

## Egypt's New Investment Law No. 72 of 2017

### Investment Guarantees



- Fair and equitable treatment for Egyptian and foreign investors



- Protection against nationalization



- No coercive or discriminatory measures against invested money



- The right to repatriate profits outside Egypt and receive foreign funds



- No importation license needed for machinery and equipment



- Residence permits for foreign investors



- Seizure of money is only allowed by virtue of a court judgment



- Land and property licenses may not be withdrawn without prior notice



- Liquidation process to be finalized within 120 days



- Expats can be employed up to 10% of total employees

### Investment Incentives

#### General Incentives



- Exemption from stamp duty tax and notary public fees for 5 years



- Exemption from land registration fees



- Unified flat customs duty rate of 2% on all machinery and equipment

#### Special Incentives

7-year tax incentive as follows:



- 50% of investment cost of setting up projects in areas that are in most need of development
- 30% of investment cost of projects set up in other areas
- Reduction amount shall not exceed 80% of paid-up capital

#### Additional Incentives



- 50% refund of land cost if production starts in 2 years
- Free land for specific strategic projects



- Government to share cost of utilities and vocational training
- Allowing projects to have their own customs gates

#### Return of Privately-Owned Free Zones



Customs-free and tax-free; they are rather subject to fees of:

- 1% of revenues achieved from exporting
- 2% of revenues achieved inside Egypt (For manufacturing or assembly projects)
- 2% of total revenue from other projects

#### Corporate Social Responsibility



Allowing investors to allocate up to 10% of their net profits to social development systems to be tax deductible.

#### New Arbitration and Mediation Center



Under the name of "the Egyptian Center for Arbitration and Mediation"; for amicable dispute resolution.