Free Zones

A New Vision for the Future






Free Zones Investor Procedural Guidebook

Free Zones

The General Authority for Investment and Free Zones (GAFI)

Free Zones Investor Procedural Guidebook

Disclaimer

The English version of this Guidebook 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 Translation Department is an accurate rendering of the Arabic version of the guide. 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.

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Introduction

This guidebook is designed to inform investors, users, and beneficiaries about how to establish a project within Egypt's free zones. It outlines the financial, regulatory, and engineering obligations, as well as the general provisions to be followed during project establishment. This reflects the General Authority for Investment and Free Zones' (GAFI) commitment to enhancing transparency for investors.

GAFI remains pleased to provide its services and respond to all inquiries.

Welcome to the Egyptian Free Zones

Egypt enjoys a strategic position in global trade, at the crossroads of three continents: Asia, Africa, and Europe. It is bordered by the Mediterranean Sea to the north and by the Red Sea and the Suez Canal to the east— one of the world's most vital maritime routes, linking East and West.

This exceptional location, combined with Egypt's abundant production factors, modern communication networks, strong integration into global markets, resilient economy, political stability, democratic development, and well-established international relations, has made the country an increasingly attractive destination for national, Arab, and foreign investments.

Free Zones in Egypt represent a unique investment model. They operate under the framework of Investment Law No. 72 of 2017 and its Executive Regulations and are overseen by the General Authority for Investment and Free Zones (GAFI).

Through an integrated system, GAFI has established an investment environment in Free Zones that meets international standards. These zones offer investors a range of incentives, exemptions, guarantees, and advantages that enhance their competitiveness compared with similar zones in the region. Egypt currently hosts nine Public Free Zones, each fully equipped with the infrastructure and services required to support investment projects, together with specialized administrative bodies dedicated to facilitating their establishment and operation.

Egyptian Free Zones... A New Vision for the Future

The Free Zones in Egypt

Free zones are designated areas within the territory of the State and under its administrative authority, yet governed by special rules concerning taxation, customs, and monetary regulations.

Types of Free Zones

There are two types of zones: I: Public Free Zones; and II: Private Free Zones.

The Free Zones Sector is responsible for overseeing both public and private free zones.

I: Public Free Zones

The State has established nine (9) Public Free Zones, each fully equipped with utilities and infrastructure. Every Public Free Zone has a Board of Directors responsible for overseeing its operations and facilitating services for investors, including the allocation of serviced land plots in locations suitable for the activities of investment project.

II: Private Free Zones

A private free zone is an independent entity established for a single project or for several projects engaged in similar activities, outside the Public Free Zones. Its location is determined based on the nature of the activity and the project's economic requirements, which may include proximity to raw materials and production inputs, access to export markets and labour, integration with nearby industries, or access to specific ports or transportation networks. The land may be owned or leased by the investor.

Private free zones shall be approved in accordance with the criteria set forth in Circular Letter No. (2) of 2024 concerning the unified criteria for approving the establishment of new private free zones (10 criteria), namely: the type of the targeted activities; site selection; employment opportunities; exports outside the country; sources of foreign financing; technology used; space area; capital; investment costs; reliance on local components, provided that 100% of the production is exported outside the country.

Permitted Activities in the Free Zones

All investment activities are permitted within Egypt's Free Zones in line with the policy established by GAFI, with particular emphasis on export-oriented industries. However, the following activities are prohibited:

- The manufacture of weapons, ammunition, explosives, or any activities related to national security;
- The production of alcoholic beverages and spirits.

In addition, upon approval by the Supreme Council of Energy, projects engaged in the following activities may be licensed to operate within Free Zones:

- Fertilizer manufacturing;
- Iron and steel manufacturing;
- Petroleum refining and manufacturing;
- Natural gas processing, liquefaction, and transportation;
- Energy-intensive industries.

Moreover, the establishment of a private service free zone may be approved, comprising a main service project responsible for establishing, developing, and managing the zone and making space available for certain sub-service projects engaged in similar activities falling within any of the sectors set forth in Article (1) of the Executive Regulations governing Private Free Zones.

In Private Service Free Zone projects established pursuant to partnership or investment contracts concluded between a State entity and an investor, following the approval of the Council of Ministers, for the purpose of establishing major development projects, the Private Service Free Zone may also include one or more sub-projects carrying out industrial activities in the field of light industries only, provided that the area of the Private Service Free Zone allocated to the main project is not less than one million square meters.

Advantages, Guarantees, and Exemptions Granted to Free Zone Projects

Advantages

- Flexibility in selecting the investment sector and the legal structure of the project;
- Full freedom to transfer invested capital and project profits abroad;
- Freedom to set product prices and determine profit margins; and
- Freedom to import and export without being subject to registration in the Importers and Exporters Register.

Incentives

- No restrictions on the nationality of capital; foreign investors may wholly own or enter partnerships in any proportion, except for projects in Sinai;
- The possibility of providing toll manufacturing services to third parties, subject to the applicable regulations;
- Facilities for granting residence permits to foreign investors; and
- Residence permits for foreign employees upon the request of the project.

Guarantees

- No legal action may be instituted against a free zone project without prior reference to GAFI.
- Projects and establishments may not be nationalized or confiscated.
- Projects shall not be subject to receivership, seizure, freezing, or confiscation of assets by administrative action, except pursuant to a judicial ruling.

Exemptions

- All capital assets and production requirements essential to the project's activity, excluding passenger cars, shall be exempt from customs duties, sales tax, and other taxes throughout the duration of the project, even where such assets are temporarily located outside the free zone due to the nature of the project's activity.
- Imports from abroad and exports to foreign markets shall be exempt from customs duties and taxes, including sales tax and other taxes applicable within the country.
- Projects and the profits generated thereby shall be exempt from domestic taxes and customs laws throughout the period of operation.
- Imports from abroad and exports to foreign markets shall not be subject to the customs procedures or import regulations applicable within the country.
- Goods imported from the domestic market shall be exempt from value-added tax.
- Transit goods with a specified final destination shall be exempt from all fees imposed on incoming and outgoing consignments, provided that:
    - The project is located within the customs zone; and
    - The bill of lading and the invoice clearly specify the final destination.
- The domestic component of goods produced by free zone projects shall be fully exempt from customs duties where such goods are sold in the domestic market.

Overview of Public Free Zones

Egypt currently hosts nine (9) Public Free Zones strategically distributed across the country. Each zone is fully equipped with the essential utilities and infrastructure required for smooth operations and project hosting, including roads, electricity, sewage treatment plants, water networks, and telecommunications systems.

To ensure efficient administration and facilitate services for investor, each zone also includes an integrated customs unit, a port security police unit, and a 24-hour security unit, providing comprehensive security and operational support.

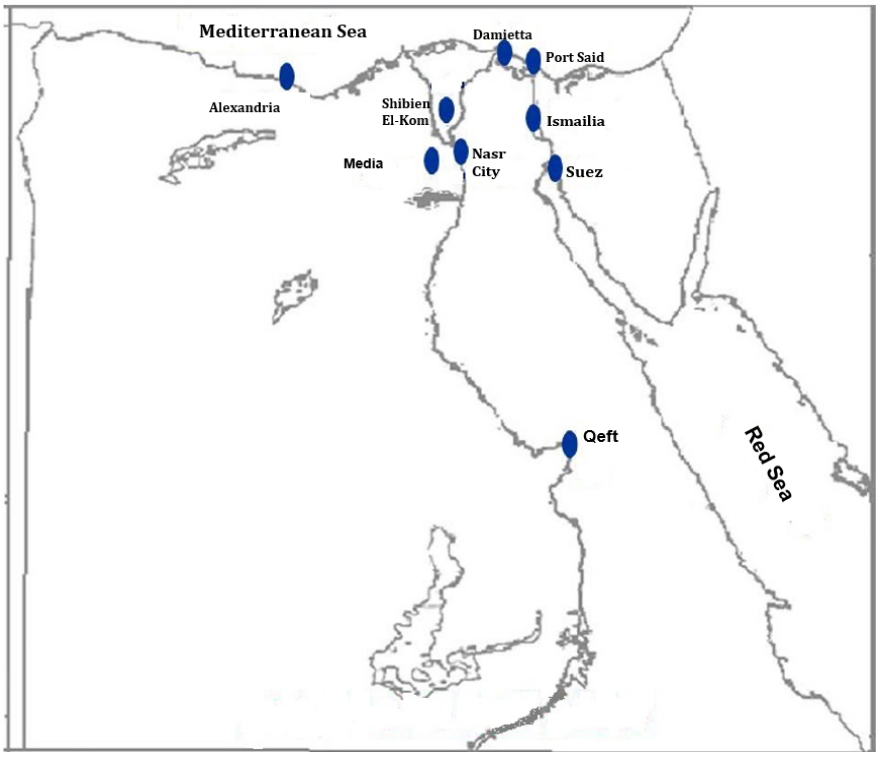
The locations of the Public Free Zones have been carefully selected in major cities, based on their strategic locations, availability of skilled labour, and supporting local capacities. Their proximity to major seaports and airports further enhances the logistical advantages available to investors.

Investment plots within these zones are allocated on a usufruct basis, with the applicable annual fee calculated per square meter according to the type of project activity, as follows:

- USD 9.26 per m^2/ year for industrial activities;
- USD 14.55 per m^2 / year for service and warehousing activities.

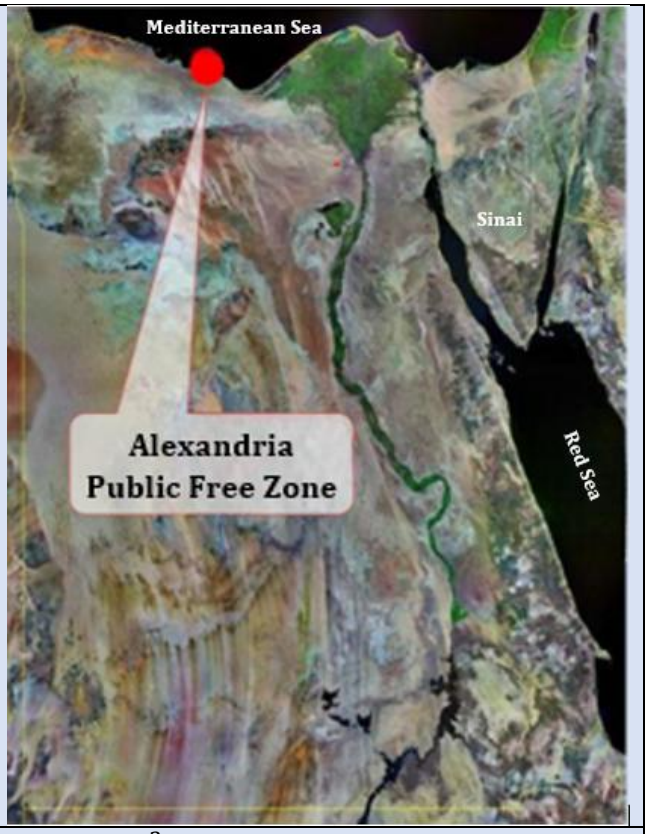
Exceptions apply to certain areas, where the applicable annual rates are:

- USD 1.75 m^2/ year for industrial activities;
- USD 3.50 m^2/ year for service and warehousing activities.



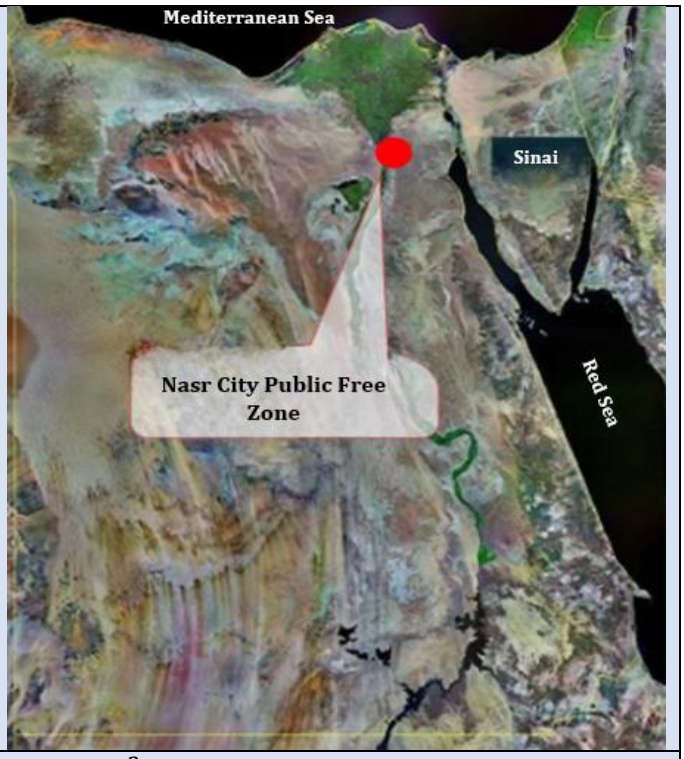
Alexandria Public Free Zone

Alexandria Public Free Zone, the largest in Egypt in terms of total area, is located in Al-Amerya, approximately 25 kilometers from the center of Alexandria.

<table>
<tr><td>Location Advantages</td><td>Situated 20 kilometers from both Nozha International Airport and Alexandria Seaport, and 30 kilometers from Borg El-Arab International Airport;
Located at the start of the Alexandria–Cairo Desert Road, serving as a key junction that connects to the International Coastal Road, which links North Africa with West Asia and Southern Europe through a major international land transport corridor across three continents;
Fully equipped with a natural gas network.</td><td>
</td></tr>
<tr><td>Surface Area:</td><td colspan="2">The zone covers an area of 5.68 million m^2 (equivalent to 1,353 feddans).</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Furniture and ready-made garments.
Pharmaceuticals, medical supplies, pharmaceutical products and preparations.
Chemicals and agricultural pesticides.
Petrochemicals and related industries.
Maritime and petroleum services and related activities.
Storage and re-export of vehicles under the approved exclusive agency system.
Storage and re-export of various types of goods.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">$9.26/$m^2$/year for industrial projects.
$14.55/$m^2$/year for warehousing and service projects.</td></tr>
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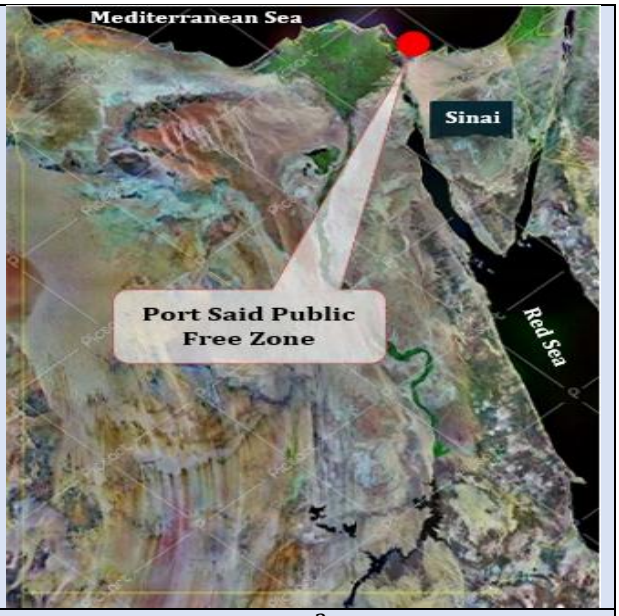
Nasr City Public Free Zone

Located in Cairo Governorate, Nasr City Public Free Zone is one of the earliest established free zones in Egypt.

Location Advantages	• Proximity to all major services and facilities in the capital; • Well-integrated into Cairo's Road and railway networks, ensuring connectivity with all parts of Egypt; • Located 15 kilometers from Cairo International Airport; • Located 125 km from Sokhna Port, the nearest port on the Red Sea; • Located 270 km from Dekheila Port on the Mediterranean coast; • Fully equipped with a natural gas network.	
Surface Area:	• The zone covers an area of 756,000 m^2 (equivalent to 180 feddans). • The zone is fully occupied.	
Key Investment Activities	• Furniture, ready-made garments, and sportswear. • Ready-made garment accessories and production inputs. • Carpets, rugs, floor coverings, and related products. • Wiring harnesses, electrical circuits, and automotive components and production inputs. • Electrical panels, spare parts, and production inputs. • Footwear, leather, leather products, and production inputs. • Stationery and office supplies, as well as printing materials and production inputs. • Chandeliers, crystal products, and glass products. • Pharmaceuticals, pharmaceutical preparations, and production inputs. • Development of software, applications, and electronic content. • Provision of petroleum services and related and complementary services.	
Land Occupancy Fees	• \$9.26/m^2/year for industrial projects. • \$14.55/m^2/year for warehousing and service projects.	

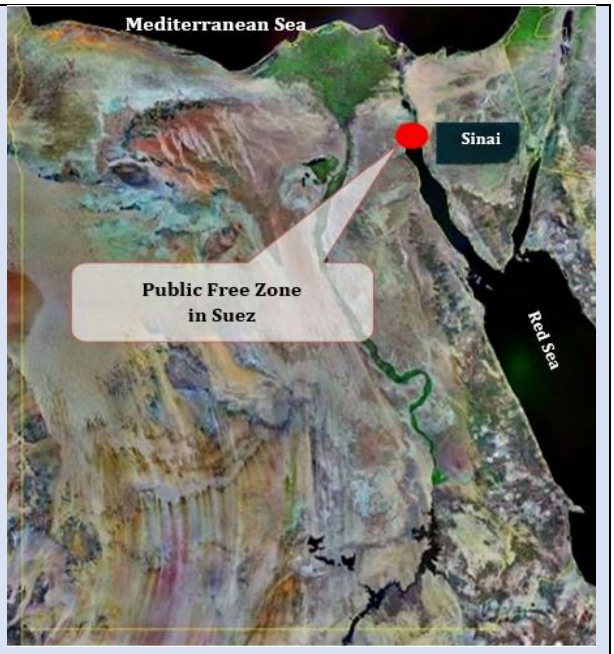
Port Said Public Free Zone

Port Said Public Free Zone is situated in Port Said Governorate, at Egypt's northeastern tip, at the northern entrance of the Suez Canal.

<table>
<tr><td>Location Advantages</td><td>The zone is located adjacent to Port Said Seaport, which serves as a hub for domestic and international transport routes;
Port Said is internationally recognized as a strategic gateway connecting Asia, Africa, and Europe;
The zone is connected to the national natural gas network.</td><td>
</td></tr>
<tr><td>Surface Area:</td><td colspan="2">The zone covers an area of approximately 886,000 m^2 (equivalent to 211 feddans).</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Furniture and ready-made garments.
Wiring harnesses and electrical circuits required for the automotive industry.
Pipes used in water networks or for the transportation of petroleum or natural gas.
Petrochemicals and the inputs required for their production.
Provision of maritime and petroleum services and related services.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">$9.26/$m^2$/year for industrial projects.
$14.55/$m^2$/year for warehousing and service projects.</td></tr>
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Public Free Zone in Suez

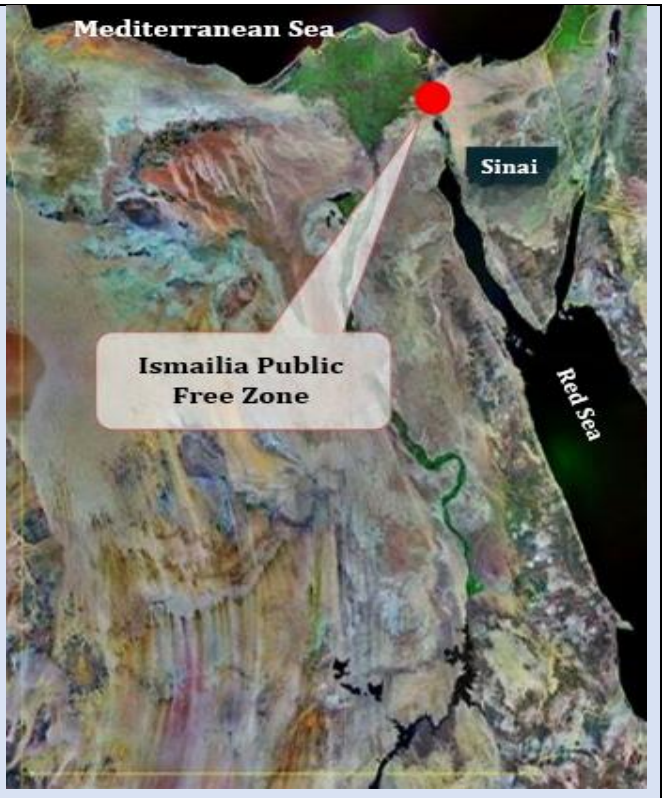
The zone is located in Suez Governorate, north of the Gulf of Suez, at the southern entrance of the Suez Canal.

<table>
<tr><td>Location Advantages</td><td>Suez City enjoys a strategic location as a maritime and commercial hub, overlooking the northern Gulf of Suez at its junction with the Suez Canal;
The city benefits from extensive road and transport networks connecting the area to various seaports, air and land gateways across the country;
The free zone is established across three sites: Port Tawfik, Adabiya, and Ataqa;
The Port Tawfik site is adjacent to Suez Port;
Five seaports serving the area and located in its vicinity: Port Tawfiq, Adabiya, Petroleum Dock, El-Ataka, and Sokhna.</td><td>
</td></tr>
<tr><td>Surface Area:</td><td colspan="2">The zone consists of three designated sites:

1. Port Tawfiq Site: 75,6 m^2 (18 feddans), and is adjacent to the perimeter wall of Port Tawfiq Port.
2. Adabiya Site: 262,000 m^2 (62 feddans), along the Suez–Sokhna Road, overlooking the coast of the Gulf of Suez, approximately 5 km from Adabiya Port. Vacant areas are still available at the site.
3. Ataqa Site: 893,000 m^2 (212 feddans), separated from the Adabiya Site by the Suez–Sokhna Road. Vacant areas are still available at the site.</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Shipbuilding and the manufacture of yachts, marine vessels, and the inputs required for their production.
Chemicals and agricultural pesticides and the inputs required for their production.
Engineering equipment, including pumps and electrical panels.
Provision of petroleum services and related services.
Ship bunkering and supply services and related services.
Destination-specific transit trade.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">$9.26/$m^2$/year for industrial projects.
$14.55/$m^2$/year for warehousing and service projects.</td></tr>
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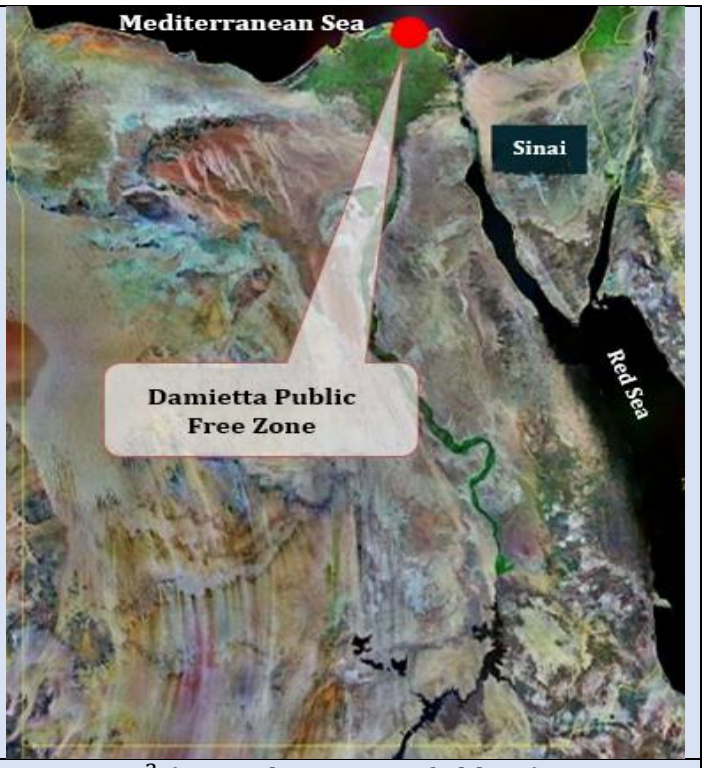
Ismailia Public Free Zone

The zone is strategically located opposite the entrance to Ismailia City, midway between the ports of Suez and Port Said along the Suez Canal.

<table>
<tr><td>Location Advantages</td><td>Proximity to key seaports and airports: 85 km from Port Said Port, 85 km from Suez Port, 120 km from Cairo International Airport, and 125 km from Damietta Port;
A network of express roads connecting the zone to various land, sea, and air gateways across Egypt;
Central location between the First and Second Industrial Zones in Ismailia and Technology Valley in Ismailia Governorate.
It is 60 km from the industrial zones in the 10th of Ramadan City;
The zone is fully serviced and connected to the natural gas network.</td><td>
</td></tr>
<tr><td>Surface Area</td><td colspan="2">The zone covers a total surface area of 1.9 million m^2 (453 feddans), which has been provided with infrastructure and developed in seven phases, except for an area of 70 feddans, where infrastructure works are currently underway.
Vacant plots without utility infrastructure are available.</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Textiles, furniture, and ready-made garments.
Laboratory reagents, medical supplies, and pharmaceutical products and preparations.
Storage of electrical and lighting materials and supplies and cables, and provision of related services.
Provision of logistics services for the consolidation and re-export of goods.
Provision of petroleum services and related activities.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">$9.26/$m^2$/year for industrial projects.
$14.55/$m^2$/year for warehousing and service projects.</td></tr>
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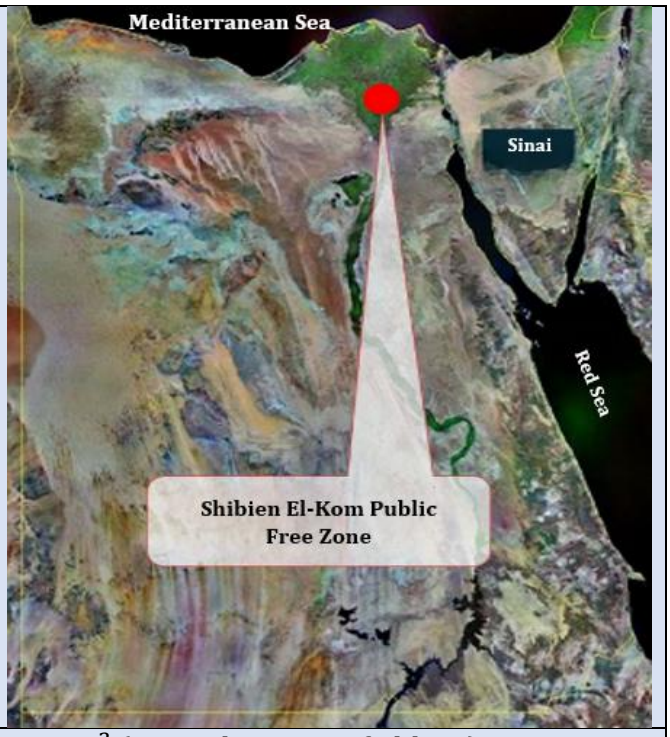
Damietta Public Free Zone

The zone is located adjacent to the perimeter wall of Damietta Port, on the Mediterranean coast in Damietta Governorate, northern Delta.

<table>
<tr><td>Location Advantages</td><td>The zone is directly adjacent to Damietta Port and directly overlooks the Mediterranean coast;
Located 55 km west of Port Said Port, at the northern entrance to the Suez Canal;
The zone has a shared gateway with Damietta Port, resulting in lower costs for transporting and handling goods between the zone and the port;
All customs clearance procedures are conducted directly inside the zone.</td><td>
</td></tr>
<tr><td>Surface Area:</td><td colspan="2">The zone covers an area of 798,000 m^2 (equivalent to 190 feddans).
The zone is fully occupied.</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Manufacture of yarns, textiles, and fabrics.
Manufacture of chemicals and agricultural pesticides.
Manufacture of filters and water purification equipment and plants.
Sorting, grading, processing, and re-export of mineral ores and raw materials.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">$9.26/$m^2$/year for industrial projects.
$14.55/$m^2$/year for warehousing and service projects.</td></tr>
</table>

Shibien El-Kom Public Free Zone

The zone is located in the city of Shibin El-Kom, the capital of Monufia Governorate, within the premises of Shibin El-Kom Misr Spinning and Weaving Company.

Location Advantages	• Direct access to the facilities of Shibin El-Kom Misr Spinning and Weaving Company, significantly lowering raw material procurement and transportation costs; • Availability of a well-trained labor force; • Convenient proximity, 45 km, to Cairo, the capital of Egypt.	
Surface Area:	• The zone covers an area of 84,000 m^2 (equivalent to 20 feddans). • An additional 65,000 square meters in adjacent land parcels.	
Key Investment Activities	• Manufacture of yarn, textiles, fabrics, and ready-made garments. • Medical metal plates, screws, and the inputs required for their production. • Chemicals and automotive paints. • Tobacco and cigarettes and related complementary industries.	
Land Occupancy Fees	• \$9.26/m^2/year for industrial projects. • \$14.55/m^2/year for warehousing and service projects.	

Qeft Public Free Zone

Qeft Public Free Zone is located opposite the El-Kalahin Industrial Zone in Qeft District, Qena Governorate, in the Central Upper Egypt region.

<table>
<tr><td rowspan="2">Location Advantages</td><td>The zone enjoys a strategic location on the Qeft–Quseir Road, which connects it to a network of roads leading to various sea, land, and air gateways across Egypt.
It is located at the head of the Golden Triangle Economic Zone, which is rich in mineral resources and natural wealth in the Eastern Desert.
The zone is located 30 km from Qena City, the governorate capital, 45 km from Luxor International Airport, and 170 km from Sohag Airport.</td><td>
</td></tr>
<tr><td colspan="2">Located 186 km from Safaga Port on the western coast of the Red Sea, which is equipped with a container handling terminal for exports to destinations worldwide, with the possibility of overland exports to the Gulf States via a direct maritime ferry service to Saudi Arabia’s Duba Port on the eastern coast of the Red Sea.
Located 180 km from Quseir Port (fishing/petroleum) on the Red Sea coast.
Located 50 km from the connection to and entrance of Qena City on the Upper Egypt–Red Sea Road.</td></tr>
<tr><td>Surface Area</td><td colspan="2">The zone covers an area of 915,6 m^2 (equivalent to 218 feddans).
Vacant plots are available.</td></tr>
<tr><td>Key Investment Activities</td><td colspan="2">Manufacture of wood, wood products, and inputs for furniture manufacturing.
Mattresses, synthetic foam, and the inputs required for their production.
Processing and manufacture of phosphate and related chemical products.
Pharmaceuticals, medical supplies, and pharmaceutical preparations.
Provision of petroleum services, as well as goods storage and re-export services.</td></tr>
<tr><td>Land Occupancy Fees</td><td colspan="2">USD 1.75/m^2/year for industrial projects.
USD 3.5/m^2/year for warehousing and service projects.</td></tr>
</table>

Media Public Free Zone

The Media Public Free Zone is located in 6th of October City, Giza Governorate. It holds a distinctive status as the only Egyptian free zone dedicated to media projects, broadcasting services (visual and audio), and satellite channels.

Surface Area

The zone covers an area of 2,4 million m^2 (equivalent to 580 feddans).



Technical Capacities and Competitive Advantages:

The zone provides advanced infrastructure and unique capacities that enable the implementation of diverse media projects and offer strong competitive advantages for investors, including:

- Studios (both indoor and outdoor shooting areas);
- Workshops for the electromechanical services and industrial safety power units;
- A five-star hotel and a conference center
- Entertainment facilities, including Fun City;
- The International Academy for Engineering and Media Sciences;
- Satellite broadcasting services (Nilesat);
- Qualified human resources across all specializations;
- Administrative and technical offices;
- High-tech production facilities (video production, dubbing, film production, graphic centers, etc.)
- Some studios are equipped for direct satellite broadcasting via Nilesat cable connections.

Infrastructure:

- Power stations, water supply, and sewage treatment facilities;
- Telephone network;
- Road network and landscaped green areas;
- An investor services center (ISC) within the zone's administrative building.

Key Investment Activities in the Zone

- Satellite broadcasting of television, radio, and information services;
- Establishment of satellite TV, radio, and information channels;
- Production of radio and television programs, cinematic works, and all forms of artistic production, and promotional materials;
- Establishment of printing houses;
- Advertising, publicity, and public relations services;
- Manufacture and assembly of tools, devices, and equipment required for media production activities;
- Establishment of permanent exhibitions for companies producing communication technology devices;

- Establishment of hotels, tourist facilities, and commercial outlets that serve the free zone;
- Importation and storage of machinery, equipment, devices, operational supplies, and spare parts related to media production activities for sale purposes.
- Maintenance and repair of media production machinery, equipment, and devices;
- Development of computer programs and systems, software design, and electronic content creation;
- Provision of integrated services, consulting, and solutions in information and media technology;
- Any additional activities approved by the Board of Directors of the Media Public Free Zone.

General Provisions Governing Media Activities in the Zone

- Commitment to the Arab Media Charter and the "Principles for Organizing Satellite Broadcasting in the Arab Region.";
- Compliance with the principles applied by Egyptian media channels operating within the zone.

Land Occupancy Fees

Land leasing is facilitated through the Egyptian Media Production City Company or other infrastructure providing companies, depending on the services provided to the project.

I. Public Free Zones

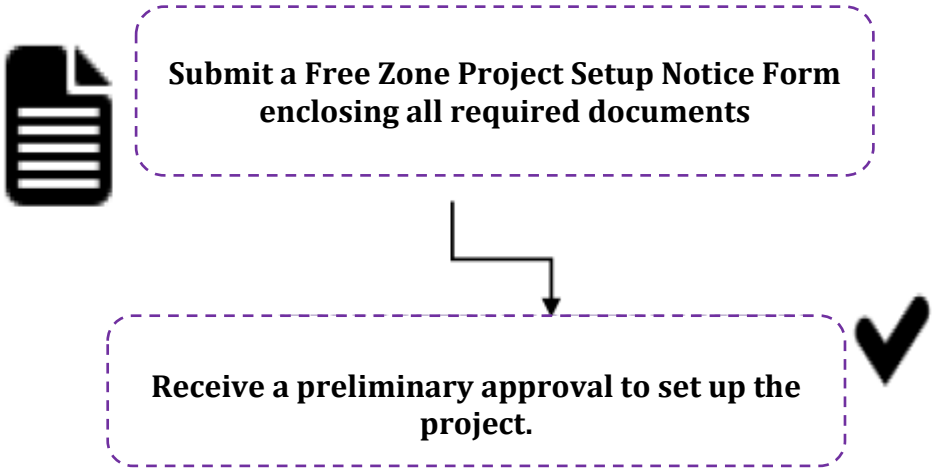
Obtaining a Preliminary Approval to Set up a Public Free Zone Project

Application for a Preliminary Approval to Set up a Free Zone Project

Required Documents:

- The applicant shall obtain a Project Setup Notice Form, from the relevant Zone or sector to initiate the procedures for obtaining preliminary approval to set up the project. The applicant shall also submit copies of the national ID cards or passports of the partners, together with a power of attorney granted to the applicant by the partners or the parent company.
- An economic feasibility study for the project, together with evidence of the partners' financial solvency.
- For industrial projects, or projects involving an industrial activity, the following shall be attached to the Project Setup Notice Form:
  - A conceptual layout showing the proposed use of the requested site area, consistent with the nature of the intended activity;
  - A detailed description of the machinery, equipment, and production lines to be used;
  - A detailed description of the industrial process, including inputs and outputs and the specifications of the final product;
  - A schedule for completing the construction phase, installing the production lines, and commencing industrial operations, calculated from the date on which the allocated site is handed over;
  - An acknowledgment that, if the project fails to satisfy the requirements applicable to industrial activities, it shall be treated as a warehousing project and shall bear all consequences arising from such reclassification; and
  - An acknowledgment to comply with all information set out in the Project Setup Notice Form, including the proposed schedule for the commencement of actual operations and the detailed description of the industrial process attached thereto.
- For projects located within the Media Public Free Zone, preliminary approval for the lease of a studio, administrative premises, or satellite broadcasting hours shall be obtained from the Zone's service providers and ratified by the competent authority.

Steps:



Payable Fees: EGP 500

Obtaining a Final Approval to Set up a Public Free Zone Project

Application for Final Approval to set up a Public Free Zone Project

Required Documents:

- The applicant shall submit a bank cheque, in an amount of not less than USD 1,000 and equivalent to 10% of the annual usufruct fee for the requested site area, as a down payment demonstrating the seriousness of the project. The cheque shall be submitted within one (1) month from the date on which the applicant is notified of the preliminary approval authorizing the establishment of the project.
- If the cheque is not submitted within the prescribed period, the application shall be disregarded and the preliminary approval shall be deemed null and void. The amount of the cheque shall be deducted from the usufruct fee upon handover of the site. The amount shall be non-refundable if the project does not proceed for reasons attributable to the project.
- The applicant shall submit a background check for any foreign partner, together with a copy of the relevant partner's passport.

Steps:

1. Submit a bank cheque equivalent to 10% of the annual lease value to the relevant Free Zone management.
2. Submit a background check for any foreign partner(s), in accordance with the procedures applicable at the Investor Service Center (ISC), subject to the following:
   - The final approval decree shall include a provision requiring the replacement or removal of any partner or shareholder in respect of whom an unfavorable background check is received, within a maximum period of one (1) month from the date of notification to that effect by registered mail with acknowledgment of receipt. Failure to comply with this requirement shall be deemed a withdrawal from the project by the applicant, without entitlement to claim any compensation. A written acknowledgment accepting this condition shall be submitted.
   - In the case of branches of foreign companies and sole proprietorships, final approval shall not be granted unless a favorable background check is received.
   - The background check requirement shall also apply to foreign members of the boards of directors of joint stock companies and to the managers of limited liability companies.
   - As an exception, no background check shall be submitted to the Media Public Free Zone, as the Zone itself is responsible for conducting background checks on both Egyptian and foreign partners. No application shall be submitted to the Media Zone Board of Directors unless favorable background checks have been received in respect of all partners included in the application.
3. Upon issuance of the final approval, the applicant shall be notified accordingly and may proceed with the procedures for receiving the allocated site, provided that the usufruct fee for one year is paid in advance.

Submit a bank cheque equivalent to 10% of the lease value, with a minimum amount of USD 1,000.



Receive notification of the final approval.



Proceed with the handover of the allocated project site.



Notes:

- The company's authorized legal representative shall sign the standard usufruct agreement prepared by GAFI.
- The usufruct fee applicable to the project shall accrue as of the date of signing the site handover report and shall cease to accrue as of the date on which the project returns the site to the Zone management.
- The usufruct fee for the first year shall be paid in full in advance. Starting from the second year, the usufruct fee shall be paid in quarterly installments.
- Starting from the second year, the project may pay the usufruct fee for any additional areas allocated to it as expansions in quarterly installments. However, for any expansions handed over during the first year, the usufruct fee shall be paid in full in advance for one year.
- An industrial project approved on the basis of its submitted activity description shall be classified as an “industrial project” for a period of one year. During this period, the project shall complete the construction works, prepare the site, install the production lines, commence operations, and submit an application to the Zone management for inspection of the production lines, unless the schedule previously submitted to and approved by the Zone Board of Directors (BoD) extends beyond one year. This period may also be extended for one or more additional periods based on justifications submitted by the project and deemed acceptable by the Zone BoD.
- In the event of failure to comply with the approved schedule without valid justification, the project shall be financially reclassified as a “warehousing project.”

Payable Fees: None

Obtaining an Operating License for a Public Free Zone Project

Obtaining an Operating License for a Public Free Zone Project

Required Documents:

- The company's articles of incorporation/association, as applicable to its legal structure, using the standard templates of the Investor Service Center (ISC);
- A copy of the decree approving the incorporation of the company, together with a document specifying the name and capacity of the company's legal representative;
- A financial guarantee in favor of GAFI, in an amount commensurate with the type of activity to be carried out and the project's investment cost;
- A copy of the company's commercial registry, tax card, and Investment Gazette; and
- Evidence of advance payment of the remaining usufruct fee payable for the first year in respect of the site allocated to the company.

Steps:

1. Submit the required documents to obtain a temporary operating license valid for one year, which may be renewed for additional periods.
2. A permanent operating license shall be issued only upon fulfillment of the following requirements:
   - Complete the building and construction works in accordance with the architectural drawings submitted to and approved by GAFI's competent department;
   - Fulfill all requirements stipulated by the relevant authorities, including Civil Defense, Environmental Affairs, and any other government entities specified in the terms and conditions of the final approval;
   - Commence industrial production operations and successfully pass the inspection of the production lines and verification of their compliance with the standards applicable to industrial production activities;
   - In the case of industrial projects, the production lines shall be inspected to verify that their actual implementation conforms to the data and documents previously submitted; and
   - If the project fails to satisfy the requirements applicable to industrial activities, it shall be financially reclassified as a "warehousing project."

Payable Fees: **None**

Amending the Data of a Public Free Zone Project

Application for the Amendment of the Data of a Public Free Zone Project

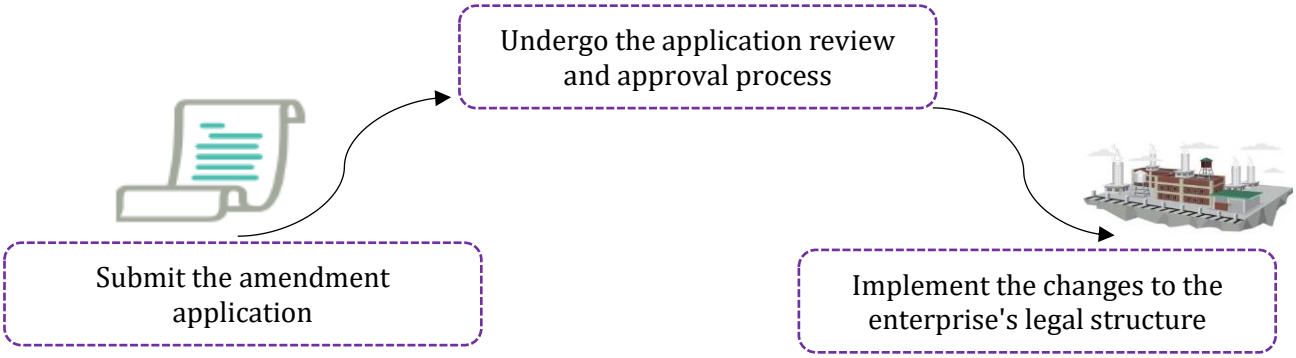
Required Documents:

- The applicant shall submit an application for amendment clearly specifying the requested changes, together with all supporting documents required according to the company's legal structure. The applicant shall also follow the procedures set out in Section III: Amendments of the ISC Guidebook.

Steps:

- Submit the amendment application, together with all required supporting documents, in accordance with the procedures set out in the ISC Guidebook; obtain the endorsement of the Commercial Registry Office; and submit the complete application file to the Zone management.





Cancelling the Approval and Revoking the Operating License granted to a Free Zone Project

Application for the Cancellation of the approval and the Revocation of the Operating License granted to a Free Zone Project

Required Documents:

- An application submitted by the company's authorized legal representative for the cancellation of the approval granted to the company;
- The minutes of the meeting of the partners/shareholders, as applicable to the company's legal structure.

Steps:

- Submit to the Zone management an application for the cancellation of the approval previously granted to the company.
- Receive a decree cancelling the approval granted to the company.
- Hand over the allocated site to the Zone management completely vacant and unencumbered (free of buildings, structures, and/or assets) within a period not exceeding six (6) months from the date on which the project is notified of the cancellation decree by registered mail with acknowledgment of receipt.
- During the aforementioned six-month period, the project may assign the site either to another enterprise or to the Zone management, in accordance with the following procedures:

  1. Assignment of the site to a new or existing enterprise:
     - Submit an application for assignment of the site to another enterprise; and
     - Pay all amounts due to GAFI, including 1% of the value of the buildings and structures payable by the assignor (the existing project relinquishing the site), and an additional 1% payable by the assignee (the project receiving the site).
  2. Assignment of the site to the Zone management:
     - Assign the site, including all buildings and structures thereon, to the Zone management after removing all goods and assets, if any, under the project's responsibility; and
     - Once the site is allocated to another enterprise, the value of the buildings and structures shall be deposited with GAFI in an account in the project's name, after deducting 1% of such value and any other amounts due to GAFI.
- In the event of non-compliance with the site assignment rules, the administrative eviction procedures shall apply as follows:
  - The project shall be notified of the administrative eviction decision and the repossession of the site.
  - If any goods or assets are found on the site, the Zone management shall inventory and document them and then hand them over to the Customs Authority for temporary storage or sale in accordance with the provisions of the Customs Law governing abandoned and unclaimed goods.
  - The proceeds of the sale shall be deposited with GAFI in an account in the name of the project, after deducting GAFI's dues and, thereafter, any outstanding government debts, if any.

Engaging in a Profession or Trade within a Public Free Zone

Application for Engagement in a Profession or Trade within a Public Free Zone

Required Documents:

- An application specifying the type of profession or trade to be carried on and the site area requested for occupation;
- A copy of the tax card and a copy of the commercial registry relating to the profession or trade;
- A certified bank cheque in an amount equivalent to the usufruct fee (USD 25/m^2) for the first year, payable in advance;
- An irrevocable letter of guarantee in favor of GAFI in an amount equivalent to 50% of the annual usufruct fee;
- An acknowledgment by the company of its commitment to comply with the schedule set for completing the construction and installation works; and
- The engineering drawings.

Steps:

1. Submit an application to engage in a profession or trade, together with a schedule for completing the construction and installation works.
2. Obtain approval to engage in the profession or trade within the Free Zone.
3. Within sixty (60) days from the date of notification of the approval, visit the Zone management to pay the applicable annual fee (EGP 5,000) and submit the required documents.
4. Failure to meet the prescribed deadline shall result in the automatic cancellation of the approval, without refund of any amounts paid.
5. Take possession of the allocated site and sign the site handover report.
6. Pay the usufruct fee for one year in advance.
7. The applicant shall then be notified of the issuance of the license to engage in the profession or trade, which shall be renewable every three years.

Notes:

1. The occupancy fee is USD 25 per square meter per year, or its equivalent in Egyptian pounds.
2. The license shall be revoked in the following cases:
    - Failure to comply with the above-mentioned requirements within the prescribed timeframes; and/or
    - Breach of any conditions stipulated in the license.

Payable Fees: EGP 5,000 per year.

Application Forms Related to Setting up Public Free Zone Projects

A Free Zone Project Setup Notice

Applicant Name: ----------	Capacity: ----------
Address: ----------	
Telephone: ----------	Fax: ---------- Email: ----------
Project Name: ----------	
Project Business Activity :	----------
Expected Volume of Production per Year:	----------$----------
Percentage of Production to be exported abroad:	----------%----------
Project site location and surface area:	----------
Enterprise Legal Structure: ----------	

(Value in $1,000)

Capital	Shareholdings	Investment Cost
($ ----------)	Egyptian ----------%	($----------)
	Arab ----------%	
	Foreign ----------%	

Job Opportunities			Wages		
For Egyptians	For foreigners	Total	For Egyptians	For foreigners	Total
----------	----------	----------	----------	----------	----------

NB: Should this application be not be sufficient to cover all data, you are welcome to enclose any further details you consider relevant and necessary.

Capital Participation

(Values in $1,000)

Name	Nationality	Legal Capacity	Share Value	In Cash	In Kind

Investment Cost

Statement	Values in $1,000
Land	
Buildings & Infrastructure	
Machinery & Equipment	
Means of Transportation	
Other Expenses	
Working Capital (Raw Materials, Cash)	
Total	

Source of Finance

Statement	Values in $1,000
Capital	
Loans	
Others	
Total	

Date: ---------/-------20-------

Signature: ----------

II. Private Free Zones

Procedures for Establishing Private Free Zones

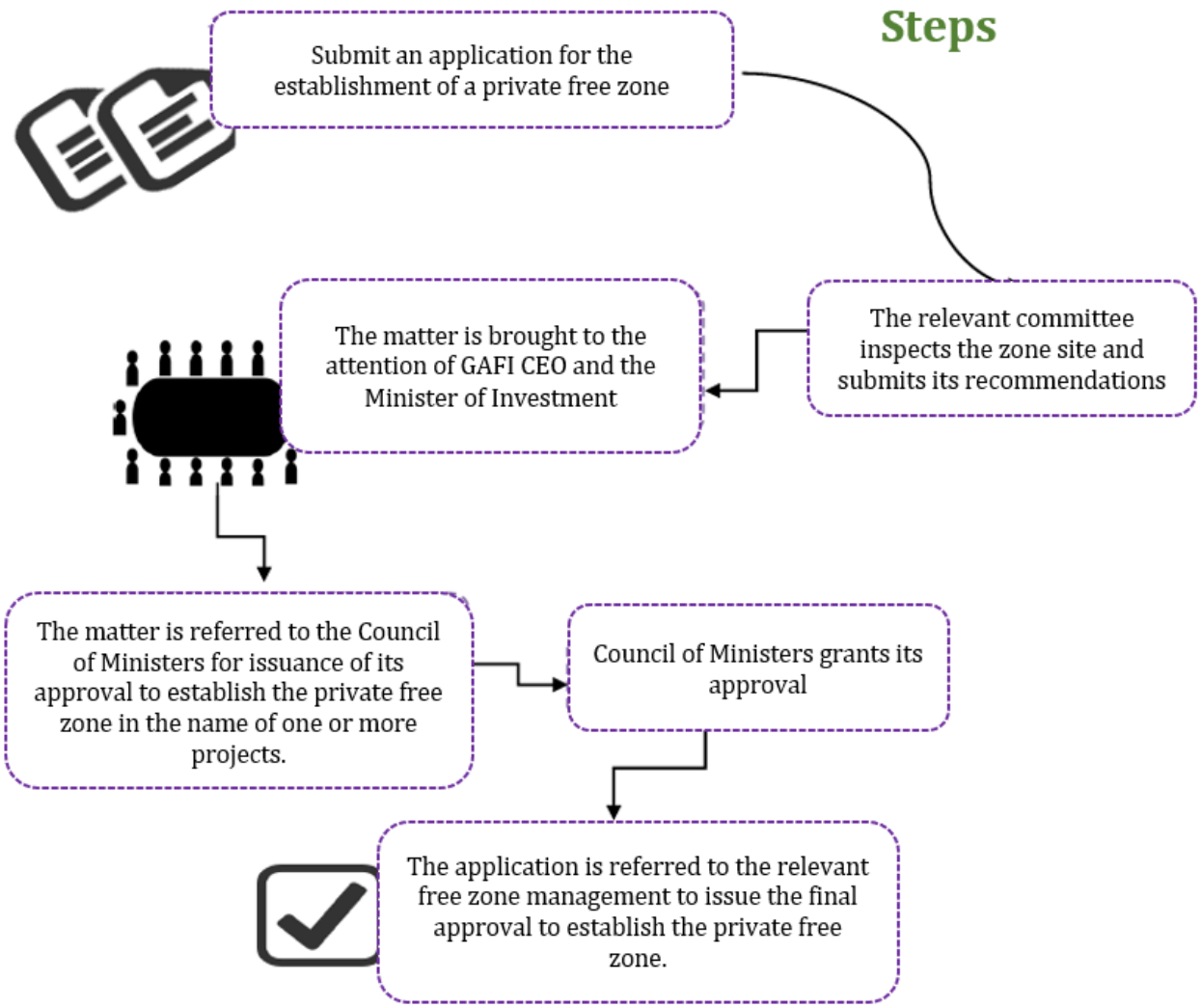
Application for the Establishment of a Private Free Zone

Required Documents:

- Powers of attorney granted by the founders to their representative, together with proof of identity;
- A statement describing the proposed site, accompanied by the approval of the competent authority having jurisdiction over the site;
- The proposed schedule for the commencement of operations;
- Background checks relating to any foreign partner(s), if applicable; and
- A certificate confirming the non-confusion of the company's name (required for joint stock companies).

Standard Procedure:

1. Submit an application for the establishment of a project under the Private Free Zone framework to the competent department of GAFI, namely the Central Department of Private Free Zones, using the designated application form.
2. A committee shall be formed to inspect the proposed site and verify its eligibility for designation as a private free zone.
3. A preliminary approval for the establishment of the Private Free Zone shall be issued, and the matter shall then be referred to the Council of Ministers for the issuance of the final approval for the establishment of the Private Free Zone for one or more projects.
4. The final approval for the establishment of the Private Free Zone shall be issued.



Payable Fees:

Service Description	Fee
A copy of the resolution of the board of directors of the relevant free zone granting the final approval on the establishment of the private free zone	EGP 200 (only two hundred Egyptian pounds) payable for one time only to the Syndicate of Commercial Professions

Service Timeframe: 30 business days.

Procedures for the Incorporation of a Private Free Zone Company

Incorporation of a Private Free Zone Company

Required Documents:

1. A copy of the decree issued by the Council of Ministers granting one or more companies an approval to establish the Private Free Zone;
2. A copy of the resolution by the board of directors of the relevant free zone granting one or more companies final approval to establish the Private Free Zone;
3. A copy of the certificate confirming the non-confusion of the company's name, if applicable;
4. A copy of the background check(s) relating to the foreign partner(s), if applicable; and
5. Copies of the powers of attorney granted to the founders' representative, together with proof of identity.

Standard Procedure:

A dedicated file for the company shall be prepared and submitted to the ISC Incorporation Unit to complete the necessary incorporation procedures and issue a decree by GAFI CEO approving the incorporation of the company. Once ratified, the decree shall be communicated to the Central Department of Private Free Zones.

Steps:



A dedicated file for the company is prepared.

The file is submitted to the ISC Incorporation Un





A decree approving the incorporation of the company is issued.

Payable Fees:

Service Description	Fee
Industrial or service project	The incorporation fees are paid for one time only to ISC.

Service Timeframe: As scheduled by the ISC.



Obtaining an Operating License for a Private Free Zone Project

Application for an Operating License for a Private Free Zone Project

Required Documents:

- A copy of the company's commercial registry;
- A final financial guarantee in favor of GAFI, the amount of which shall be determined based on the nature of the activity and the project's investment costs; and
- A letter specifying the name of the company's legal representative and the person authorized to act on behalf of the legal representative in his/her absence.

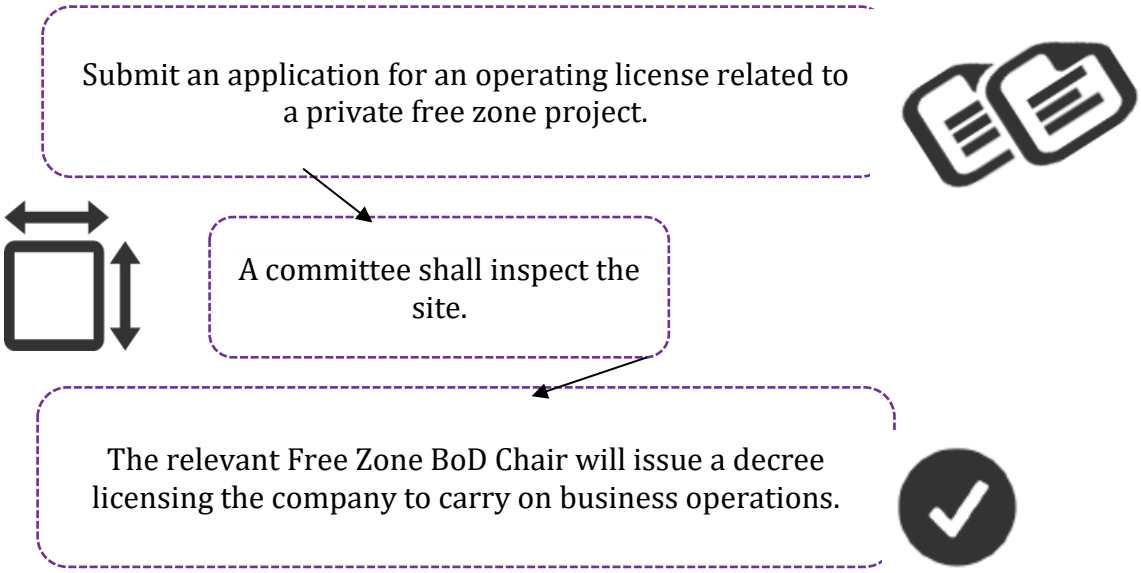
Standard Procedure:

1. The investor shall submit evidence confirming that the decree approving the incorporation of the company has been annotated in the company's commercial registry. The investor shall also submit a final financial guarantee in an amount not exceeding 2% of the investment cost, commensurate with the nature of the activity, together with a document specifying the name of the project's legal representative and the person authorized to act on behalf of the legal representative in his/her absence.
2. The proposed site shall be re-inspected prior to the issuance of the operating license to verify compliance with the requirements applicable to Private Free Zones, particularly the requirements relating to buildings, fences, and gates in the case of industrial projects.
3. A decree shall be issued licensing the company to carry on business operations under the Private Free Zone Framework.

Notes:

1. In the case of industrial projects, the Chairman of the Board of Directors of the relevant Public Free Zone, or his/her designee, may issue a temporary operating license based on the schedule submitted by the project, pending fulfillment of the requirements for operating under the Private Free Zone framework and compliance with the rules and regulations issued by GAFI. The validity of the temporary license may be extended for additional periods based on justifications submitted by the parties concerned, provided that follow-up inspections are conducted to verify progress in implementing the submitted schedule. Once all requirements for operating under the Private Free Zone framework have been fulfilled, a permanent operating license shall be issued, renewable for similar periods unless GAFI decides otherwise.

Steps:



Payable Fees:

Service Description	Fee
Industrial or service project	If the investor wishes to obtain a certified true copy of the decree licensing the company to carry on business operations, a fee of EGP 50 shall be charged per page of the licensing decree.

Service Timeframe: 20 business days.

Amending the Data of the Operating License of a Private Free Zone Project

Application for an Approval to Amend the Operating License of the Private Free Zone Project

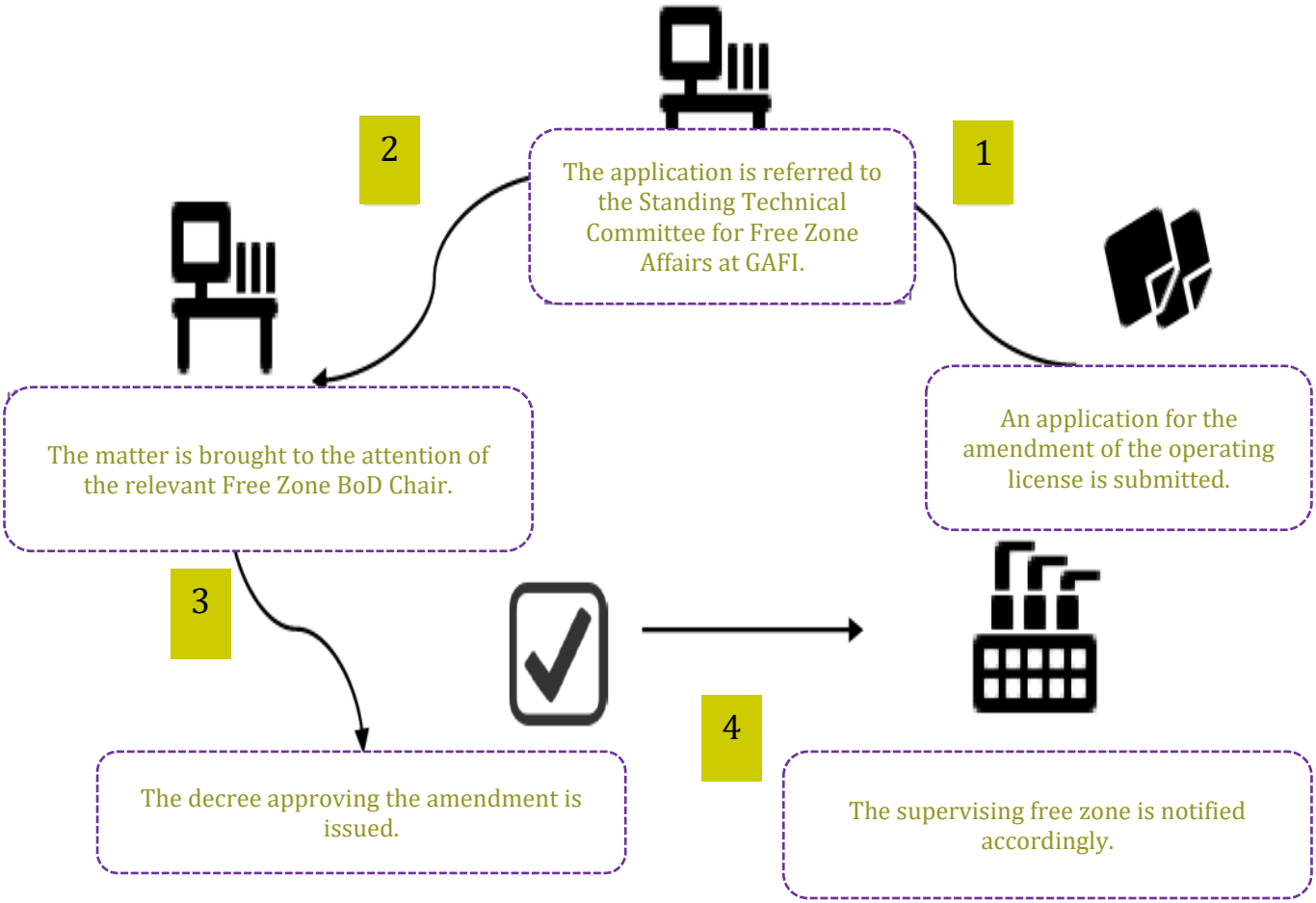
Required Documents:

- An application for the amendment of one or more articles of the operating license granted to the company must be submitted by the company's legal representative or his/her authorized representative, together with the reason(s) for the requested amendment. Alternatively, the application may be submitted through a chartered accounting/auditing firm or an accredited legal consultancy firm, provided that the reason(s) for the amendment are enclosed with the application.
- A copy of the applicant's national ID card must be submitted.
- A power of attorney or authorization in favor of the accounting/auditing firm or legal consultancy firm must also be submitted.

Standard Procedure:

1. The project or its authorized representative submits an application for approval of the amendment to the operating license.
2. The Standing Technical Committee for Free Zone Affairs at GAFI reviews the application.
3. The application for renewals and amendments is submitted to the Chairman of the relevant Zone Board of Directors for consideration.
4. Following review by the Central Legal Department of Free Zones, a decree amending the license is issued, and the relevant Zone Board of Directors is notified accordingly.

Steps:



Payable Fees:

Service Description	Fee
Industrial or service project	If the investor wishes to obtain a certified true copy of the decree approving the amendment of the operating license, a fee of EGP 50 shall be charged per page of the licensing decree.

Service Timeframe: 15 business days.

Converting a Project to Operate within Internal Investment Framework

Application for Project Conversion to Internal Investment Framework

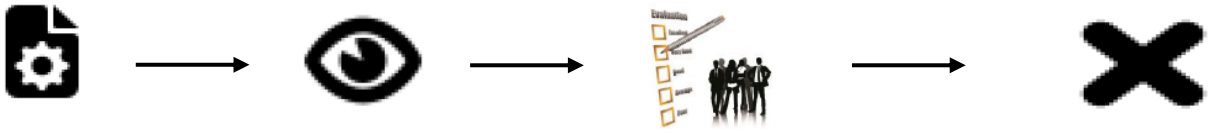
Required Documents:

- An application for project conversion submitted by the company's legal representative or his/her authorized representative;
- A recent commercial registry of the company, issued within the last three (3) months;
- A copy of the resolution of the company's extraordinary general meeting / the partners' resolution approving the conversion.

Standard Procedure:

1. Submit an application for project conversion to Internal Investment Framework.
2. Refer the application to GAFI's competent departments for issuance of their approval.
3. The company must provide the General Department of Corporate Legal Affairs at ISC with the draft amended articles of association together with the resolution of the extraordinary general meeting approving the amendment of the relevant provisions in the company's articles of association provided that such resolution be ratified by GAFI.
4. A decree will be issued approving the amendment of the relevant provisions in the company's articles of association.
5. The decree licensing the company to operate within Private Free Zone Framework will be repealed, and all relevant authorities will be notified including the Customs Authority, the Egyptian Tax Authority, the National Organization for Social Insurance Organization, the Commercial Register…etc.
6. The project will be allowed to export or dispose of its goods within the available stock limits or within six (6) months as of the date the operating license revocation decree is issued, whichever occurs first.
7. An inventory of the company's assets will be conducted by the relevant authorities (the "conversion inventory").

Steps:



Application for project conversion to Inernal Investment Framework is sumitted

The application is referred for assessment to both the Standing Technical Committee and the supervising zone BoD.

ISC is instructed to start obtaining a decree amending the company's articles of incorporation/association.

The operating license is revoked, and the supervising zone and the Customs Authority are notified accordingly.

Payable Fees:

Service Description	Fee
Industrial or service project	**The incorporation fees are paid for one time only to ISC.**

Service Timeframe: 30 business days.



Revoking the Operating License of a Private Free Zone Project

Application for the Revocation of the Operating License of a Private Free Zone Project

Standard Procedure:

1. The company's legal representative or his/her attorney submits an application for approval to terminate operations within Private Free Zone Framework and to initiate the voluntary liquidation of the company.
2. The application is referred to the competent authorities for issuance of their approval.
3. A decree is issued revoking the operating license.
4. The company is notified of the revocation decree so that it would proceed with voluntary liquidation within six (6) months from the revocation decree date. This deadline may be extended upon request by the parties concerned, subject to the approval of the competent authorities.
5. All relevant authorities are notified of the revocation decree. These authorities must, within a maximum of one hundred twenty (120) days as of the date GAFI so notifies, inform GAFI of any financial liabilities or dues payable by the company. Failure to notify GAFI within this period will discharge the company from such obligations, if any.

Notes:

Whether the project's operating license is revoked due to violations or at its own request, the following procedures must be completed:

1. The project must be physically separated from the remaining boundaries of the existing private free zone.
2. The letter of guarantee will not be released until all amounts due to GAFI and any other governmental authorities (if any) have been paid. If the amounts due exceed the value of the letter of guarantee, legal action will be taken to collect the difference.
3. The project will be allowed to export or dispose of its goods within the available stock limits or within six (6) months as of the date operating license revocation decree is issued, whichever occurs first.
4. An inventory of the project's assets will be carried out in coordination with the relevant authorities.

Steps:



The project applies for liquidition.

The application is assessed by the competent authorities.

GAFI BoD issues a decree revoking the operating license.

Payable Fees:

Service Description	Fee
Industrial or service project	**If the investor would like to receive a certified true copy of the decree revoking the operating license, the fee will be EGP 50 per each page of that decree.**

Service Timeframe: As determined by the company upon completion of the voluntary liquidation proceedings.



Application for the Revocation of the Operating License of a Private Free Zone Project in Case of Violation

Application for the Revocation of the Operating License of a Private Free Zone Project in Case of Violation

Standard Procedure:

1. The violating project is reported to the relevant authorities.
2. The project is notified to rectify the violation.
3. Application is made to GAFI BoD to obtain their decree to cancel the approval on setting up the project, and revoke its operating license.

Steps:



The violating project is reported to the competent authotires.

The project is officially notified to rectify the violation(s) within 15 days.

GAFI BoD issues a decree revoking the operating license.

Payable Fees:

Service Description	Fee
Industrial or service project	**If the investor would like to receive a certified true copy of the decree revoking the operating license, the fee will be EGP 50 per each page of that decree.**

Service Timeframe: 30 business days.



Application for the Amendment of the Articles of Incorporation/Association of a Private Free Zone Project

Application for the Amendment of the Articles of Association or the Articles of Incorporation of a Private Free Zone Project

Required Documents:

- An application by the company's legal representative or his/her authorized representative;
- A recent commercial registry of the company;
- A copy of the resolution of the company's extraordinary general meeting (approved by GAFI) / the partners' resolution approving the amendment;
- The original draft amended articles of association / incorporation.

Standard Procedure:

1. The project submits an application to amend its articles of association / incorporation.
2. The application is referred to the competent authorities for issuance of their approval.
3. The Central Legal Department of Free Zones is contacted to complete the required amendment procedures.
4. A decree approving the amendment is issued and ratified by GAFI CEO or his/her designee.

Steps:



The project applies for the amendment of its articles of incorpoation/association.

The application is assessed by the competent authorities and then referred to the Central Legal Department.

The project obtains a decree approving the amendment.

Payable Fees:

Service Description	Fee
Industrial or service project	**The applicant pays EGP 100 for the review of the draft amended articles of incorporation/association, in addition to such fees as set by ISC.**

Service Timeframe: 20 business days.



Application Forms Related to Setting up Private Free Zone Projects

A Free Zone Project Setup Notice

Applicant Name: ----------	Capacity: ----------
Address: ----------	
Telephone: ----------	Fax: ---------- Email: ----------
Project Name: ----------	
Project Business Activity :	----------
Expected Volume of Production per Year:	----------$----------
Percentage of Production to be exported abroad:	----------%----------
Project site location and surface area:	----------
Enterprise Legal Structure: ----------	

(Value in $1,000)

Capital	Shareholdings	Investment Cost
($ ----------)	Egyptian ----------%	($----------)
	Arab ----------%	
	Foreign ----------%	

Job Opportunities			Wages		
For Egyptians	For foreigners	Total	For Egyptians	For foreigners	Total
----------	----------	----------	----------	----------	----------

NB: Should this application be not be sufficient to cover all data, you are welcome to enclose any further details you consider relevant and necessary.

Capital Participation

(Values in $1,000)

Name	Nationality	Legal Capacity	Share Value	In Cash	In Kind
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Total					

Investment Cost

Statement	Values in $1,000
Land	
Buildings & Infrastructure	
Machinery & Equipment	
Means of Transportation	
Miscellaneous	
Working Capital (Raw Materials, Cash)	
Total	

Source of Finance

Statement	Values in $1,000
Capital	
Loans	
Others	
Total	

Date: ---------/-------20-------

Signature: ----------

III: Executive Procedures for Public and Private Free Zone Projects

Application for Exportation Declaration from the Free Zone to (Outside the Country – another Free Zone – Free City)

Required Documents:

- Application for approval of an exportation declaration addressed to the Director General of the Execution Department;
- Exportation declaration form from the Free Zone (Outside the Country – another Free Zone – Free City);
- Original and copy of the exporting company's invoice;
- Domestic transportation insurance policy in favor of GAFI, covering risks of theft, damage, and fire, in cases where GAFI requires a project guarantee before the Customs Authority during the transport of the consignment from the Free Zone premises to customs areas or to other free zones (if there is no insurance is attached to the importation declaration);
- Packing list, if applicable;
- Copy of an approved importation declaration from the free zone receiving the goods, in case of export to another Free Zone.

Steps:

- Submit the application along with the completed required documents to the Execution Department in the Zone.
- Obtain the original and a copy of the approved declaration, with the original supporting documents attached.
- Proceed to the Zone's Customs Office to have the copy of the declaration endorsed and obtain the customs release permit.



Service Timeframe: **Same day.**



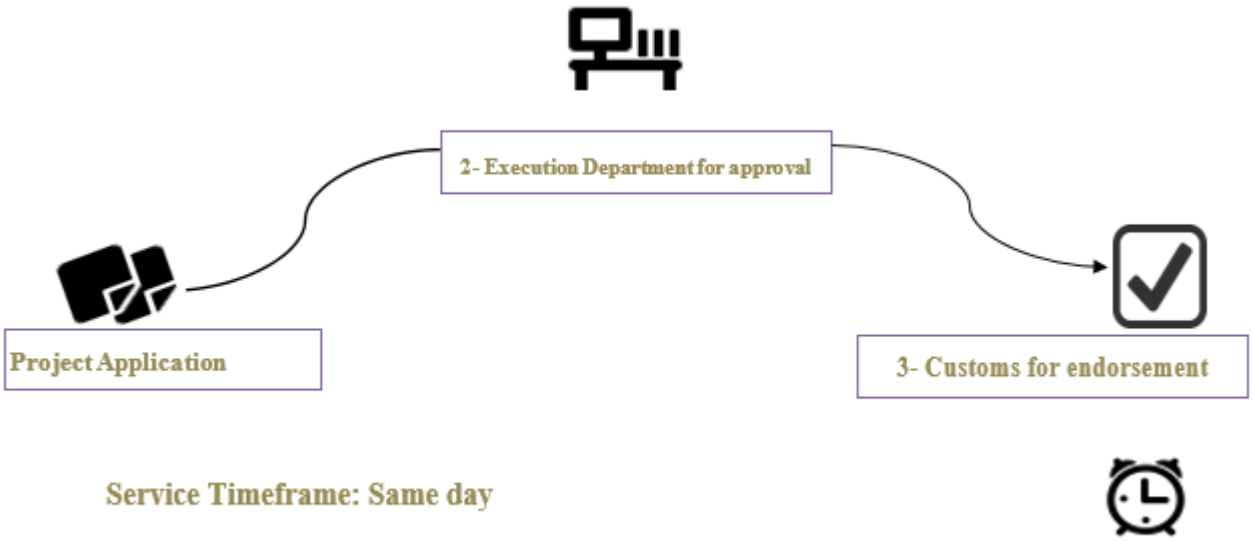
Application for Importation Declaration from (Outside the Country – another Free Zone – Free City)

Required Documents:

- Application for approval of an importation declaration from outside the country, addressed to the Director General of the Execution Department;
- Importation Declaration form for the free zone (original and two copies).
- Original and copy of the invoice;
- Packing list for the consignment, if the invoices do not include detailed information on the contents;
- Bill of lading/ shipping delivery order;
- Domestic transportation insurance policy in favor of GAFI, covering risks of fire, theft, and damage, in cases where GAFI requires a project guarantee before the Customs Authority during the transfer of the consignment from customs areas to the Free Zone premises;
- If the original bill of lading or delivery order is unavailable, an endorsed copy stamped with the company's seal must be submitted.

Steps:

- Submit the completed application along with the required documents to the Execution Department in the Public Free Zone.
- Obtain the original and a copy of the approved declaration, along with the original supporting documents, from the Execution Department.
- Proceed to the Zone's Customs Office to have the declaration endorsed, confirming the completion of customs procedures.



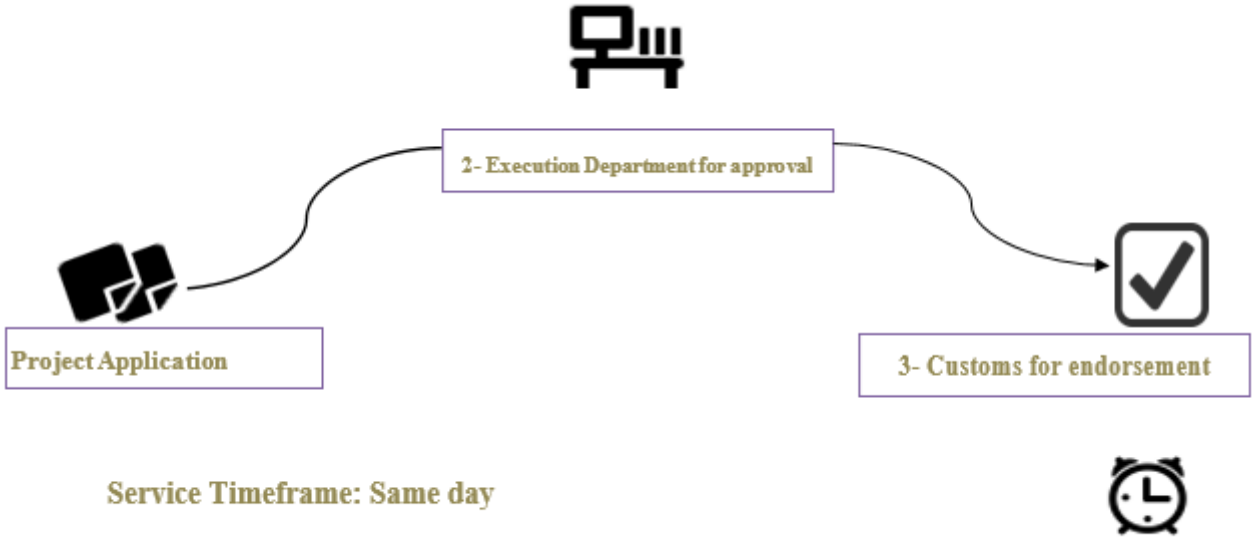
Application for Exportation Declaration to the Domestic Market

Required Documents

- Application for approval of an exportation declaration to the domestic market, addressed to the Director General of the Execution Department;
- Exportation declaration form to the domestic market (original and two copies);
- Original and copy of the company's exportation invoice;
- Original and copy of the packing list;
- Certificate of foreign and local components.

Steps

- Submit the completed application and required documents to the Execution Department at the Public Free Zone.
- Obtain the original and a copy of the approved declaration, along with the original supporting documents.
- Proceed to the Free Zone Customs Office to complete customs procedures and obtain the customs release permit.



Service Timeframe: Same day

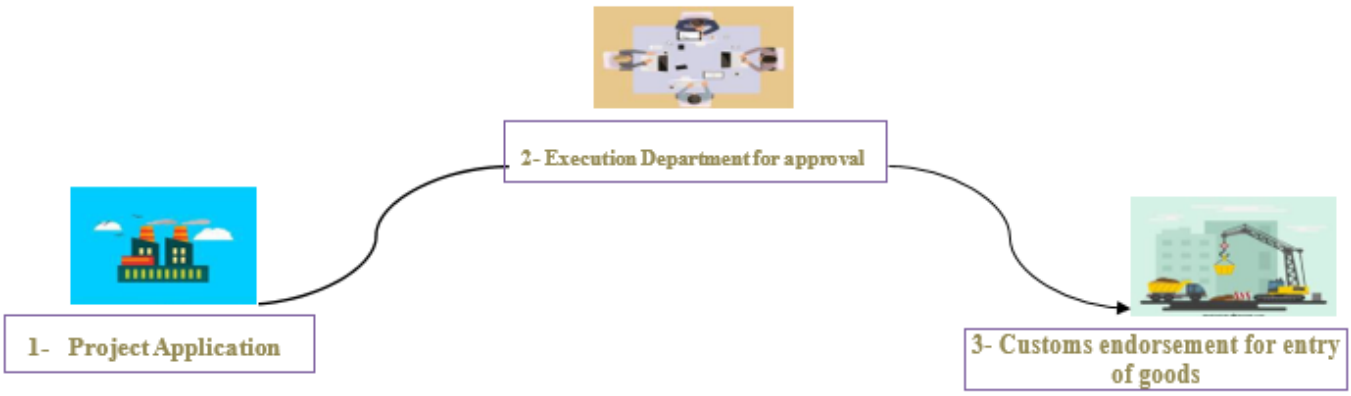
Application for Importation Declaration from the Domestic Market

Required Documents

- Application for approval of an Importation Declaration from the domestic market, addressed to the Director General of the Execution Department;
- Importation declaration form for the Free Zone (from the domestic market) — original and two copies;
- Original and copy of the invoice.

Steps

- Submit the completed application and required documents to the Execution Department at the Public Free Zone.
- Obtain the original and a copy of the approved declaration, along with the original supporting documents.
- Present the declaration copy to the Free Zone Customs Office for endorsement, authorizing the entry of goods.



Service Timeframe: Same day

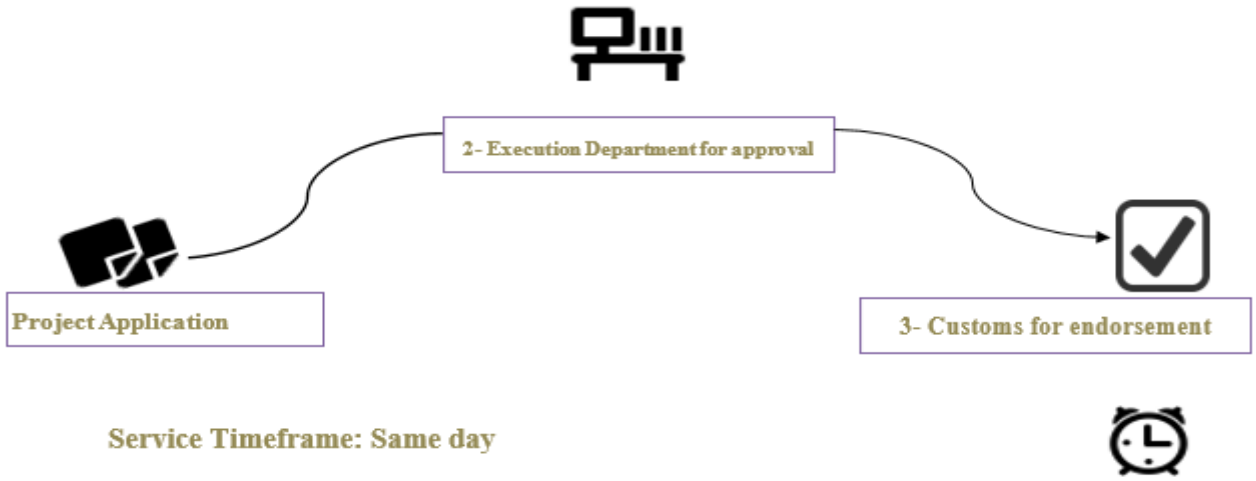
Application for a Temporary Release of Items for Industrial Processing (Toll Manufacturing)

Required Documents

- Application for the approval of a declaration to conduct a toll manufacturing process in the domestic market;
- Application for temporary release of items intended for industrial processing — original and two copies;
- Invoice of the items to be processed;
- Toll manufacturing agreement specifying: the item, processing value, required industrial operation, duration, fabric type, net weight, and quantities to be processed (number of dozens for ready-made garments projects);
- Statement of expected waste ratios and permissible loss percentages issued by the relevant technical authorities;
- Domestic transportation insurance policy in favor of GAFI, covering risks of theft, fire, and damage when subcontracting to another Free Zone, if GAFI guarantees the consignment before the Customs Authority during transport between Free Zones;
- Company acknowledgment attached to the guarantee, or an unconditional bank guarantee in favor of GAFI covering the value of customs duties and taxes in case of toll manufacturing for the domestic market.

Steps

- Submit the completed application together with the required documents to the Execution Department at the Public Free Zone.
- Receive the original and a copy of the release application form after approval.
- Proceed to the Free Zone Customs Office to complete customs procedures.



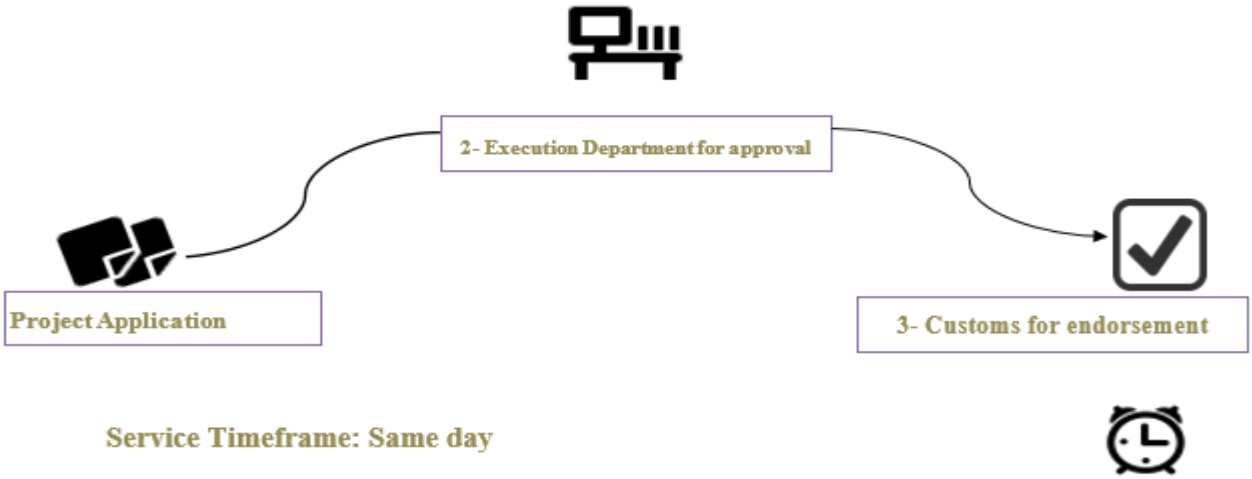
Application for Entry of Items after Industrial Processing (Toll Manufacturing)

Required Documents

- Entry declaration form for items processed under toll manufacturing in the domestic market, for approval;
- The approved declaration form (one original and two copies);
- The toll manufacturing invoice indicating the value of the operations performed;
- The detailed packing list specifying net weight of wastage and loss;
- A copy of the temporary exit application for the consignment;
- Domestic transportation insurance policy in favor of GAFI, covering risks of theft, fire, and damage risks, in case where toll manufacturing is carried out in another Free Zone, provided that GAFI guarantees the consignment before the Customs Authority during its transfer between Free Zones.

Steps

- Submit the completed application together with the required documents to the Execution Department at the Public Free Zone.
- Receive the entry declaration form after review and approval.
- Proceed to the Free Zone Customs Office to complete customs procedures.



Application for Declaration of Goods Circulation between Projects within the Same Free Zone

Required Documents

- Application for approval of a goods circulation declaration;
- Goods circulation declaration form within the Free Zone — one original and three copies.
- Original and copy of the invoice;
- Original and copy of the dispatch permit issued by the exporting project;
- Original and copy of the receipt permit issued by the importing project.

Steps

- Submit the completed application together with the required documents to the Execution Department at the Public Free Zone.
- Receive the original and a copy of the declaration along with the original documents, after approval.



Service Timeframe: **Same day.**

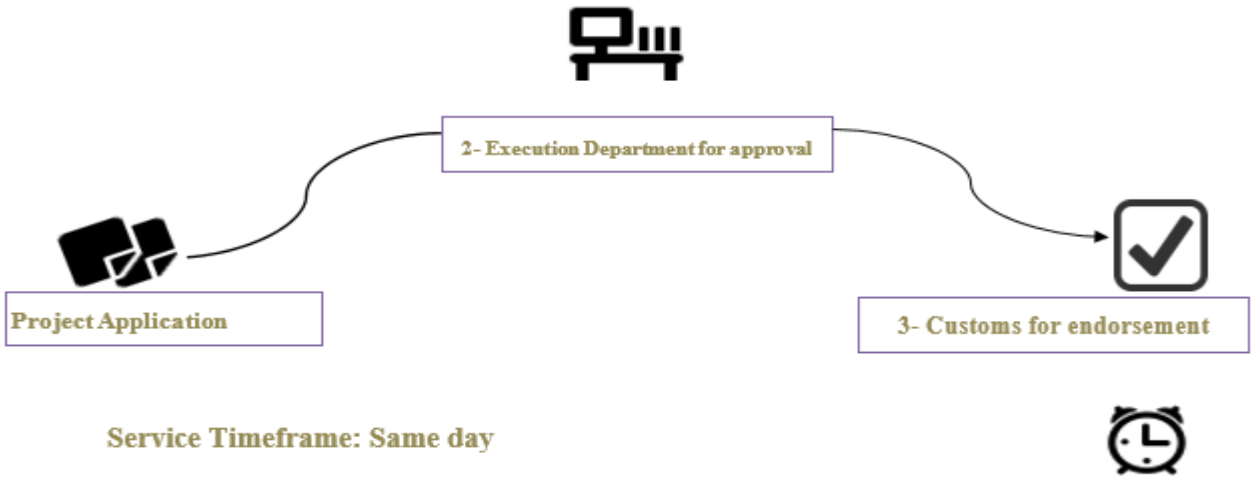
Application for Entry of Items for Industrial Processing, Repair, or Maintenance (Toll Manufacturing)

Required Documents

- Application for approval of entry of items for industrial processing, repair, or maintenance.
- The temporary entry application form permitting the entry of the items from within the country into the zone for industrial processing, repair, or maintenance;
- The original and copy of the invoice and packing list;
- The toll manufacturing agreement specifying: quantity, weight, processing duration, percentage of wastage and allowable loss, type of process required, type and value of foreign materials to be used in the process, and processing value).

Steps

- Submit the completed application and required documents to the Execution Department at the Public Free Zone.
- Obtain the approved entry application form from the Execution Department.
- Proceed to the Customs Department to have the application endorsed, authorizing the entry of items through the Free Zone customs gate.



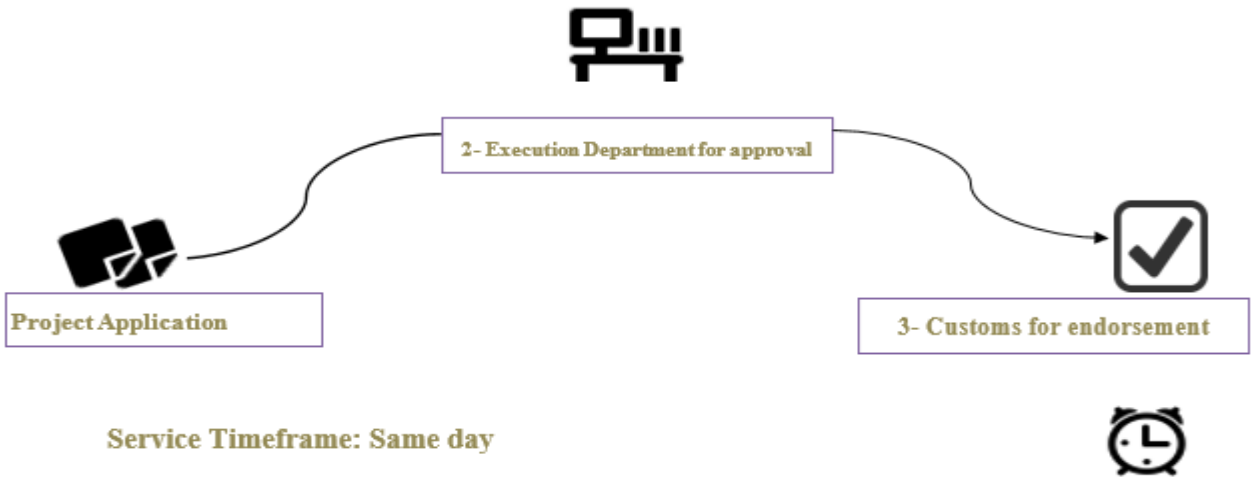
Application for Exit of Items after Industrial Processing, Repair, or Maintenance (Toll Manufacturing)

Required Documents

- The items exit declaration form related to the industrial processing, repair, or maintenance (toll manufacturing), to be approved;
- The exit application form — original and two copies;
- A copy of the entry application;
- The original and copy of the processing invoice and packing list;
- Original domestic transportation insurance policy (if the items are to be sent to another Free Zone), issued in favor of GAFI, covering risks of fire, theft, and damage — if the project opts to obtain such coverage.

Steps

- Submit the completed application and required documents to the Execution Department at the Public Free Zone.
- Obtain the approved exit application form from the Execution Department.
- Proceed to the Customs Department to complete customs procedures and receive authorization for the exit of the items.



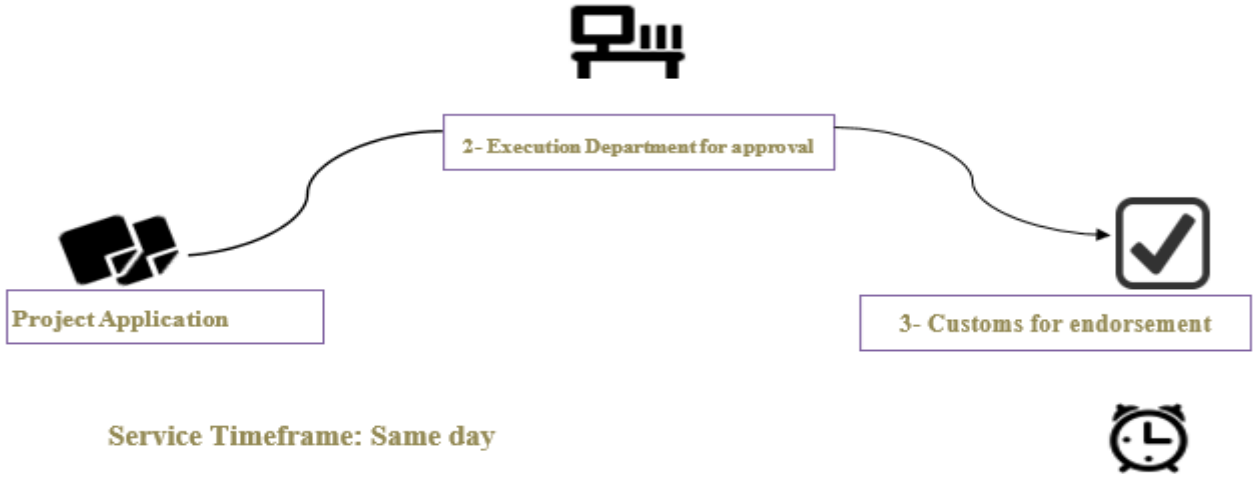
Application for the Exit of Capital Assets into the Domestic Market for Repair, Maintenance, or Upgrading

Required Documents:

- Application for approval of a declaration for the temporary exit of capital assets into the domestic market for repair, maintenance, or upgrading;
- The temporary exit application form;
- Repair contract or letter from the entity performing the repair, specifying the items to be repaired and the expected duration;
- Required guarantee;
- Copy of the importation declaration and its related invoice, indicating the value of the asset to exit based on the importation invoice.

Steps:

- Submit the completed application and required documents to the Execution Department at the Public Free Zone.
- Obtain the approved temporary exit application form.
- Proceed to the relevant Customs Office with the documents to complete customs procedures.



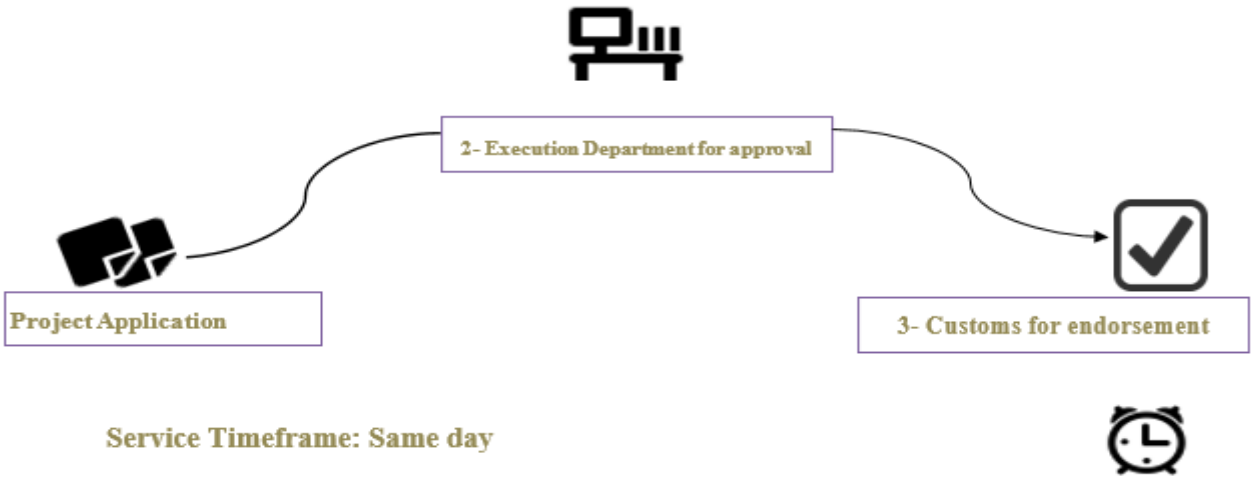
Application for the Entry of Capital Assets into the Free Zone from the Domestic Market after Repair, Maintenance, or Upgrading

Required Documents:

- The entry application form for approval;
- The approved entry application form for the capital assets returning to the Free Zone from the domestic market after repair, maintenance, or upgrading — in two originals and one copy, signed and stamped with the project's seal;
- Copy of the temporary exit application form;
- Invoice indicating the value of the operations performed.

Steps:

- Submit the completed application and required documents to the competent officer.
- Obtain the approved entry application form.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



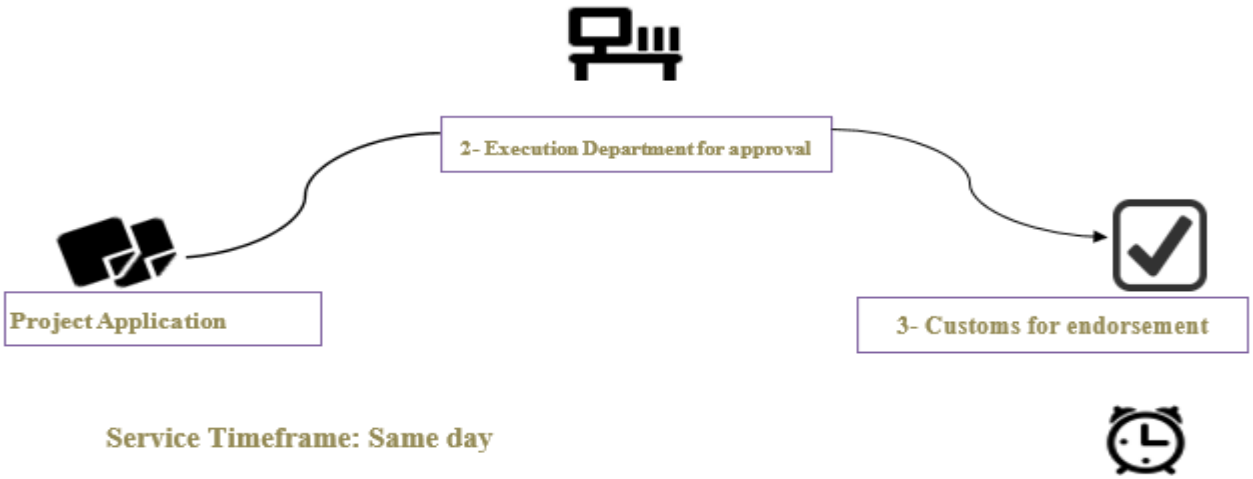
Application for the Temporary Exit of Tools, Machinery, Equipment, and Special-Purpose Vehicles from the Zone and their Entry into the Domestic Market for Project Use

Required Documents

- The temporary exit application form for approval;
- The approved temporary exit application form, in two (2) originals and one copy.
- Statement describing the specifications of the tools, machinery, equipment, or vehicles;
- A letter of guarantee or cash security deposit in favor of GAFI, covering the value of taxes and customs duties;
- Project acknowledgment undertaking to pay all taxes and customs duties if the items are not returned to the free zone.

Steps:

- Submit the completed application and required documents to the competent officer.
- Obtain the approved application from the Execution Department.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



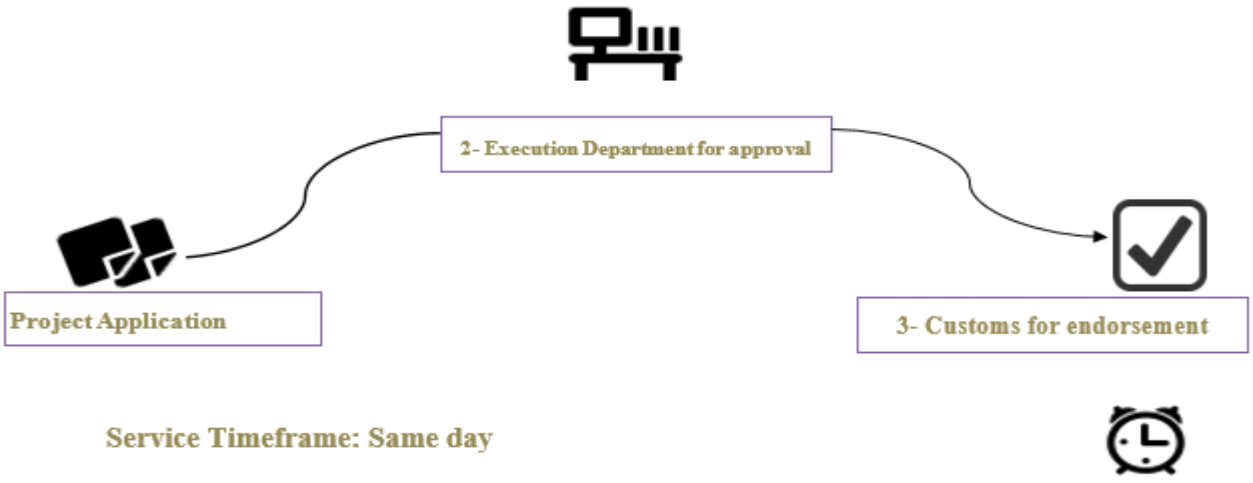
Application for the Temporary Exit of Tools, Machinery, Equipment, and Special-Purpose Vehicles from the Zone and their Entry into the Domestic Market for Third-Party Use or Leasing

Required Documents

- The temporary exit application form for approval;
- The approved temporary exit application form for machinery, equipment, and special-purpose vehicles used on the project's account or leasing to third parties;
- Statement detailing the specifications of the tools, machinery, equipment, or vehicles;
- Copy of the operation/ lease contract indicating the value of the operation or lease, duration, type of operations required, and exit destination;
- Acknowledgment that, in case of exceeding the permitted period for temporary release or for use on behalf of third parties, the general provisions of Law No. 186 of 1986 Regulating Customs Exemptions, and Customs Law No. 66 of 1963 (and their amendments) shall apply;
- A letter of guarantee or cash security deposit in favor of GAFI, covering the value of taxes and customs duties;
- Acknowledgment by the concerned party not to use such items in any other activity within the domestic market, except for the licensed activity approved inside the free zones.

Steps:

- Submit the completed application and required documents to the competent officer.
- Obtain the approved application, along with a certificate issued by GAFI to be submitted to Customs, confirming that the nature of the activity necessitate the exit of items into the domestic market.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



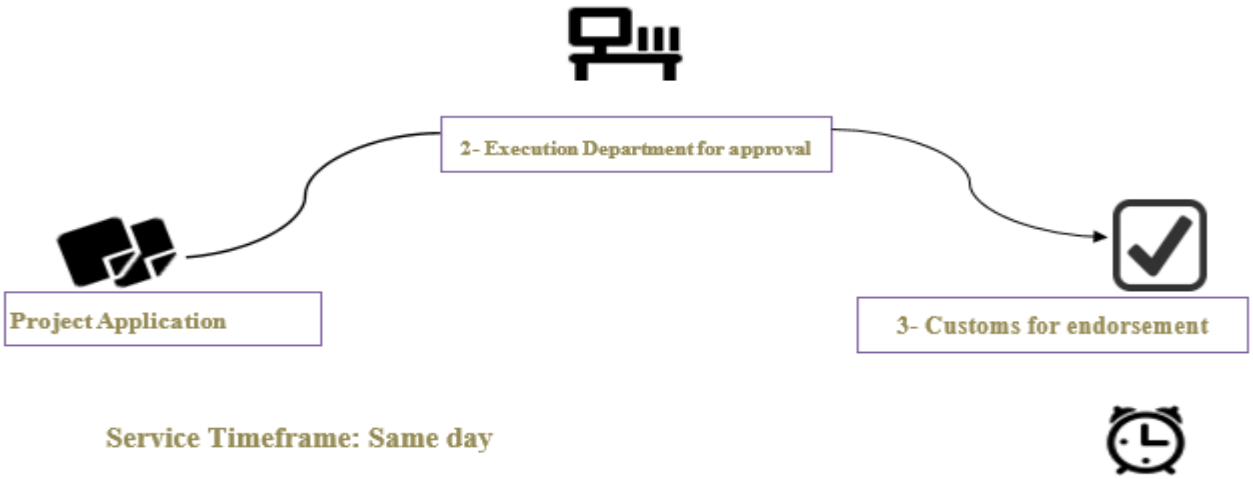
Application for the Return of Machinery and Equipment Previously Exited from a Free Zone (for the Project's Use/ Third-Party Use/ Leasing)

Required Documents

- The return application form for approval;
- The approved return application form for tools, machinery, equipment, and devices from the domestic market, in two originals and one copy;
- Copy of the temporary exit application form in case of operation for the project's account, for third-party use, or for leasing;
- Statement describing the specifications of the equipment.

Steps:

- Submit the completed application and required documents to the competent officer.
- Obtain the approved application from the Execution Department.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



Application for Disposal of a Capital Asset of a Free Zone Project

Required Documents

- Application for approval of the disposal of a capital asset, stating the reason for disposal;
- Exportation declaration to outside the Country (two originals and one copy) in case of foreign export, or exportation declaration to the domestic market (two originals and one copy) in case of domestic sale, attached to an application for approval of the declaration;
- Original and copy of the sales invoice; Or internal free zone goods circulation declaration (two originals and one copy) along with the dispatch/receipt permit.
- Copy of the importation declaration documents (invoice – inspection report – declaration) related to the asset to be disposed of;
- Original domestic transportation insurance policy in favor of GAFI in case the project requests GAFI's guarantee for export abroad or export to another free zone.

Steps

- Submit the completed application and required documents to the competent officer.
- Obtain the approved application from the Execution Department.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



Service Timeframe: One business day for transactions involving the disposal of up to 30% of total assets.

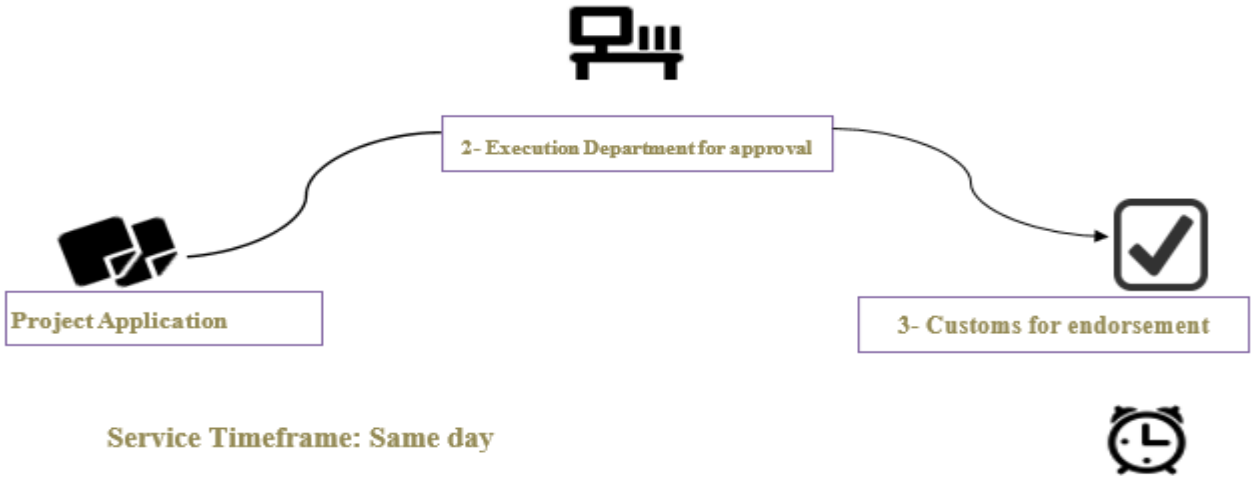
Application for Release of Samples to Inside or Outside the Country

Required Documents

- Application for approval to release samples, specifying the items, quantities, values, weights, and destination (domestic / foreign) – in two originals and one copy.

Steps

- Submit the application to the competent officer.
- Obtain the approved application.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



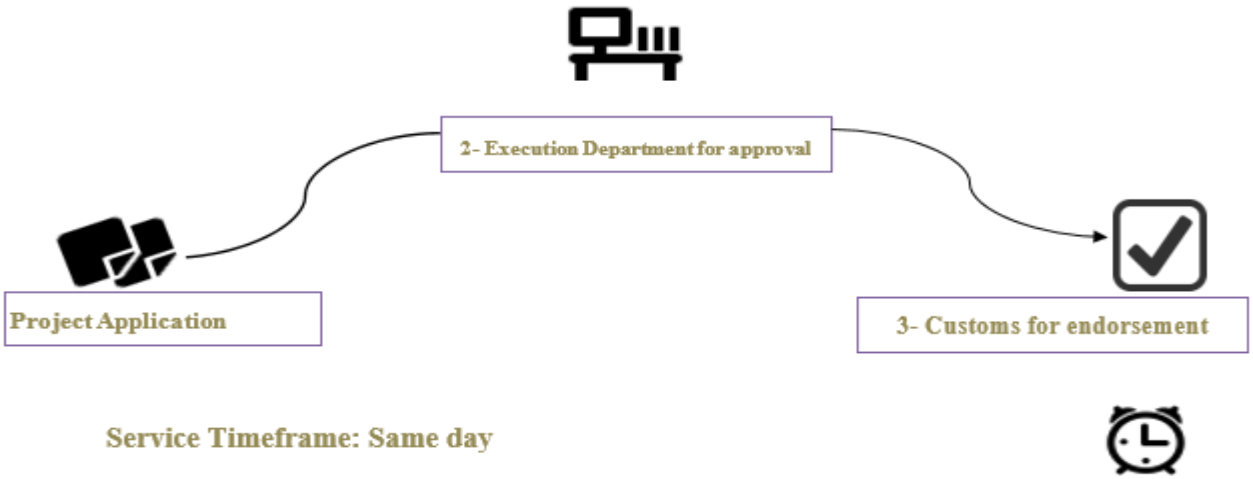
Application for Transfer of Goods between Two Locations of a Private Free Zone Project

Required Documents

- Application for approval of goods transfer goods between two locations of the private free zone project.
- The dispatch permit issued by the location sending the goods;
- The receipt permit issued by the location receiving the goods;
- Original domestic transportation insurance policy, in case the project requests GAFI's guarantee.

Steps:

- Submit the completed application and required documents to the competent officer.
- Receive the approved application.
- Proceed to the Free Zone Customs Department to complete customs procedures for the application.



Permit to Transfer Goods between Free Zones Projects

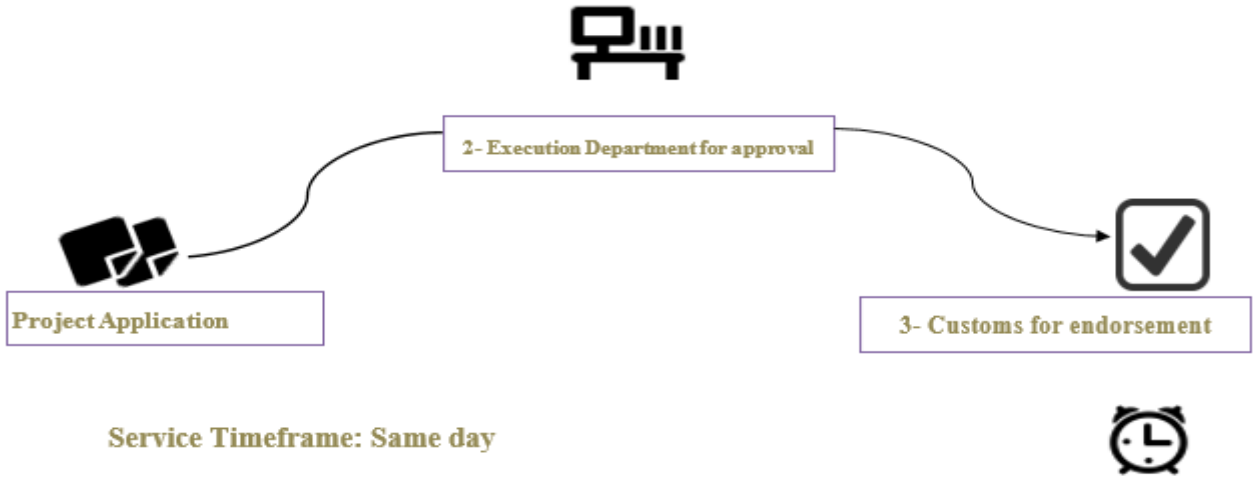
(From a Free Zone Project to its Extension and Vice Versa, between Two Public Free Zone Projects, or between a Public and a Private Free Zone)

Required Documents

- The external exportation declaration to be delivered to the exporting zone;
- The internal importation declaration to be delivered to the receiving zone;
- The dispatch permit issued by the exporting zone;
- The receipt permit issued by the receiving zone;
- Original domestic transportation insurance policy, in case the project requests GAFI's guarantee.

Steps

- Submit the application and required documents.
- Obtain the two original declarations after endorsement.
- Proceed to the Free Zone Customs Department to complete customs procedures.
- Submit the application for inspection, to be carried out by a tripartite committee (Zone / Customs / Project) at both the exporting and receiving sites.



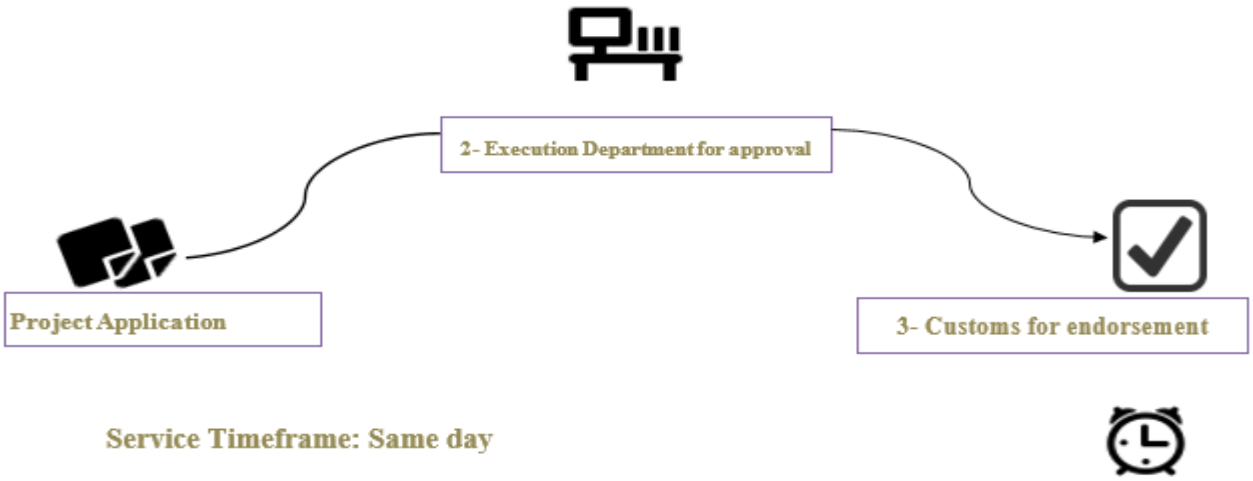
Certificate of Components for Exports of a Free Zone Project to the Domestic Market

Required Documents

- Application from the project for endorsement of the certificate;
- Statement, certified by the company's legal accountant, detailing the foreign and local components of the products exported to the domestic market;
- Copies of importation declarations, inspection reports, and import invoices for the components of the manufactured products.

Steps

- Submit the application for certificate endorsement.
- Obtain the endorsed certificate.
- Submit the endorsed certificate to the competent Customs office to determine the customs duty base for consignments exported to the domestic market.



Application for the Exit of Machinery and Equipment Previously Entered Temporarily from the Domestic Market for Leasing

Required Documents

- The exit application form for items previously entered and not owned by the project;
- A copy of the entry application;
- Guarantee, in case the project requests GAFI's guarantee for leasing from another Free Zone.

Steps

- Submit the completed form and its attachments.
- Obtain the approved application and submit it to the competent Customs Department to complete customs procedures.
- Obtain the approved form.
- Submit an application for inspection of the consignment at the exit time, to be carried out in the presence of representatives from the Zone, Customs, and the project to confirm conformity of items with those previously entered.
- Return a copy of the exit application to the Execution Department, confirming completion of customs procedures.



Service Timeframe: **Same day.**



Cancellation of a Previously Approved Declaration by the Zone Management

Required Documents

- Application from the project requesting cancellation of the declaration;
- Original declaration and its carbon copy.

Steps

- Submit the cancellation application and complete the remaining cancellation procedures with the competent Customs Department.
- Obtain the original insurance document from the Execution Department.



Service Timeframe: Same day

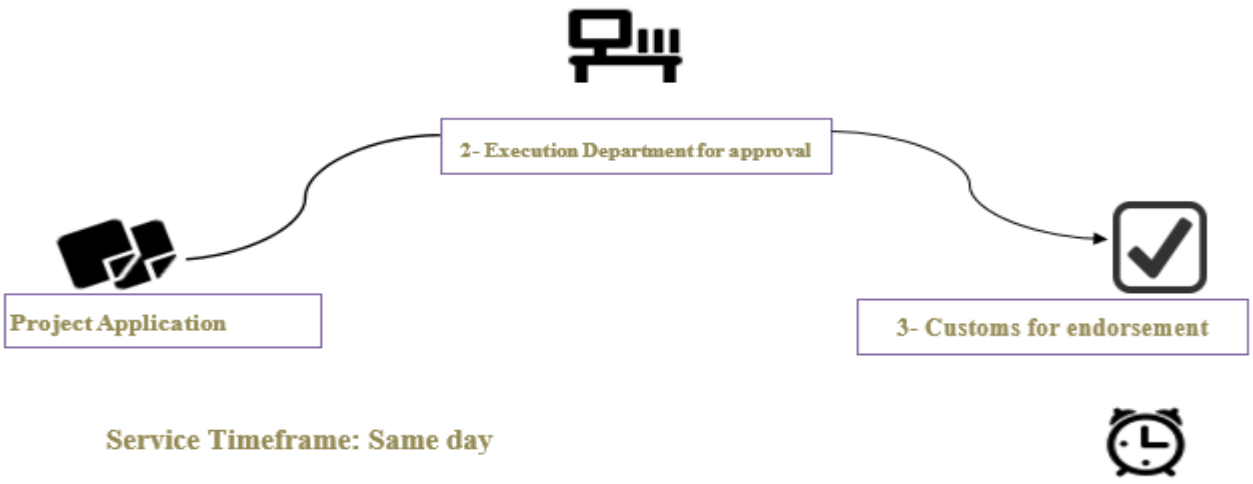
Amendment of a Previously Approved Declaration by the Zone Management

Required Documents

- The amendment application;
- The original declaration previously approved, and the carbon copy;
- The supporting document evidencing the amendment.

Steps

- Submit the amendment application, specifying the items to be amended, along with the supporting documents.
- Obtain the original and a copy of the amended declaration after being approved.
- Proceed to the Free Zone Customs Office to complete customs procedures.



Application for a Certified True Copy of a Declaration

(in Case of Loss)

Required Documents

- Application to obtain a certified true copy of the declaration;
- Police report documenting the loss;
- Receipt for payment of service fees.

Steps

- Submit the application with the required documents.
- Obtain the certified true copy of the lost declaration.



Payable Fees

Service Description	Fee
Amendment of a Declaration Previously Approved by the Free Zone Management	Two Egyptian Pounds (EGP 2) per page, with a minimum of EGP 25

Service Timeframe: Same day

Approval of Temporary Entry of Items not Owned by the Egyptian Media Production City Co. (EMPC) and their Exit Upon the Cessation of their Purpose

Required Documents:

- The application form related to the temporary entry of the items not owned by EMPC and their exit upon the cessation of their purpose, in two (2) originals and two (2) copies;
- The detailed items list.

Steps:

- Submit the completed application form and attached thereto the required documents.
- Receive the application form in two (2) originals after it has been duly approved.
- Proceed to the relevant customs office to complete the customs procedures.
- Submit an application for inspection of the consignment upon exit and/or entry, and undergo the inspection which will be conducted by a tripartite committee (a free zone representative, a customs representative, and the company's representative) to verify that the items match those previously declared, whether upon exit and/or entry.
- Return the second original of the temporary entry application form, indicating completion of the customs procedures.



Service Timeframe: Same day.

Approval of Temporary Exit of Equipment and Supplies Exempt from Taxes and Customs Duties and their Return (for Company's Own Use / Lease to Third Parties)

Required Documents:

- The application form related to the temporary exit of equipment and supplies exempt from taxes and customs duties and their return in two (2) originals and two (2) copies;
- The detailed items list;
- A copy of the lease agreement in case the equipment and supplies are going to be leased to third parties.

Steps:

- Submit the completed application form together with the required documents.
- Receive the application form in two (2) originals after it has been duly approved.
- Present the approved application form to the relevant customs office to complete the customs procedures.
- Submit an application for the inspection of the consignment upon exit and/or return, and undergo the inspection which will be conducted by a tripartite committee (a free zone representative, a customs representative, and the company's representative) to verify that the items match those previously declared, whether upon exit and/or return.
- Return the second original of the temporary exit application form, indicating completion of the customs procedures.



Service Timeframe: Same day.

Granting a Permit allowing Items, whether Exempt or Non-Exempt from Customs Duties and Taxes, to be transferred from Nilesat Headquarters (A Public Free Zone) to Nilesat Ground Control Station in Hamam City (A Private Free Zone)

Required Documents:

- The exit permit for the consignment to be transferred from Nilesat Headquarters (a public free zone) to Nilesat Ground Control Station in Hamam City (a private free zone), whether the items in the consignment are exempt or non-exempt from customs duties and taxes, in two (2) originals and one copy;
- For items non-exempt from customs duties and taxes: a domestic transportation insurance policy against fire, theft, and damage, if the Customs Authority requires GAFI to act as guarantor for the consignment being transferred from the public free zone to the private free zone;
- Supporting documents indicating the customs and tax status of the items (e.g., copy of the import invoice or the conversion inventory);
- The items list.

Steps:

- Submit the relevant application form together with the required documents.
- Receive the permit in two (2) originals after it has been duly approved.
- Present the approved permit to the relevant customs office to complete the customs procedures.
- Submit an application for inspection of the consignment upon exit and/or entry, and undergo the inspection which will be conducted by a tripartite committee (a free zone representative, a customs representative, and the company's representative) to verify that the items match those previously declared, whether upon exit and/or entry.



Service Timeframe: Same day.

Granting a Permit allowing Items, whether Exempt or Non-Exempt from Customs Duties and Taxes, to be transferred from Nilesat Ground Control Station in Hamam City (A Private Free Zone) to Nilesat Headquarters (A Public Free Zone)

Required Documents:

- The entry permit for the consignment to be transferred from Nilesat Ground Control Station in Hamam City (a private free zone) to Nilesat Headquarters (a public free zone), whether the items in the consignment are exempt or non-exempt from customs duties and taxes, in two (2) originals and one copy;
- For items non-exempt from customs duties and taxes: a domestic transportation insurance policy against fire, theft, and damage, if the Customs Authority requires GAFI to act as guarantor for the consignment being transferred from the private free zone to the public free zone;
- Supporting documents indicating the customs and tax status of the items (e.g., copy of the import invoice or the conversion inventory);
- The items list.

Steps:

- Submit the relevant application form and any required documents.
- Receive the permit in two (2) originals after it has been duly approved.
- Present the approved permit to the relevant customs office to complete the customs procedures.
- Submit an application for inspection of the consignment upon exit and/or entry, and undergo the inspection which will be conducted by a tripartite committee (a free zone representative, a customs representative, and the company's representative) to verify that the items match those previously declared, whether upon exit and/or entry.
- Return the second original of the permit, indicating completion of the customs procedures.



Service Timeframe: Same day.

Granting a Value-Added Tax (VAT) Exemption Letter

Required Documents:

- The application form related to the VAT exemption letter;
- A copy of the domestic market importation declaration (goods), accompanied by the tripartite (free zone, customs, and company) inspection report confirming entry of the consignment;
- An original and a copy of the purchase invoice of the item(s) to be exempted from VAT, specifying item description, quantity, and value (or a copy of the service agreement in the case of a service rendered, or an invoice indicating the service value);
- A certified true copy of the customs exportation certificate related to the consignment entry process; in case of goods.

Steps:

- Submit the application together with all required documents;
- Receive the VAT exemption letter addressed to the VAT Department;



Service Timeframe: Same day.



Granting an Approval to Destroy/Dispose of Goods

Required Documents:

- An application specifying the quantity, weight, and description of the goods to be destroyed, their value, the reasons for destruction/disposal, and the date(s) and reference number(s) of the relevant import declarations.

Steps:

- Submit the application.
- Participate in the committee formed — by virtue of the decree of the relevant free zone BoD chair or their designee — to inspect the goods requested to be destroyed, in preparation for carrying out the destruction after completion of all customs procedures.



Service Timeframe: Five (5) business days.

Granting an Exportation Subsidy Eligibility Certificate to a Free Zone Company for Goods Shipped Abroad

Required Documents:

- An application for an exportation subsidy eligibility certificate;
- A copy of the exportation declaration for goods shipped abroad, signed by the tripartite (free zone/customs/company) inspection committee and specifying the quantity and value of the consignment;
- A copy of the exportation invoice and the exportation destination;
- A declaration certified by the company confirming that the exported consignment does not include stored goods;
- A list of the raw materials used in the exported product, indicating: the exported items (quantity/value); the type of raw materials used (yarns, textiles); the source of the raw materials (domestic, foreign, under the temporary admission regulation, manufactured within the free zone, or imported from another free zone); the importation declaration number; and the quantity of the raw materials used from that declaration in manufacturing the exported products;
- An acknowledgment by the company owner(s), or by their duly authorized representative under a notarized power of attorney, in which they undertake to bear full liability for the accuracy of the information provided and to refund all amounts received as subsidy if the company is found in violation of the rules and regulations.

NB: In order for the power of attorney to be acceptable, it must contain a provision granting explicitly the representative the power to sign this sort of acknowledgment. A copy of the power of attorney must also be submitted to the zone management.

Steps:

- Submit the application form together with all required documents.
- Receive the certificate once issued.
- Present the certificate to the Export Support Fund (EDF) to complete the procedures for obtaining the subsidy.



Service Timeframe: Same day.



Application for the Exit of Free Zone Project Waste

Required Documents:

- The exit application form specifying the quantity and type of waste;
- A waste declaration indicating the quantity, condition, and type of waste, submitted in two (2) originals and one copy.

Steps:

- Submit the application form together with any required documents.
- Submit an application for an initial inspection to verify the condition and quantity of the waste to obtain the free zone BoD chair's approval on the waste declaration.
- Receive the approved declaration in two (2) originals.
- Present the declaration to the relevant customs office to complete the customs procedures.



Service Timeframe: Two (2) business days.

Urgent Release Related to Companies Operating in the Petroleum Services Sector

Required Documents:

- Urgent release permit form in two (2) originals and one copy, with a statement of quantity and value attached;
- Bank guarantee covering the customs duties and taxes due on the consignment upon its exit from the zone;
- An acknowledgment by the project owner(s) to complete all customs procedures within three (3) months from the consignment exit date.

Steps:

- Submit the application form to obtain permission for the consignment to exit the zone.
- Submit an exportation declaration to the free zone management detailing the raw materials, equipment, machinery, and supplies actually used, together with the customs declaration, and complete the customs procedures.
- If any unused raw materials or equipment are returned to the zone, obtain a return authorization for those items and complete the customs procedures.



Service Timeframe: Immediately upon submission.

Approval of Temporary Entry of Third-Party Machinery and Equipment from Within Egypt for Lease Purposes

Required Documents:

- A temporary entry application form for items not owned by the project;
- The lease agreement specifying the lease term and value, as well as the description and the serial numbers of the machinery and equipment to be leased.

Steps:

- Submit the application form including any attachments for approval.
- Receive the approved application form.
- Present the approved application form to the relevant customs office to complete the customs procedures.
- Submit the application for inspection upon entry, and undergo the inspection conducted by the tripartite committee (consisting of a free zone representative, a customs representative, and the company's representative).
- Return a copy of the entry inspection application to the Execution Department, indicating completion of the customs procedures.



Service Timeframe: Same day.

Application for Consignment Inspection Upon Entry and/or Exit

Required Documents:

- The consignment inspection application form signed by the company's legal representative;
- Proof of payment of the applicable inspection fee, if any.

Steps:

- Submit the inspection application and the payment receipt to the relevant free zone management.
- Pay the applicable inspection fee.
- Participate in the inspection with the committee.
- Receive a copy of the signed inspection report.



Service Timeframe: Two (2) business days.

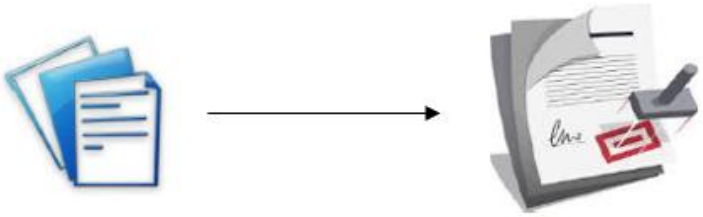
Application for Annual Inventory

Required Documents:

- An annual inventory application form submitted by the company, indicating the proposed inventory date;
- An authorization from the company's legal representative naming his/her delegate who is going to attend the inventory process, participate in the documentary verification, and sign the inventory records.

Steps:

- Submit the annual inventory application form to the relevant free zone management.
- Sign all inventory reports, both daily and final.
- Submit the company's written explanations regarding the inventory results, where a shortage or surplus is identified, within twenty-one (21) days from the date on which the company is notified.



Service Timeframe: Not specified.

IV. Financial Treatment Accorded to Public and Private Free Zone Projects

Financial Treatment Accorded to Projects Operating within Public Free Zone Framework:

Fees Payable by Such Projects:

Seriousness Fee:

Upon submitting an application to set up a project within a public free zone and after being notified of the preliminary approval, the investor will pay 10% of the usufruct fee, with a minimum of USD 1,000, as a down payment to demonstrate seriousness of execution. This amount will be deducted from the usufruct fee upon taking delivery of the land and will be non-refundable in the event of non-execution for reasons attributable to the project.

Usufruct Fee:

Once the project owners are notified that the final approval permitting the project to be set up is issued, they will be handed over the allocated site within one (1) month from the notice date but they have to pay in advance the site remaining usufruct fee for the first year as per the lease rates set by GAFI BoD within that same period.

Current Annual Lease Values per Square Meter in Public Free Zones (in USD):

Activity / Zone	Alexandria	Port Said	Nasr City	Suez	Ismailia	Damietta	Damietta Furniture City (DFC)	Shebin	Qeft
Industrial	9.26	9.26	9.26	9.26	9.26	9.26	9.26	9.26	1.75
Warehousing	14.55	14.55	14.55	14.55	14.55	14.55	14.55	14.55	3.50
Services	14.55	14.55	14.55	14.55	14.55	14.55	14.55	14.55	3.50
Used car storage	**26.45**								
Ready-made buildings	**39.68**								
Storage for third parties	**26.45**								

** GAFI BoD reserves the right to change these rates whenever necessary.*

Service Charge:

The project will pay GAFI a service charge for the services rendered thereto, as follows:

- 0.5‰ (half per mille) of the issued capital applicable to industrial and assembly projects;
- 1‰ (one per mille) of the issued capital applicable to warehousing and service projects;
- 1‰ (one per mille) of the issued capital applicable to projects licensed to carry out more than one activity.

The maximum amount of the service charge is EGP 100,000 to be paid in a freely convertible currency. The charge is calculated on a Gregorian calendar year basis, except for the first year, in which it is calculated on a pro-rata basis starting from the date of issuance of the operating license until the end of that calendar year.

GAFI's Fee:

Public free zone projects are subject to the following fee respectively:

- Manufacturing and assembly projects: 1% of the value of the goods upon their exit, calculated on the basis of their FOB value.
- Industrial or supplementary operations carried out on goods and materials processed within the free zones on behalf of third parties: 1% of the processing value.
- Warehousing projects: 2% of the value of goods at the port of arrival (CIF) or of the customs valuation, whichever is higher, collected upon transporting the goods to the project site.
- Direct supply transactions involving the purchase and sale of goods: 2% of the value of the purchases.
- Projects whose main activity does not require the entry or exit of goods: 1% of the total revenues generated, before the deduction of any expenses incurred to generate such revenues; this fee is collected on a semiannual basis, based on the revenue statement submitted by the project for the relevant period.
- Direct supply transactions limited solely to the collection of brokerage commissions: 1% of the commission value.

The final settlement of the payable fee is made in accordance with the nature of the project's activity, based on the financial statements and the accompanying notes approved by a chartered accountant, after deducting any amounts previously collected.

Financial Guarantee:

The project provides a financial guarantee in favor of GAFI – through the relevant free zone – to cover any potential liabilities of the project, not exceeding 2% of the investment cost, prior to the issuance of the operating license decree. Examples of the financial guarantee include the following:

- **Industrial and assembly activities:**
  - 1% of the project's investment cost, up to a maximum of USD 75,000 or its equivalent in freely convertible currencies.
- **Warehousing / service activities:**
  - 2% of the project's investment cost, up to a maximum of USD 125,000 or its equivalent in freely convertible currencies.
- **Multi-activity / dual-activity projects:**
  - A separate financial guarantee must be provided for each activity, in accordance with the above-mentioned percentages based on the nature of each activity. The value of the financial guarantee will be recalculated every three (3) years, based on the investment cost of the project reflected in the most recent financial statements and year-end accounts submitted to the relevant free zone, or upon submission by the project of an application that affects the investment cost.

Cargo Transfer Guarantee Fee:

If the investor requests GAFI to guarantee him/her before the Customs Authority—covering the customs duties and taxes due on goods, as determined by the Customs Authority—during their transfer from customs zones to free zones, from free zones to customs zones, or among free zones, GAFI will issue such guarantee in return for collecting in advance 1‰ (one per mille) of its value.

Late Payment Interest:

If the project fails to pay the usufruct fee within fifteen (15) days from its due date or to pay the applicable fees and other prescribed dues within ninety (90) days from their due date, late payment interest will be charged on the amounts due at the USD discount rate set by the Central Bank of Egypt.

Double Occupancy Fee:

If any project occupies an area beyond its allocated surface area, a double occupancy fee will be charged at the warehousing rate for the unauthorized area. The relevant zone BoD may double the occupancy fee in case of repeated violations.

Inspection Representative Cost:

Projects operating within Public Free Zone Framework will bear the cost of GAFI's inspection representative at the rate of EGP 300 per inspection if the project provides transportation, and EGP 450 per inspection if transportation is not provided by the company, provided that the full cost of the inspections must be collected from the company where transportation is not provided. The maximum monthly inspection cost per company is:

- EGP 9,000 if transportation is provided;
- EGP 13,500 if transportation is not provided.

Financial Treatment Accorded to Projects Operating within Private Free Zone Framework:

Fees Payable by Such Projects:

Financial Guarantee:

The project provides a financial guarantee in favor of GAFI – through the relevant free zone – to cover any potential liabilities of the project, not exceeding 2% of the investment cost, prior to the issuance of the operating license decree. Examples include the following:

- **Industrial and assembly activities:**
  - 1% of the project's investment cost, up to a maximum of USD 75,000 or its equivalent in freely convertible currencies.

- **Warehousing / service activities:**
  - 2% of the project's investment cost, up to a maximum of USD 125,000 or its equivalent in freely convertible currencies.

- **Multi-activity / dual-activity projects:**
  - A separate financial guarantee must be provided for each activity, in accordance with the above-mentioned percentages based on the nature of each activity. The value of the financial guarantee will be recalculated every three (3) years, based on the investment cost of the project reflected in the most recent financial statements and year-end accounts submitted to the relevant free zone, or upon submission by the project of an application that affects the investment cost.

Service Charge:

The project will pay GAFI a service charge for the services rendered thereto, as follows:

- 0.5‰ (half per mille) of the issued capital applicable to industrial and assembly projects;
- 1‰ (one per mille) of the issued capital applicable to warehousing and service projects;
- 1‰ (one per mille) of the issued capital applicable to projects licensed to carry out more than one activity.

The maximum amount of the service charge is EGP 100,000 to be paid in a freely convertible currency. The charge is calculated on a Gregorian calendar year basis, except for the first year, in which it is calculated on a pro-rata basis starting from the date of issuance of the operating license until the end of that calendar year.

Cargo Transfer Guarantee Fee:

If the investor requests GAFI to guarantee him/her before the Customs Authority—covering the customs duties and taxes due on goods, as determined by the Customs Authority—during their transfer from customs zones to free zones, from free zones to customs zones, or among free zones, GAFI will issue such guarantee in return for collecting in advance 1‰ (one per mille) of its value.

GAFI's Fee:

Private free zone projects are subject to the following fee respectively:

- Manufacturing and assembly projects: 1% of the total revenues generated from the exportation of goods abroad, calculated based on the relevant customs documentation.
- Manufacturing and assembly projects: 2% of the total revenues generated from the importation of goods into the country, calculated based on the sales invoice.
- Industrial or supplementary operations carried out on goods and materials processed within the free zones on behalf of third parties: 1% of the processing value.
- Warehousing projects: 2% of the total revenues generated from the exportation of the goods, calculated based on the sales invoice;
- Projects whose main activity does not require the entry or exit of goods: 2% of the total revenues generated, before the deduction of any expenses incurred to generate such revenues; this fee is collected on a semiannual basis, based on the revenue statement submitted by the project for the relevant period.
- Direct supply transactions: 2% of the total generated revenues.

The final settlement of the payable fee is made in accordance with the nature of the project's activity, based on the financial statements and the accompanying notes approved by a chartered accountant, after deducting any amounts previously collected.

Late Payment Interest:

If the project fails to pay the applicable fees and other prescribed dues within ninety (90) days from their due date, late payment interest will be charged on the amounts due at the USD discount rate set by the Central Bank of Egypt.

Inspection Representative Cost:

Projects operating within Private Free Zone Framework will bear the cost of GAFI's inspection representative at the rate of EGP 300 per inspection if the project provides transportation, and EGP 450 per inspection if transportation is not provided by the company, provided that the full cost of the inspections must be collected from the company where transportation is not provided. The maximum monthly inspection cost per company is:

- EGP 9,000 if transportation is provided;
- EGP 13,500 if transportation is not provided.

V. Regulatory Aspects Related to Public and Private Free Zone Projects

Projects operating under the Free Zone Frameworks must:

- Provide evidence of comprehensive insurance coverage for buildings, structures, machinery, and equipment against all accidents and risks, with the policy issued by an Egyptian insurance company, and renew it within the prescribed timeframes;
- Make all records and books available to the management of the relevant zone upon request;
- Provide both of Ministry of Investment and Ministry of Finance with a copy of the financial statements and the accompanying notes, duly certified by an Egyptian auditor, within ninety (90) days following the end of the project's fiscal year;
- Replenish the value of the financial guarantee within fifteen (15) days from the date of receiving a registered letter with acknowledgment of receipt to that effect, in the event that deductions have been made from the financial guarantee to settle dues payable to GAFI;
- Renew the financial guarantee letters upon their expiry; and
- Settle all dues and fees payable to GAFI within their prescribed deadlines.

VI. Advantages Granted to Compliant Projects

Advantages Granted to Compliant Projects:

Reduction of the Financial Guarantee Value:

If the project submits an application to reduce the value of the financial guarantee in light of an increase in the approved investment cost, the application will be approved for a reduction not exceeding one-half of the value.

Exemption from Increasing the Financial Guarantee Value:

If the project submits an application for exemption from increasing the value of the financial guarantee due to an increase in the approved investment cost, the application will be approved.

In all cases, approval of the reduction or the exemption is subject to the following conditions:

- Timely payment of all dues payable to GAFI;
- The financial guarantee provided by the project has not been used to settle dues in the preceding three (3) years;
- Compliance with export ratios in the preceding three (3) years;
- Submission of financial statements for the preceding years.

The decision granting such advantages may be reconsidered in the event of any future breach by the project of the above-mentioned requirements and criteria.

VII. Engineering Aspects of Public Free Zone Projects

Construction Requirements for Public Free Zones

Coordination must be carried out with the Engineering Department of the relevant free zone prior to and throughout the execution of any construction works for any project within public free zones, to ensure compliance with the following requirements:

1. The height of buildings must not exceed 14 metres above sidewalk level, including parapets, stairwell enclosures, and elevator rooms, except in Nasr City Public Free Zone, where a maximum height of 18 metres is permitted, provided that such height does not conflict with the applicable laws and regulations of the State or the height restrictions imposed by the Civil Aviation Authority.
2. Companies must comply with the architectural design and external color scheme prescribed by the free zone management (gray), provided that the façades of administrative buildings must be covered by at least 32% tinted reflective glass, while complying with the specified color.
3. The project must be fully enclosed by fences that are completely separate from the buildings. The distance between the fence and the buildings must not be less than 3 metres on all sides, except for the front setback, which must be 4 metres, to allow fire trucks to enter in emergencies. The fences must be illuminated by means of poles and electric floodlights.
4. Only one security room may be constructed on the front façade, directly adjacent to the front fence, provided that a 3-metre setback is maintained between the security room and the project buildings.
5. The fences along the street-facing side (front façade) must consist of a reinforced-concrete structure, 3 metres in height (foundations and columns), with steel pipe frames between the columns and infill consisting of wrought-iron grilles. The fence must be finished with plaster and weather-resistant plastic paint in gray, or with plaster and a gray cement-based finish. The steel pipes may alternatively be replaced with brickwork, which must be finished in accordance with the foregoing specifications. The fence on the side adjoining neighboring properties must consist of a reinforced-concrete structure (foundations, tie beams, columns, and coping), with brick masonry and plasterwork, finished with plaster and weather-resistant plastic paint in gray.
6. Fences located at road intersections (corners) must be constructed at a 45-degree angle to allow clear reciprocal visibility of vehicles approaching the intersections.
7. No doors or windows must be installed facing the street on the external façade of the security room.
8. All loading and unloading of vehicles must be carried out within the boundaries of the project premises.
9. No excavation or removal of soil must be carried out on any land outside the area allocated to the project.
10. No equipment or materials must be stored outside the boundaries of the project.
11. The roads and land surrounding the project must not be used for storing excavated materials or for mixing concrete and mortar.
12. No modifications, additions, or partial or total demolition works must be carried out on the project prior to obtaining the approval of the Engineering Department of the Free Zone.
13. The project must construct a sedimentation chamber equipped with a metal screen and weirs to retain solid materials before the discharge point leading to the Zone's sewage network. Its location and specifications must be indicated in the drawings submitted for approval prior to commencement of the works.
14. The project must pay a security deposit equal to 1% of the value of the project's construction works, subject to a minimum of EGP 20,000, as security for GAFI's utilities and facilities, until completion of the construction works. The security deposit must be refunded upon completion of the construction works.
15. No works for connecting the project to the Zone's networks or utilities must be carried out without the prior written approval of the zone management and coordination with the entities owning and providing the relevant services.

16. The project must be subject to monitoring during the execution of the works to ensure compliance with the construction requirements applicable to public free zones.
17. In the event that the project commits any violation or causes any encroachment during the execution of the works, the matter must be referred to the competent authority for consideration of the cancellation of the approval issued for the establishment of the project and the issuance of the relevant licenses.

Issuance of a Building Permit for a Project Within a Public Free Zone

Required Documents:

1. A receipt issued by the treasury of the free zone management to which the project belongs, evidencing payment of the fees for the issuance of the permits.
2. Submission of three (3) sets of the project's architectural and structural engineering drawings, properly compiled in a suitable folder, with each drawing clearly indicating the following: (the name of the public free zone to which the project belongs; the project name; the land plot number; the seal and signature of the engineering office or engineer responsible for the design; and the relevant registration and engineering register numbers). The sets must include the following:

    - **Three copies of the architectural drawings, including:**
        - General site plan, showing the boundaries and external dimensions of all buildings proposed to be constructed, the distances between them, the setbacks from the fences, the locations of gates, and the boundaries and dimensions of the plot of land on which the project is to be constructed, together with its location in relation to the surrounding streets and neighboring properties. The north arrow must also be shown on the drawing.
        - Fire-fighting line, in accordance with the requirements of the Civil Defense and Fire Department of the zone.
        - Wastewater and industrial wastewater treatment unit for manufacturing activities, such that industrial wastewater may only be discharged through this unit.
        - Floor plans, elevations, and sections.
        - Electrical drawings, showing the electrical power requirements of the project.
        - Water supply and fire-fighting network, showing the water requirements of the project.
        - Sanitary and industrial drainage, showing the discharge quantities and indicating whether any liquid or solid waste that does not comply with the specifications, requirements, and standards applicable to sanitary and industrial drainage is to be discharged into the zone's public sewer network. The drawing must also indicate the method of treating such waste prior to its discharge into the public network. The design must ensure that no solid materials are permitted to enter the zone's network, and the treatment method and system must be approved by a specialized consulting office.
        - A declaration by the company confirming that no industrial waste will be discharged where the project, based on its activity, does not require industrial drainage.
        - Design drawing for the sedimentation chamber and solid-material screening networks.
        - General site plan showing the location of the chemical waste treatment plant, if any, and its connection to the remainder of the drainage network.
        - Fire prevention and fire resistance requirements.
    - **Three copies of the structural drawings, including:**
        - Foundation plans and columns, indicating the soil bearing capacity used for the design.
        - Slabs, beams, and staircases.
        - Structural sections and details.

3. Submission of two copies of the bill of quantities for the works.
4. Submission of a copy of the land delivery report.
5. Submission of an authorization letter designating a company representative for the purpose of completing the procedures.

6. Submission of a time schedule indicating the commencement date and completion date of the works.
7. Submission of a certificate issued by the engineer admitted to the Syndicate of Engineers supervising the construction works.
8. Submission of a declaration by the Project Owner, bearing the company's seal, confirming that no damage will be caused to the facilities of the free zone, together with an undertaking to repair any damage and restore the facilities to their original condition.
9. Submission of an approved and stamped soil investigation and study report for the project site, by a consultant engineer admitted before the Syndicate of Engineers.
10. All structural designs and drawings must be approved and stamped by the consulting office responsible for the design.
11. Submission of a certificate assuming civil and criminal liability for all construction works, issued by the consulting office responsible for the design, the executing contractor, and the engineer supervising the execution, each within their respective scope of work.

Steps:

- Submit all of the aforementioned documents to the public free zone management overseeing the project, provided that all documents are duly completed in accordance with the foregoing requirements.
- Review the documents – by the Engineering Department of the zone – for compliance with the construction requirements applicable to public free zones, as set out above, within a period not exceeding five (5) business days, provided that the drawings are free of any comments and all required documents have been duly completed.
- In the event that the documents are incomplete or the drawings or construction requirements are subject to any comments, the project is notified to rectify such comments and complete the missing documents.
- The zone management issues the building permit in accordance with the form designated for this purpose.
- The zone management sends a copy of the documents and the building permit issued for the project to the Central Administration of Engineering Affairs.



Service Fees

- Permit issuance fee: EGP 2,000 (Two Thousand Egyptian Pounds only) for all projects established in public free zones.
- Calculation of the cost of the buildings based on the drawings submitted by the project for approval, as follows:
  - Building area in square metres, according to the drawings × EGP 800/m^2 × 0.005 = value in Egyptian pounds.
  - Perimeter of the fences in linear metres, according to the drawings × EGP 800/linear metre × 0.005 = value in Egyptian pounds.

Service Timeframe: Seven (7) Business Days.

VIII. Public Free Zones Contact Details

Public Free Zones Contact Details

Zone	Address	Tel.	Fax	E-mail
Free Zones Sector	GAFI Premises (Sefarat District), next to Nasr City Public Free Zone, behind Sefarat District, P.O. Box 8044, A.R.E.	+202 26736900 – 906 (7 lines)	+202 22748465	gafi-fz@gafi.gov.eg
Nasr City	Nasr City, behind Sefarat District, P.O. Box 8044, A.R.E.	+202 26736948 – 2748129	+202 22748467	nasrcity-fz@gafi.gov.eg
Alexandria	Kilo 27 Alexandria–Cairo Desert Road, El-Ameriya, P.O. Box 2351, A.R.E.	+203 4500002 – 06 (5 lines)	+203 4500010 +203 4500012	alexandria-fz@gafi.gov.eg
Port Said	Investment Zone, Port Said City, P.O. Box 242, A.R.E.	+2066 3729752 – 24 – 13 (3 lines)	+2066 3728724	portsaid-fz@gafi.gov.eg
Suez	Free Zone in Adabiya, in front of Ataqa Power Plant, Suez – Sokhna Rd., P.O. Box 110, Suez, A.R.E.	+2062 3230350 – 45 (5 lines)	+2062 3230355	suez-fz@gafi.gov.eg
Ismailia	Entrance of Ismailia City – Ezz El-Din, Cairo–Port Said Desert Road, P.O. Box 121, Ismailia, A.R.E.	+2064 3488504 – 579 – 493 (3 lines)	+2064 3482869	ismailia-fz@gafi.gov.eg
Damietta	East of Damietta Port, P.O. Box 191, Damietta, A.R.E.	+2057 2292222 – 1111 – 2290 (3 lines)	+2057 2292290	damietta-fz@gafi.gov.eg
Shebin El-Kom	Public Free Zone in Shebin El-Kom, Misr Shebin El Kom Spinning & Weaving Co., P.O. Box 32513, Menoufia, A.R.E.	+2048 2037239 – 237 – 233 – 232 (4 lines)	+2048 2236986	shibinelkoom-fz@gafi.gov.eg
Qeft (Qena)	Free Zone, in front of the industrial zone, Kalaheen, Qeft–El-Quseir Rd., *Markaz* Qeft, Qena Governorate	+2096 3420155 – 144 (2 lines)	+2096 3420155	keft-fz@gafi.gov.eg
Media Public Free Zone	Investor Service Center, 6th of October Branch, next to Gate 4 Media Production City, 6th of October City, P.O. Box 269, Giza, A.R.E.	+202 38555502 – 504 (2 lines)	+202 38555503	media-fz@gafi.gov.eg

For more information feel free to contact the General Authority for Investment and Free Zones (GAFI)

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