation of factories supplying the railway industries (rails / flanges / seats / etc.)</p>
	<p>4- Design, building, management, operation and maintenance of underground metro lines and electric traction:</p>	<p>1- Over ground Metro lines or parts thereof.</p> <p>2- Intercity electric traction projects.</p> <p>3- Management and operation of maintenance workshops.</p>
	<p>5- River Transportation:</p>	<p>1- Transportation of passengers, goods, supplies or materials of any type or containers using different means of river transportation.</p>

		<p>2- Building, operation and management of river ports in accordance with the conditions and controls decided by the River Transport Authority (RTA).</p> <p>3- Building, management and operation of river container stations and grain silos.</p> <p>4- Building, operation and management of Nile marinas with integrated services necessary for their tourist operation and security.</p>
	6- Building, management, utilization and maintenance of free roads, highways, main roads and vehicle tunnels:	<p>1- Building, management, utilization and maintenance of free roads, highways and main roads.</p> <p>2- Building of car refueling stations.</p> <p>3- Building of commercial and recreational services areas.</p> <p>4- Design, management and operation of vehicle tunnels.</p> <p>5- Building, management and operation of multi-story garages under the BOT system.</p>
	7- Land transportation of goods (internal and external):	<p>1- cross-border transportation</p> <p>2- Rail transportation</p>
	8- Refrigerated transportation of goods:	<p>1- Owning and renting refrigerated transportation and refrigerators for preserving agricultural crops, industrial products, foods, and the necessary shipping and unloading services.</p> <p>2- Owning and renting container stations, exchange terminals and grain silos.</p>



	<p>9- Mass transportation inside, from and to cities and urban communities, subject to the following controls:</p>	<ol style="list-style-type: none"> <li>1- The minimum transportation capacity of a project is no less than three hundred (300) seats.</li> <li>2- The vehicles to be used in the project are brand new and have never been licensed or used before.</li> <li>3- The vehicles are powered by natural gas, and for this purpose, diesel-powered vehicles may not be imported.</li> <li>4- Garages and maintenance workshops are provided to companies located within the new cities.</li> <li>5- Activity management place of business is located within a new urban community.</li> <li>6- New companies designate the routes and schedules of their vehicles, subject to the approval of the appropriate department of motor vehicles.</li> <li>7- Badges indicating the route are placed at the front of the vehicle.</li> <li>8- Rules and restrictions of the Ministry of Transport in respect of loads and vehicle height limits, as well as the other rules and restrictions are complied with.</li> <li>9- Rules of environment protection and prevention of pollution are complied with.</li> </ol>
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## Table (2)

Sub-sectors of Investment Activities within the Geographical Areas of Sector (B)

First: Industrial Sector	1. Supplying Industries of New and Renewable Energy Production Projects:	<ol style="list-style-type: none"> <li>1. Solar cells and stations components (inverter and fiber-optic capillaries)</li> <li>2. All kinds of batteries (hydrogen, thermal and lithium)</li> </ol>
	2. Automotive Manufacturing and the Supplying Industries thereof:	<ol style="list-style-type: none"> <li>1. Electric and gas-powered passenger cars and buses</li> <li>2. Electric car motors</li> <li>3. Gas cylinders</li> <li>4. Electric vehicle charging stations</li> </ol>
	3. Wood, Furniture, Printing, Packaging and Chemical Industries:	<ol style="list-style-type: none"> <li>1. Plywood</li> <li>2. Processed wood</li> <li>3. Writing and printing paper from pulp</li> <li>4. Paper and wood pulp (HDF) manufactured from agricultural waste</li> <li>5. Plastic-coated paperboard (e.g. Tetra Pak)</li> <li>6. Printing plates</li> <li>7. Printing and photocopying inks</li> <li>8. Glass cutlery (Pyrex)</li> <li>9. Sodium carbonate (Soda Ash)</li> <li>10. Rubber auto parts</li> <li>11. Car tires</li> <li>12. Rubber transmission belts</li> <li>13. Organic colorants</li> <li>14. Specialized lubricating additives</li> </ol>



		<ul style="list-style-type: none"> <li>15. Acrylic plastic</li> <li>16. Epoxy</li> <li>17. Amino resins</li> <li>18. Plastic resins</li> <li>19. Poly (urethane carbonate ethers)</li> <li>20. Plastic</li> </ul>
	4. Antibiotics, Tumor Drugs and Cosmetics Industry	<ul style="list-style-type: none"> <li>1. Active ingredients of drugs</li> <li>2. Vaccines</li> <li>3. Cosmetics</li> </ul>
	5. Food Industries and Agricultural Crops	<ul style="list-style-type: none"> <li>1. Dried vegetables and fruits</li> <li>2. Medicinal and aromatic plant oils and pastes</li> <li>3. Agricultural waste recycling</li> <li>4. Dates</li> </ul>
	6. Engineering, metallurgical, textile and leather industries	<ul style="list-style-type: none"> <li>1. Water Desalination Supplies</li> <li>2. Electric engines (motors)</li> <li>3. Cooling pistons</li> <li>4. Schiller Central Air Conditioning</li> <li>5. Gas and liquid valves (industrial valves)</li> <li>6. Liquid and air filters (filter)</li> <li>7. Agricultural tractors (tractors)</li> <li>8. Mobile phones</li> <li>9. Metal medical furniture</li> <li>10. Locks and accessories for furniture, ready-made clothes, leather products, or distribution panels</li> <li>11. Cutting, drilling, reloading tools, as well as manual tools and machines</li> <li>12. Molds (metal/plastic)</li> </ul>



	<ol style="list-style-type: none"> <li>13. All kinds of bearings (rollers)</li> <li>14. Boilers and their accessories</li> <li>15. Tin sheets for home appliances industry</li> <li>16. Stainless steel plates and tubes</li> <li>17. Welding skewers</li> <li>18. Pipes and tubes - seamless tubes</li> <li>19. Pipes and tubes supplies</li> <li>20. Bolts, nuts and washers</li> <li>21. Angles and cutters</li> <li>22. LED lamp manufacturing</li> <li>23. Thermostat manufacturing</li> <li>24. Computers manufacturing</li> <li>25. Ready-made clothes</li> <li>26. Industrial yarn</li> <li>27. Knitted or crocheted fabrics (knitting)</li> <li>28. cotton denim</li> <li>29. Woven fabrics</li> <li>30. Leather products (clothing made of leather)</li> <li>31. Shoes, bags and others</li> </ol>
	<p>7. Industries pertaining to information technology and telecommunications (Subject to Article (10) from the Executive Regulations of the Investment Law)</p>
<p>Second: Tourism Sector</p>	<ol style="list-style-type: none"> <li>1. Patients medical tourism to be carried out by regulating the booking procedures at hospitals, medical and therapeutic centers as well as others to be listed under a decision of the Minister concerned with health in coordination with the Minister concerned with tourism.</li> <li>2. All investment activities to develop the sustainable and green tourism, as well as integrating biodiversity into the tourism sector.</li> </ol>



	<p>3. Activities of establishing green infrastructure and maintaining energy efficiency for tourism projects.</p> <p>4. Activities of transporting tourists with all means of transportations (land, river, sea, air), as well as developing them, including smart and electric transportations for developing the green tourism.</p>	
Third: Telecommunications and Information Technology Sector	<p>1. Design and development of software</p> <p>2. Outsourcing activities, and related human development</p> <p>3. Design, development and manufacture of Electronics</p> <p>4. Data and Call Centers</p>	
Fourth: Petroleum and Natural Resources Sector	1. Petroleum services supporting drilling and exploration operations and including:	<p>1. Civil works complementary to drilling and maintenance operations.</p> <p>2. Manufacture, assembly and maintenance of drilling equipment and petroleum pumps.</p> <p>3. Services related to the laying down of lining pipes and production pipes.</p>
	2. Natural and liquefied gas:	<p>1. Extension of internal networks to deliver natural gas to customers (domestic/commercial/industrial).</p> <p>2. Manufacture of meters and supplies for natural gas delivery.</p> <p>3. Compressed and liquefied natural gas car refueling stations.</p> <p>4. Vehicle conversion centers to operate by compressed and liquefied natural gas.</p> <p>5. Delivery of compressed natural gas to areas not served by natural gas lines.</p> <p>6. Extension of gas networks supply operations from production sites to consumption sites including cities, villages and development areas, using specialized trucks or pipelines, excluding petroleum transportation.</p>

	<p>3. Production of non-green hydrogen, its derivatives, and biofuels:</p>	<ol style="list-style-type: none"> <li>1. Production, storage and trading of all kinds of non-green hydrogen and its derivatives.</li> <li>2. Production of biofuels, biomass, as well as complementary and processing industries relying on them.</li> <li>3. Energy efficiency improvement for petroleum projects.</li> </ol>
	<p>4. Emission Reduction Projects:</p>	<ol style="list-style-type: none"> <li>1. Methane reduction and removal projects</li> <li>2. Carbon reduction and removal projects</li> <li>3. Carbon exploitation and storage projects</li> </ol>
	<p>5. Petrochemicals projects as well as their implementations and complementary activities:</p>	<ol style="list-style-type: none"> <li>1. Manufacture of primary, intermediate and final petrochemical products.</li> <li>2. Startup projects for petrochemical industry implementations (e.g. SMEs)</li> <li>3. Manufacture of green petrochemical products such as (green plastics/wood from agricultural waste/ remanufacturing projects)</li> <li>4. Manufacture of all kinds of fertilizers such as (specialized fertilizers/compound fertilizers/industrial urea/slow decomposing fertilizer), and the industries based upon them.</li> <li>5. Complementary activities to petrochemical projects such as (water desalination, production of industrial gases/storage/trading/buying, selling and marketing/ production of additives and catalysts/ export and import of logistical and marine services/ test laboratories).</li> </ol>



	<p>6. Mineral Wealth Projects (mining activities):</p> <p>* Auxiliary services to search for minerals</p>	<ol style="list-style-type: none"> <li>1. Aerial surveying and excavation works</li> <li>2. Internationally accredited laboratories</li> <li>3. Gold refining and metal extraction plants</li> <li>4. Metal and ores concentration units.</li> </ol>
<p>Fifth: Agriculture, Livestock, Poultry and Fish Production Sector</p>	<ol style="list-style-type: none"> <li>1. Fish farms, including marine cages, integrated fish farming and marine hatcheries</li> <li>2. Breeding of all kinds of birds, whether it is for the production of breeds, hatchery, production of eggs, fattening, or meats.</li> <li>3. Breeding all kinds of livestock for fattening and red meat production.</li> </ol>	
<p>Sixth: Transportation Sector</p>	<p>1. Land and dry ports and logistic centers:</p>	<ol style="list-style-type: none"> <li>1. Establishment, management and operation of dry ports, logistic centers and all related activities</li> <li>2. Establishment, management and exploitation of warehouses and yards within dry ports and logistic centers.</li> <li>3. Loading, unloading and transporting operations within dry ports and logistic centers.</li> </ol> <p>* This is in accordance with the terms and conditions set by the General Authority for Land and Dry Ports.</p>

	<p>2. Design, building, management, operation, utilization or maintenance of railways lines:</p>	<ol style="list-style-type: none"> <li>1. Management, operation and maintenance of railways lines (passenger/cargo, electric/diesel traction).</li> <li>2. Management, operation and maintenance of trains (passenger/cargo, electric/diesel traction).</li> <li>3. Management and operation of maintenance workshops.</li> <li>4. Management and operation of factories supplying the railway industries (rails/flanges/seats/etc.).</li> </ol>
	<p>3. Design, building, management, operation and maintenance of underground Metro lines and electric traction:</p>	<ol style="list-style-type: none"> <li>1. Underground metro lines inside the cities or parts of them.</li> <li>2. Management and operation of maintenance workshops.</li> </ol>
	<p>4. River Transportation:</p>	<ol style="list-style-type: none"> <li>1. Transportation of passengers, goods, equipment, materials of all kinds, or containers using different means of river transport.</li> <li>2. Establishment, operation and management of river ports in accordance with the conditions and controls decided by the River Transport Authority (RTA).</li> <li>3. Establishment, management and operation of river container terminals and grain silos.</li> <li>4. Establishment, operation and management of Nile marinas with integrated services necessary for their tourist operation and security.</li> </ol>



	<p>5. Building, management, utilization and maintenance of free roads, highways, and main roads, as well as vehicle tunnels:</p>	<ol style="list-style-type: none"> <li>1. Building, management, utilization and maintenance of free roads, highways and main roads.</li> <li>2. Establishment of car refueling stations.</li> <li>3. Establishment of commercial and recreational services zones.</li> <li>4. Design, management and operation of vehicle tunnels.</li> <li>5. Building, management and operation of multi-storey garages with the BOT system.</li> </ol>
	<p>6. Land Transportation of Goods (Internally and Externally):</p>	<p>* Operation, maintenance, use of mobile transportation units whether internally or externally.</p>
	<p>7. Refrigerated Transportation of Goods</p>	<ol style="list-style-type: none"> <li>1. Owning and renting means of refrigerated transportation of goods, agricultural crops refrigerators, industrial products, and shipping and unloading services required to carry on all the aforementioned activities.</li> <li>2. Owning and renting container stations, interchange stations and grain storage silos.</li> </ol>
	<p>8. Mass transportation inside, from and to cities and urban communities, subject to the following controls:</p>	<ol style="list-style-type: none"> <li>1. The minimum transportation capacity of a project is no less than three hundred (300) seats;</li> <li>2. The vehicles to be used in the project are brand new and have never been licensed or used before;</li> <li>3. The vehicles are powered by natural gas, and for this purpose, diesel-powered vehicles may not be imported;</li> <li>4. Garages and maintenance workshops are provided to companies located within the new cities;</li> </ol>

		<ol style="list-style-type: none"> <li>5. Activity management place of business is located within a new urban community;</li> <li>6. New companies designate the routes and schedules of their vehicles, subject to the approval of the appropriate department of motor vehicles;</li> <li>7. Badges indicating the route are placed at the front of the vehicle;</li> <li>8. Rules and restrictions of the Ministry of Transport in respect of loads and vehicle height limits, as well as the other rules and restrictions are complied with; and</li> <li>9. Rules of environment protection and prevention of pollution are complied with.</li> </ol>
<p>The projects of investment activities' subsectors in (Tourism - Telecommunications and Information Technology - Petroleum and Mineral Wealth - Agriculture, Animal, Poultry and Fish Production - Transport) sectors within the geographical territory of Sector (B), shall satisfy one of the following features:</p> <ul style="list-style-type: none"> <li>▪ Labor-intensive projects, in accordance with the controls prescribed in Article (11) of Executive Regulations of Investment Law referred to;</li> <li>▪ Being Small and Medium Enterprises;</li> <li>▪ Depending on new and renewable energy; or</li> <li>▪ Exporting their production outside the geographical territory of the Arab Republic of Egypt in accordance with the controls prescribed in Investment Law and its Executive Regulations referred to.</li> </ul>		



# **Council of Ministers Decree No. 20 of 2022**

## **Council of Ministers,**

*After* having taken cognizance of the Constitution;

The Law on Joint-stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and Single Member Companies enacted by Law No. 159 of 1981 and the Executive Regulations thereof;

The Investment Law enacted by Law No. 72 of 2017 and the Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers (as amended);

Prime Minister Decree No. 3152 of 2019 on the Delegation of some Powers vested in the Competent Minister of Investment to the Chief Executive Officer of the General Authority for Investment and Free Zones («GAFI CEO»);

GAFI CEO's Recommendations; and

*Upon* the approval of Council of Ministers;

DECREED THE FOLLOWING:

### **Clause (I)**

GAFI shall coordinate with all ministries and authorities concerned with investment activities governed by the provisions of the aforementioned Investment Law to put forward their recommendations regarding the conditions for considering any project as strategic or national in accordance with the provision of Article (20) of the aforementioned Investment Law, provided that these projects be in the development fields according to the State's Economic Development Plan, including without limitation:

1. The production, storage, and export of green hydrogen and green ammonia;



2. The electric vehicle industry, the feeding industries thereof, and the necessary infrastructure (charging stations);
3. The manufacture of safe, environment friendly, single-use alternatives of plastic products; and
4. Integrated waste management activities.

### **Clause (II)**

GAFI shall, within one (1) month from the issue date of the present Decree, finalize the coordination task stipulated in the preceding Article (I), and shall report to Council of Ministers for the purpose of obtaining a decree determining the conditions for considering any project as strategic or national, as the case may be, in each of the investment sectors.

### **Clause (III)**

Companies, incorporated to setup any project referred to in Article (I) of the present Decree, shall apply to GAFI for the obtainment of Comprehensive Approval. GAFI shall assess the application and verify whether the application is in compliance with the terms and conditions stipulated in Article (42) of the Executive Regulations of the Investment Law.

### **Clause (IV)**

After verifying that the application complies with the terms and conditions, GAFI CEO shall, upon coordination with the competent minister, as the case may be, submit the company's application to Council of Ministers for the purpose of obtaining a decree granting the company Comprehensive Approval.

### **Clause (V)**

The present Decree shall be promulgated in the Official Gazette and shall come into force the next day of publication thereof.

Council of Ministers

On Sha'ban 11, 1443 A.H [March 14, 2022 A.D]

**Prime Minister,**  
**Dr. Mostafa Kamal Madbouly**



# Prime Minister Decree No. 981 of 2022

**Prime Minister,**

*After* having taken cognizance of the Constitution;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Micro, Small and Medium Enterprises Development Law Enacted by Law No. 152 of 2020;

Waste Management Regulation Law Enacted by Law No. 202 of 2020 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers, as amended;

Prime Minister Decree No. 7 of 2020 on the Designation of Sector (A) Areas Most in Need of Development under the Provision of Article (11) of the aforementioned Investment Law;

Prime Minister Decree No. 3152 of 2019 on the Delegation of Some Powers vested in the Competent Minister of Investment to the Chief Executive Officer of the General Authority for Investment and Free Zones («GAFI CEO»);

Prime Minister Decree No. 104 of 2022 on the Distribution of Investment Activities: Subsectors of the (Industrial - Tourism - CIT - Petroleum and Natural Resources - Agriculture, Production of Livestock, Poultry and Fish - Transport) Sectors in Geographical Territories of Sectors (A) and (B);

In light of the joint proposal made by GAFI CEO, Minister of Finance, and Ministers competent to (Electricity and Renewable Energy - Trade and Industry - Education and Technical Education - Higher Education and Scientific Research - Youth and Sports - Environment - Planning and Economic Development) affairs; and

*Upon* the approval of Council of Ministers;

**DECREED THE FOLLOWING:**



## **Clause (I)**

The investment activities› subsectors shall be distributed in the (electricity and renewable energy - education - sports) sectors in the geographical territory of Sectors (A) and (B) in accordance with the two attached tables.

## **Clause (II)**

Companies and establishments addressed by the provisions of Article (1) of the present Decree shall obtain approvals, permits, and licenses from the competent authorities in accordance with the nature of each activity to be granted the incentives mentioned in the two attached tables.

## **Clause (III)**

Item (4) that reads as follows: «4- Manufacture of safe, environment friendly, single-use alternatives of plastic products» shall be added to subsector (3) entitled «wood industries, furniture, printing, packaging, and chemical industries» fallen within the industry sector in table (1) entitled Investment Activities› Subsectors in the Geographical Territory of Sector (A), which is attached to the aforementioned Prime Minister Decree No. 104 of 2022.

## **Clause (IV)**

Item (21) that reads as follows: «21- Manufacture of safe, environment friendly, single-use alternatives of plastic products» shall be added to subsector (3) entitled «wood industries, furniture, printing, packaging, and chemical industries» fallen within the industry sector in table (2) entitled Investment Activities› Subsectors in the Geographical Territory of Sector (B), which is attached to the aforementioned Prime Minister Decree No. 104 of 2022.

## **Clause (V)**

The present Decree shall be promulgated in the Official Gazette, and shall come into force the next day of publication thereof.

Council of Ministers

On Sha›ban 11, 1443 A.H [March 14, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



## Table (1)

Investment Activities' Subsectors in the Geographical Territory of Sector (A)

I. Electricity and Energy Sector	<ol style="list-style-type: none"><li>1. Production, storage, and export of green hydrogen; and</li><li>2. Production, storage, and export of green ammonia.</li></ol>
II. Education Sector	<ol style="list-style-type: none"><li>1. Establishment, management, or operation of schools;</li><li>2. Establishment, management, or operation of technical education schools and institutes; and</li><li>3. Establishment of universities.</li></ol>
III. Sports Sector	All services provided in the field of sports whether in form of administration, marketing, operation, or management of sports games, or the establishment of private clubs, academies, spas or fitness centers; and companies setup to carry on any type of the aforementioned activities shall be formed as joint-stock companies.

## Table (2)

Investment Activities' Subsectors in the Geographical Territory of Sector (B)

I. Electricity and Energy Sector	<ol style="list-style-type: none"><li>1. Production, storage, and export of green hydrogen; and</li><li>2. Production, storage, and export of green ammonia.</li></ol>
II. Education Sector	<ol style="list-style-type: none"><li>1. Establishment, management, or operation of schools;</li><li>2. Establishment, management, or operation of technical education schools and institutes; and</li><li>3. Establishment of universities.</li></ol>
III. Sports Sector	All services provided in the field of sports whether in form of administration, marketing, operation, or management of sports games, or the establishment of private clubs, academies, spas or fitness centers; and companies setup to carry on any type of the aforementioned activities shall be formed as joint-stock companies.

The projects of investment activities' subsectors in (electricity and renewable energy - education - sports) sectors within the geographical territory of Sector (B), shall satisfy one of the following features:

Labor-intensive projects, in accordance with the controls prescribed in Article (11) of Executive Regulations of Investment Law referred to;

Being Small and Medium Enterprises;

Depending on new and renewable energy; or

Exporting their production outside the geographical territory of the Arab Republic of Egypt in accordance with the controls prescribed in Investment Law and its Executive Regulations referred to.



# Prime Minister Decree

## No. 982 of 2022

### Prime Minister,

*After* having taken cognizance of the Constitution;

Law on Joint-stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and Single Member Companies enacted by Law No. 159 of 1981 and Executive Regulations thereof;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers, as amended;

Prime Minister Decree No. 3152 of 2019 on the Delegation of some Powers vested in the Competent Minister of Investment to the Chief Executive Officer of the General Authority for Investment and Free Zones (“GAFI CEO”);

GAFI CEO’s Recommendations; and

*Upon* the approval of Council of Ministers;

DECREED THE FOLLOWING:

### Clause (I)

The competent authorities receiving applications of investors to issue the approvals, permits, or licenses necessary for the establishment and operation of new investment projects, or for the expansion of the existing investment projects shall decide on such applications within twenty (20) business days from the date of application submission fulfilling the necessary documents; the competent authority shall notify the applicant with the decree issued regarding the application, whether approved or rejected, by a registered letter with acknowledgment of receipt or via any of the modern technological means agreed upon with the investor when submitting the application, within five (5) business days from the date of the elapse of the aforementioned period.

## **Clause (II)**

GAFI shall follow up the investors' applications that have not been decided upon within the period determined in the preceding Article (I), and shall coordinate with the competent authorities for a prompt decision thereon.

## **Clause (III)**

GAFI shall present a periodic report on a monthly basis to the Council of Ministers that includes the status of implementation of investors' applications as well as the proposed procedures for the purpose of facilitation and achieving prompt decision-making on the services provided to investors.

## **Clause (IV)**

All competent authorities shall take into consideration the procedures and dates stipulated in the present Decree without prejudice to the execution of any procedures that allow investors to obtain approvals, permits, or licenses with easier procedures or within a period of time that is shorter than the period stipulated in the present Decree.

## **Clause (V)**

The present Decree shall be promulgated in the Official Gazette, and shall come into force the next day of publication thereof.

Council of Ministers

On Sha'ban 11, 1443 A.H [March 14, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# Prime Minister Decree No. 983 of 2022

**Prime Minister,**

*After* having taken cognizance of the Constitution;

Law on Joint-stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and Single Member Companies enacted by Law No. 159 of 1981 and Executive Regulations thereof;

Investment Law enacted by Law No. 72 of 2017 and Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers, as amended;

Prime Minister Decree No. 3152 of 2019 on the Delegation of some Powers vested in the Competent Minister of Investment to the Chief Executive Officer of the General Authority for Investment and Free Zones (“GAFI CEO”);

Prime Minister Decree No. 104 of 2022 on the Distribution of Investment Activities’ Subsectors of the (Industrial - Tourism - CIT - Petroleum and Natural Resources - Agricultural, Production of Livestock, Poultry and Fish - Transport) Sectors in Geographical Territories of Sectors A and B;

Prime Minister Decree No. 981 of 2022 on the Distribution of Investment Activities’ Subsectors of the (Electricity and Renewable Energy - Education - Sports) Sectors in Geographical Territories of Sectors A and B and on the Amendment of Prime Minister Decree No. 104 of 2022 referred to above;

GAFI CEO’s Recommendations; and

*Upon* the approval of Council of Ministers;

DECREED THE FOLLOWING:

## **Clause (I)**

GAFI shall coordinate with all ministries and entities relevant to the investment subsectors falling within the geographical territory of Sectors (A) and (B) set out in Article (11) of the aforementioned Investment Law, which listed under Prime Minister Decrees on the distribution of investment activities’





subsectors aforementioned, in order to determine such investment projects that could be recommended for receiving such additional incentives befitting the nature of each of said projects under Article (13) of the aforementioned Investment Law.

### **Clause (II)**

Within one (1) month from the issue date of the present Decree, the ministries and entities referred in the preceding Article (I) shall provide GAFI with a list of the investment projects recommended for receiving the additional incentives, and shall specify the additional incentives befitting the nature of each of said investment projects, as the case may be, and shall determine which of said investment projects take priority over the others in light of the State's Economic Development Plan.

### **Clause (III)**

All ministries and entities hereinabove mentioned in Article (I) shall, when determining the investment projects taking priority in receiving the additional incentives, take into account the fields that contribute to realizing the State's Economic Development Plan including, without limitation, the following:

1. Green economy projects preserving the environment in such a way as would sustain natural resources;
2. Modern technology transfer and artificial intelligence projects keeping up with the Fourth Industrial Revolution (4IR);
3. Innovation and development projects, as well as scientific research projects;
4. Projects aimed at training the Egyptian workforce and creating cadres specialized in advanced, new, and green industries;
5. Projects aimed at industrial domestication and well-establishment as well as increasing local components in such industries; and
6. Projects consistent with Egypt's National Structural Reform Program (NSRP).



## **Clause (IV)**

The present Decree shall be promulgated in the Official Gazette, and shall come into force the next day of publication thereof.

Council of Ministers

On Sha'ban 11, 1443 A.H [March 14, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# Council of Ministers Decree No. 1775 of 2022

## **Prime Minister,**

*After* having taken cognizance of the Constitution;

The Constitution;

The Investment Law enacted by Law No. 72 of 2017 and the Executive Regulations thereof;

The Micro, Small, and Medium Enterprises Development Law enacted by Law No. 152 of 2020;

The Waste Management Law enacted by Law No. 202 of 2020 and the Executive Regulations thereof;

Presidential Decree No. 269 of 2018 on the Formation of Council of Ministers, as amended;

Council of Ministers Decree No. 7 of 2020 Designating Sector (A) Areas as the Most in Need of Development under the Provision of Article (11) of the aforementioned Investment Law;

Prime Minister Decree No. 3152 of 2019 on the Delegation of Certain Powers vested in the minister concerned with investment affairs to the Chief Executive Officer of the General Authority for Investment and Free Zones (“GAFI CEO”);

Prime Minister Decree No. 104 of 2022 on the Classification of Investment Subsectors Activities within the Industrial; Tourism; CIT; Petroleum and Natural Resources; Agriculture, Livestock, Poultry, and Fish Production; Transportation Sectors falling within the geographical territories of Sectors (A) and (B);

Prime Minister Decree No. 981 of 2022 on the Classification of Investment Subsectors Activities within Electricity and Renewable Energy; Education; and Sports Sectors falling within the geographical territories of Sectors (A) and (B),

**In light of** the joint proposal made by GAFI CEO, Minister of Finance, and Minister of Health and Population, and

**Upon** the approval of Council of Ministers,

DECREED THE FOLLOWING:



## **Clause (I)**

Investment subsectors activities within the health sector shall be added to the geographical territories of Sectors (A) and (B) in accordance with the attached two tables.

## **Clause (II)**

Companies and establishments addressed by the provisions of Clause (I) of the present Decree shall obtain from the competent authorities the required approvals, permits, and licenses depending on the nature of each activity to be granted the incentives mentioned in the attached two tables.

## **Clause (III)**

The present Decree shall be published in the Official Gazette and shall come into force the next day of publication thereof.

**Prime Minister,**  
**Dr. Mostafa Kamal Madbouly**

Presidency of the Council of Ministers

On Shawwāl 21, 1443 A.H [May 22, 2022 A.D]

## Table (1)

Investment Subsectors Activities within the Health Sector in the Geographical Territory of Sector (A)

Health Sector	<p>Establishing hospitals and medical and therapeutic centers including the following:</p> <p>Specialized, integrated, or public hospitals and all therapeutic or medical activities included therein; and</p> <p>Diagnostic, medical, or therapeutic centers.</p> <p>This shall be subject to the condition that, in respect of hospitals, at least 10% of the number of occupied beds is provided free of charge per year, and that, in respect of diagnostic, medical, and therapeutic centers, at least ten percent (10%) of the patients are given medical or therapeutic or diagnostic service free of charge per year.</p>
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## Table (2)

Investment Subsectors Activities within the Health Sector in the Geographical Territory of Sector (B)

Health Sector	<p>Establishing hospitals and medical and therapeutic centers including the following:</p> <ul style="list-style-type: none"><li>• Specialized, integrated, or public hospitals and all therapeutic or medical activities included therein; and</li><li>• Diagnostic, medical, or therapeutic centers.</li></ul> <p>This shall be subject to the condition that, in respect of hospitals, at least 10% of the number of occupied beds is provided free of charge per year, and that, in respect of diagnostic, medical, and therapeutic centers, at least ten percent (10%) of the patients are given medical or therapeutic, or diagnostic service free of charge per year.</p>
<p>An Investment Project listed in a subsector related to the health sector falling within the geographical territory of Sector (B) must be characterized by one of the following features:</p> <ul style="list-style-type: none"><li>• Being a labor-intensive project, in accordance with the rules prescribed in Article (11) of the Executive Regulations of the Investment Law;</li><li>• Being an SME; or</li><li>• Depending on new and renewable energy.</li></ul>	



# Council of Ministers Decree No. 56 of 2022

**Prime Minister,**

*After* having taken cognizance of the Constitution;

The Investment Law enacted by Law No. 72 of 2017 and the Executive Regulations thereof;

Council of Ministers Decree No. 7 of 2020 Classifying South of Giza areas - Governorates of Suez Canal region: Port Said, Ismailia, and Suez (east of Suez Canal) - Border governorates including Red Sea, South Safaga - Upper Egypt governorates as Sector (A) Areas which are the Most in Need of Development under the Provision of Article (11) of the Investment Law;

Council of Ministers Decree No. 20 of 2022 Assigning GAFI the task of coordinating with all ministries and authorities concerned with investment activities governed by the provisions of the Investment Law in order to put forward their recommendations regarding the terms and conditions for considering any project as strategic or national in accordance with the provision of Article (20) of the Investment Law;

Prime Minister Decree No. 3152 of 2019 on the Delegation of Certain Powers vested in the minister concerned with investment affairs to the Chief Executive Officer of the General Authority for Investment and Free Zones ("GAFI CEO");

In light of the joint proposal made by GAFI CEO and the ministers concerned with electricity and renewable energy; petroleum and mineral resources; transportation; communications and information technology; housing and urban communities; tourism and antiquities; trade and industry; youth and sports; military production; and

**Upon** the approval of the Council of Ministers;

DECREED THE FOLLOWING:



## Clause (I)

In order to consider an Investment Project as strategic or national when applying the provision of Investment Law Article (20) that accords the Council of Ministers the power to grant a comprehensive approval (the “Golden License”) to companies incorporated to set up certain projects, such Investment Project shall satisfy two or more of the following terms and conditions:

1. It shall contribute to increasing exports by exporting abroad at least fifty percent (50%) of its products per annum, provided such exportation start within maximum three (3) years as of the start of carrying on business.
2. Its source of finance shall be foreign money transferred from abroad via one of the Egyptian banks, subject to the provisions set out in Article (6) of the Investment Law and Article (9) of the Executive Regulations of the Investment Law, and subject to the rules set by the Board of Directors of the Central Bank of Egypt.
3. It shall target the decrease of imports, industrial domestication, deepening [the roots of] local manufacturing as well as increasing local components in its products, provided that the percentage of local components in its products, including raw materials and production requirements [inputs], be at least fifty percent (50%), and provided further that the aforementioned percentage be calculated by subtracting the value of the imported components from product cost.
4. It shall be incorporated, existing, and operating in one of the most in need of development areas listed under Council of Ministers Decree No. 7 of 2020.
5. It shall contribute to transferring to and incorporating in Egypt modern means of technology as well as fostering innovation, development, and scientific research in such a way as determined by the minister concerned with communications and information technology; the minister concerned with industry; or the minister concerned with scientific research, as the case may be.
6. It shall be one of the projects aimed at locally providing strategic goods to Egypt, thus preventing their importation.



7. It shall be a labor-intensive project employing the national labor force, as set out in Article (11) of the Executive Regulations of the Investment Law.
8. It shall contribute to environmental impact mitigation, carbon emission reduction, and weather improvement, as determined by the minister concerned with the environment affairs.

## **Clause (II)**

In order to consider an Investment Project as strategic or national, such Investment Project shall, in addition to satisfying two or more of the terms and conditions set out in the preceding Clause (I), be operating in one of the following fields:

### **1. Electricity and Renewable Energy Sector:**

- (a) Green hydrogen production, transportation, storage, distribution, and exportation projects;
- (b) Electricity projects related to providing electricity on ultra-high and high voltages to national agricultural development projects carried out by the State, such as New Delta, Sinai Peninsula Development, Toshka, al-Ouinat projects;
- (c) Green Corridor projects aimed at maximizing renewable energy share in electricity production;
- (d) Electricity projects transferring electricity via ultra-high and high voltages to the State's national development projects nationwide;
- (e) Renewable energy projects aimed at providing energy to water desalination and green hydrogen production projects;
- (f) Projects aimed at linking Egypt's power grid to neighboring countries and exporting electricity; and
- (g) Electricity storage projects, such as electric pumping and storage as well as batteries.

### **2. Petroleum and Mineral Wealth Sector:**

- (a) Projects developing crude oil and petroleum material pipelines and networks to meet local market needs;



- (b) Projects establishing strategic shipping ports and storage areas for crude oil and petroleum products;
- (c) Digital infrastructure development projects aimed at digital transformation;
- (d) Carbon emission reduction projects, as well as Co2 separation and reinjection-into-aquifers projects;
- (e) Expansion and transformation projects using compressed natural gas as an alternative to diesel and gasoline;
- (f) Water treatment projects associated with the production of crude oil and gas;
- (g) Crude oil atmospheric distillation projects as well as projects dedicated to developing existing production units at refineries and manufacturing plants in order to produce high-value petroleum products;
- (h) Projects establishing packing, concrete pipes, and steel pipes factories;
- (i) Projects establishing laboratories for gold refining, casting, and stamping as per the Global Code; and
- (j) Petrochemical plants, projects producing metallic silicon and polysilicon; or phosphate fertilizers and phosphoric acid, or tantalum ore extraction, concentration, and manufacture projects.

### **3. Transportation Sector:**

- (a) Maritime Transportation: Seaport superstructure construction as well as container terminal management and operation;
- (b) Railways: Management, operation, and maintenance of cargo railways; sleeper and luxury trains; and repair workshops;
- (c) Electric Traction: Management, operation, and maintenance of electric traction railways (monorail lines - Light Rail Transit “LRT” – Metro Network) and the Egyptian High Speed Rail Network;
- (d) Seaports and Logistics Centers: Establishment, management, operation, and maintenance of land and dry ports and logistics centers; and



- (e) River Transportation: Establishment, management, operation, and maintenance of river ports.

#### **4. The Industrial Sector:**

- (a) Industries supplementary to new and renewable energy production projects;
- (b) Automotive industry and industries supplementary thereto, including electric cars, electric vehicle charging stations, natural gas cars and cylinders;
- (c) Wood, furniture, and chemical industries;
- (d) Antibiotics, tumor drugs, and cosmetics industries;
- (e) Food industries and agricultural crops; and
- (f) Engineering, metallurgical, and mining industries including electrical and electric devices; electrical machinery, equipment, and engines; blank printed circuit boards (PCBs); production lines; and containers industry.

#### **5. Communications and Information Technology Sector:**

- (a) Design and manufacturing of solar cells and renewable energy conversion systems;
- (b) Design and manufacturing of semiconductors, silicon wafers, and integrated circuits (ICs);
- (c) Manufacturing and production of professional/LED chips;
- (d) Manufacturing of LCD Open Cell and projects dependent thereon, such as the manufacture of cell phones and tablets;
- (e) Local manufacturing of lithium batteries; and
- (f) Manufacturing of multi-layer PCBs and projects dependent thereon, such as the manufacture of cell phones and tablets.

#### **6. Housing and Utilities Sector:**

- (a) Establishment, development, and efficiency-improvement of main utility plants (drinking water stations and related lifting stations –

- seawater desalination stations – sewage stations and related lifting stations);
- (b) Building inter-and-intra-city-and-governorates main utility lines serving new urban communities;
  - (c) Building, development, and efficiency-improvement of main internal roads and roundabouts as well as those linking cities, new urban communities, and governorates to one another;
  - (d) Urban development projects eliminating the randomly-built areas inside the governorates; and
  - (e) Housing projects aimed at providing affordable housing to all community segments (such as Housing for All Egyptians and Alternative Housing initiatives).

## **7. Tourism Sector:**

- (a) Hotel accommodation projects located in:
  - The hotels area starting from Sphinx International Airport on the Desert Road and ending at Hadabat al-Ahram;
  - Upper Egypt governorates;
  - Northern Coast region;
  - Nuweiba and Dahab region;
- (b) Ecofriendly tourist projects, subject to the standards laid down by the Ministry of Tourism and Antiquities;
- (c) World entertainment projects at tourist destinations as well as world water parks;
- (d) Delta and Upper Egypt rural tourism projects; and
- (e) Medical tourism projects.

## **8. Youth and Sports Sector:**

- (a) Building sporting clubs; youth centers; youth development and sporting centers; national camps; youth guest houses and forums; and



- (b) Building Olympic cities as well as sport stadiums, hospitals, and medical units.

## **9. Environment Sector:**

- (a) The manufacture of safe, environment friendly, single-use alternatives of plastic products; and
- (b) Integrated waste management activities.

## **10. Agriculture Sector:**

- (a) Livestock breed improvement projects;
- (b) Species crossbreeding and hybridization projects; and
- (c) Agricultural manufacturing projects related to exportation.

## **11. Military Production Sector:**

- (a) Solid-waste-to-electricity plants.

## **12. Health Sector: 1**

- (a) Projects operating in the separation, purification, collection, and development of plasma and in the production of plasma derivatives; and
- (b) Projects operating in the manufacturing and packaging of human and veterinary vaccines and serums of all kinds; biopharmaceuticals; diagnostic machinery; biotechnology products and accessories. <sup>2</sup>

## **13. Internal Trade and Supply Sector: 3**

- (a) Projects operating in the construction, management, and operation of strategic warehouses and storehouses as well as silos; and
- (b) Projects operating in the construction, management, operation, and maintenance of goods transportation, storage, and exchange centers and logistics zones.

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1 Sector 12, Item (a) is added by Council of Ministers Decree No. 67 of 2022.

2 Item (b) is added by Council of Ministers Decree No. 10 of 2023.

3 Sector 13 is added by Council of Ministers Decree No. 10 of 2023.

### **Clause (III)**

The terms and conditions set out in the preceding two clauses shall, in light of the State's Economic Development Plan, be amended and updated per year or whenever necessary.

### **Clause (IV)**

The Golden License shall contain a permission to build, operate, and manage the project including any building permits and real estate required to be allocated to the project. The Golden License may also contain a provision granting one or more of the incentives listed in the Investment Law. The Golden License shall be self-executing requiring no further action.

### **Clause (V)**

The present Decree shall be published in the Official Gazette and shall come into force the next day of publication thereof.

Presidency of the Council of Ministers

On al-Muḥarram 23, 1444 A.H [August 21, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# Council of Ministers Decree No. 67 of 2022

## Council of Ministers,

The Constitution;

The Investment Law enacted by Law No. 72 of 2017 and the Executive Regulations thereof;

Council of Ministers Decree No. 56 of 2022 Setting out the Terms and Conditions for classifying any Investment Project as Strategic or National in the application of the provision of Article (20) of the Investment enacted by Law No. 72 of 2017;

Prime Minister Decree No. 3152 of 2019 on the Delegation of Certain Powers vested in the minister concerned with investment affairs to the Chief Executive Officer of the General Authority for Investment and Free Zones (“GAFI CEO”),

In light of the joint proposal made by the Minister of Health and Population and GAFI CEO; and

*Upon the approval of the Council of Ministers;*

*DECREED THE FOLLOWING:*

### Clause (I)

There shall be added to the sectors set out in Clause (II) in Council of Ministers Decree No. 56 of 2022 the following:

“12. Health Sector

(a) Projects operating in the separation, purification, collection, and development of plasma and in the production of plasma derivatives;”.

### Clause (II)

The present Decree shall be published in the Official Gazette and shall come into force the next day of publication thereof.

Presidency of the Council of Ministers

On Safar 26, 1444 A.H [September 22, 2022 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**



# Council of Ministers Decree No. 10 of 2023

## Council of Ministers,

The Constitution;

The Investment Law enacted by Law No. 72 of 2017 and the Executive Regulations thereof;

Council of Ministers Decree No. 56 of 2022 Setting out the Terms and Conditions for classifying any Investment Project as Strategic or National in the application of the provision of Article (20) of the Investment Law;

Prime Minister Decree No. 3152 of 2019 on the Delegation of Certain Powers vested in the minister concerned with investment affairs to the Chief Executive Officer of the General Authority for Investment and Free Zones (“GAFI CEO”),

In light of GAFI CEO’s proposal; and

*Upon the approval of the Council of Ministers;*

DECREED THE FOLLOWING:

### Clause (I)

There shall hereby be added to (12. Health Sector) in Clause (II) in Council of Ministers Decree No. 56 of 2022 the following item:

“(b) Projects operating in the manufacturing and packaging of human and veterinary vaccines and serums of all kinds; biopharmaceuticals; diagnostic machinery; biotechnology products and accessories.”

### Clause (II)

There shall be added to the sectors set out in Clause (II) in Council of Ministers Decree No. 56 of 2022 the following:

“13. Internal Trade and Supply Sector:

(a) Projects operating in the construction, management, and operation of strategic warehouses and storehouses as well as silos; and



(b) Projects operating in the construction, management, operation, and maintenance of goods transportation, storage, and exchange centers and logistics zones.”

### **Clause (III)**

The present Decree shall be published in the Official Gazette.

Presidency of the Council of Ministers

On Rajab 23, 1444 A.H [February 14, 2023 A.D]

**Prime Minister,  
Dr. Mostafa Kamal Madbouly**








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