

## **Introduction**

**Egypt has many economic advantages. For example, but not limited to security and political stability, geographical location, etc. It has led to an improvement in the balance of payments and low inflation. This shows on its economy day by day according to reports issued by Egypt, such as The International Bank and Private Economic Organizations. Egypt has concluded many agreements and treaties, whether bilateral or collective agreements, such as the implementation of the European Economic Community agreement (EEC) on commodities, products and COMESA, Egypt's participation in the implementation of the General Agreement on Tariffs and Trade (GATT) or its leading role such as the chairmanship of the African Union and the presidency of the Arab League. The Egyptian government has changed its laws to ensure investment and increase its incentives for investors. As a promising and emerging market for economies, Egypt will be a world economic compass in the future.**

**A comparison between the proceedings of importing goods to Egypt in accordance with Resolution 43 of 2016 and the establishment of a company and a factory in accordance with the Investment Law 72 of 2017**

<p>Importing goods to Egypt by the decision No. 43 of 2016</p>	<p><a href="#"><u>We support it and nominate it for you strongly</u></a></p> <p>Establishment of a company and factory in accordance with the Investment Law 72 of 2017</p>
<p><b><u>Documents required to register a company or factory to import goods inside Egypt</u></b></p> <p><b><u>To register a company if the company owns a brand</u></b></p> <ol style="list-style-type: none"> <li>1. Legal power of attorney for the person who will perform the proceedings</li> <li>2. An authorization from the company which is going to be registered to the Egyptian Company to deal with the General Organization for Export and Import Control</li> <li>3. Products statement should be written on company paperwork as well as factories and export and distribution centers.</li> <li>4. Quality Certification</li> <li>5. Brand ownership statement</li> </ol> <p><b><u>To register a factory if the factory owns a brand</u></b></p> <ol style="list-style-type: none"> <li>1. Legal power of attorney for the person who will perform the proceeding</li> <li>2. An Authorization from the factory to the Egyptian Company (Commissioner) to deal with the General Organization for Export and Import Control.</li> <li>3. Factory Operating license</li> <li>4. Products statement should be written on factory paperwork</li> <li>5. All legal entity paperwork of the factory.</li> <li>6. Quality Certification</li> </ol>	<p><b><u>Documents required to set up a company and factory</u></b></p> <ol style="list-style-type: none"> <li>1. Legal power of attorney for the "founders' agent" of the partners, translated in Arabic issued by the Egyptian Embassy in the investor's country</li> <li>2. A Passport copy of the partners</li> <li>3. Choose the name of the company and the percentage of each partner's shares</li> </ol> <p><b><u>Service start time</u></b></p> <ol style="list-style-type: none"> <li>1. the company takes 7 working days maximum</li> <li>2. Purchasing the factory and adding it to the commercial register through a general assembly takes 15 working days maximum</li> <li>3. Getting factory approvals and licenses take 30 working days maximum.</li> <li>4. Purchasing the production line and getting the discount and exemptions on the production line on the purchase invoices within a maximum of 7 working days.</li> </ol> <p><b><u>Benefits, guarantees and incentives</u></b></p> <ol style="list-style-type: none"> <li>1. The investor can buy the land and buildings of the factory directly from the government in the industrial areas for a small amount and can be free of charge in the areas specified by the investment map of the Ministry of Investment.</li> <li>2. The company and the factory established in accordance with this law shall acquire Egyptian nationality.</li> <li>3. The Executive Regulation of the Investment Law regulates the residence of foreign investors in Egypt, whereby the Executive</li> </ol>

## 7. Brand ownership statement

### Service start and end time

The File and its documents shall be reviewed, and the file shall be submitted to the competent minister for approval or rejection. There is no specific time for the approval because it is a matter of discretion from the competent minister.

### Benefits, guarantees and incentives

1. - The exporter is subject to the request of residency in Egypt according to the stipulated conditions of residence.
2. All products are subject to customs tax in according to the tariff of the Customs Authority imposed on the goods, without exemption limit unless the commodity is essential and the government is unable to provide and resort to import.
3. All goods shall be subject to VAT imposed without exemption limit unless this commodity is essential and the government cannot supply it and resort to import it.
4. Goods may be subject to a surcharge such as dumping tax on certain products.
5. The importer cannot re-export the goods again except by another tax imposed and called an export tax.

Attorney fees are paid once until the approval and they are estimated at ( **\$6000**) For each company

Regulation for granting residence permit stipulates that the foreign investor must be a founder, shareholder or partner in a company or the owner of an establishment, and the stay period should not be less than one year and not more than the duration of the project. The General Authority for Investment and Free Zones may add other conditions after the approval of the Ministry of Interior. This residence permit is also canceled in case the investor exits the company or the registration of the company is canceled based on liquidation or the establishment is removed from the registration in the commercial register.

4. The investment project has the right to employ foreign labor representing 10% of the total number of workers in the project. This percentage may be increased to 20% of the total number of workers in the project in case of the absence of national manpower possessing the necessary qualifications after the approval of the General Authority for Investment.
5. The competent administrative authorities shall not cancel, suspend or withdraw the licenses issued for the investment project unless the investor is notified by a registered letter informing him of the violations attributed to him, hearing his point of view and giving him a period not exceeding 60 days from the date of his warning to remove them. This deadline has elapsed without the investor removing it. The competent administrative authorities must, before issuing their decision, take the opinion of the General Investment Authority. The investor shall have the right to appeal against the decision to cancel the licenses or withdraw the properties or stop them before the Grievances Committee provided for by law.
6. The investor has the right to transfer his

capital invested in projects in Egypt or his profits abroad if the foreign exchange is transferred through one of the banks registered with the Central Bank, and foreign workers have the right to transfer their salaries paid in dollars abroad

7. 5) The factory machinery and equipment required for production is subject to a 2% customs tax.
8. Machinery and equipment are subject to VAT only 5% and are exempt from the remaining value of the tax due.
9. The factory established by this law shall have the right to issue and contract the sale of its products directly to Africa and Europe in accordance with the COMESA and The European Economic community Agreements.
10. Goods produced at source and exported to other countries shall be granted a financial incentive called export subsidy from the Egyptian government. The amount of financial support varies according to the type of product when exported to another country.
11. In accordance with this law, the investor can form partnerships and giant economic entities in one or other fields according to the market need for many advantages and open relations with other investors, followed by participation in the businessmen association and the joint business council between Egypt and the investor country. In the absence of a joint business council, the investor has the right to request the establishment of a joint business council.
12. The Egyptian government always intervenes to protect homemade industries by imposing duties and taxes on imported products and goods.

	<p><u>Attorney fees are paid</u> <u>Monthly Salary</u> is estimated at ( \$2000) For each company</p>
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