

General Authority for Investment & Free Zones















## **New Investment Law**

## The Main Pillars Of The Investment Law

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Facilitate the investment procedures

Strengthening of the guarantees & treatment of insufficiency of the existing law

Temporary incentive program to attract investors



# Guarantees & incentives of The Investment Law



## Top Guarantees In The Investment Law

- Protecting the project from nationalization, guardianship and seizure.
- Free pricing of products
- Protection of the project from the arbitrary decisions.
- The right of the investor in establishing project and expansion.
- the right in transferring the profit, dividends and liquidation output.
- Regulate the use of the foreign employees. 10 % could be increased to 20%.
- The right of obtaining data & information .
- Exemption from registration in the importers registrar for importation of equipment, raw materials, machinery required for establishing, expanding or operating the project.
- Protecting project from any governmental decisions which might add financial burden to the investors unless obtain the approval of GAFI.



### New Incentives in The Investment Law

### The special incentives as follows:

Tax deduction from 50 to 30% of the investment costs over 7 years

### shall be granted as follows::

- Investment regions according to the government priority regions A areas much in need for development (which includes Special economic zone of sues canal) 50% to any project & B, (rest of the republic) 30% for specific activities.
- Strategic activities in the fields of industry, education, electricity in coordination with the relevant ministries.

#### General incentives:

- All projects shall benefit from a unified custom duty rate of 2% on machinery and equipment required for set up.
- Exemption from stamp duty tax & notary fees on bank facility agreements, pledge and mortagge contracts.

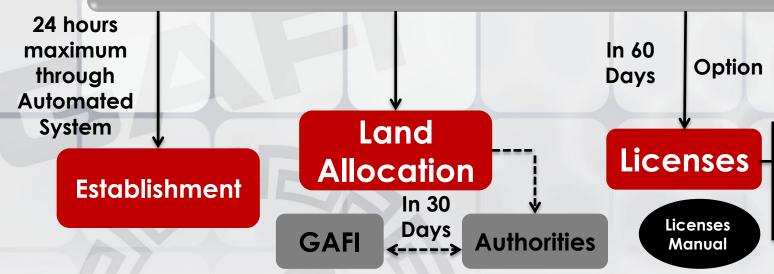


# Facilitating Investment Procedures



## Investor

### **Investor's Services Center**



Licenses
Manual

Licenses
Authority

10

Days

**Option** 

Option

Ratification

Offices

97 Days
Maximum to
issue any
License

petitions Committee

**Decision in 30 Days** 



# Work Flow at Investor's Services Center



### Work Flow at Investor's Services Center

Request & its Documents

 Investor apply request with all fees & documents stated in the manual to the Services Center

**Investor** 

#### Services Center

 GAFI staff will receive requests from Investors including Grievances requests & forward to the Representative of the Governmental Authorities at the Center  Examination of requests submitted to issue approvals, permits and licenses according to technical requirements

Representative of the Governmental Authorities

#### **Investor**

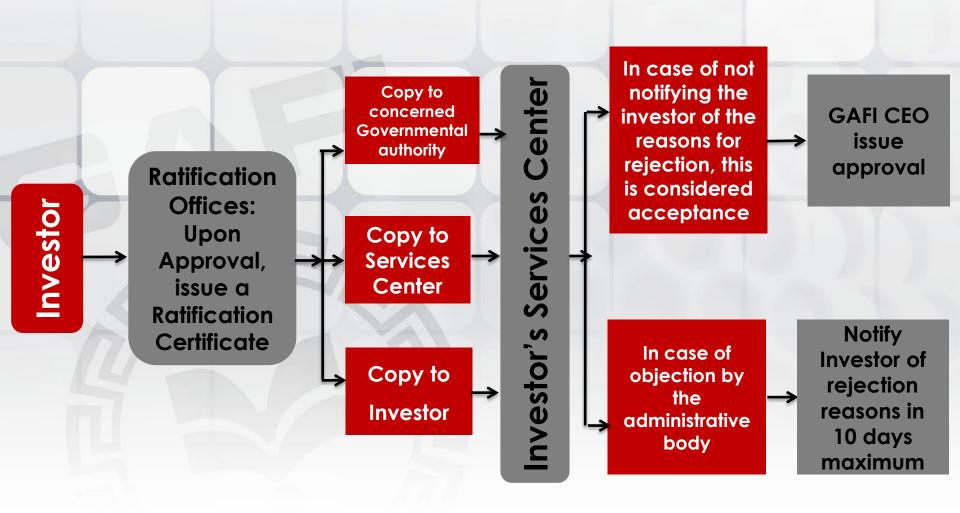
- The investor will receive the response within 60 days from the service center
- Non-response is considered as Approval

Request

Response



## Work Flow Of Ratification Offices





# Investment Opportunities

- Developing Egypt's investment map to include the properties, activities and opportunities available for investment, and updating it via various governmental authorities.
- The governmental authorities shall provide GAFI with detailed maps of the plots available according to the various investment activities.



## Unifying Investment Authorities

- The formation of The Supreme Council for Investment to establish the mechanism that unite the work of different investment authorities and achieve harmony in their performance, so as to simplify and facilitate the procedures and enhance investment environment.
- Issuance of licenses with definite time schedules and through previously announced guides.



# Free Zones & Technological Zones

- Regulating the special investment regimes, as free zones and investment zones.
- Reoperation of the Private Free Zones according to strict controls after it was abolished under Law 17 of 2015.
- Introduction of a new investment regime for investing in Technological Zones including the activities of the electronics industry, design and development, data centers, outsourcing activities, software development, technological education and other related or complementary activities



# Improving Means of Dispute Settlement

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Ministerial Committee for settlement of Investment Disputes

petitions Committee Ministerial Committee for Resolution of Investment Agreements' Disputes





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## Thank You!

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