الهيئة العامة للاستثمار والمناطق الحرة

General Authority for Investment & Free Zones

#EGYPT IS READY

ARAB REPUBLIC OF EGYPT

language: Arabic

GMT 2+ hrs

Population:
105.4 million
(July 2023)

Surface area:
1.002 million km^2

330.2 *$bn*
GDP In current prices

3.8%
Economic growth rate

16.2 *$bn*
private investments

10.04 *$bn*
Net foreign direct investment

24.8%
inflation rate

7.2%
unemployment rate

* Data for the FY 2022/2023
* Exchange rate (1 USD = 30.8905 EGP)

The distingued strategic location positions Egypt as an investment-trade hub in the global map. Egypt is deemed the best option to access global markets in Europe, the Middle East, Africa, and Asia. Moreover, Egypt has a world-class infrastructure and an international logistics network along with the Suez Canal, which is the most important maritime waterway that connects the East with the West of the world.

27
International & National airports

18
Commercial ports

30000 *km*
The developing road network (Expected)

705 *Stations*
9570 *km*
Railway network length (2022)

3 *Metro lines*
94 *Metro stations*

2 *Monorail lines*
35 *Stations*

19 Light electric railway stations

22 High speed electric railway stations

213182
G.W/h
Generated and purchased energy (2022/2021)

27.8
Million tons
Production of crude oil and condensate (2022)

50.6
Million tons
Natural oil production (2022)

1.1
Million tons
Butane gas production (2022)

EGYPT FDI OUTLOOK

- **Egypt** Achieved The Highest Rate of **FDI** Growth Over The Last 15 Years
- "The **1st** Largest Recipient of FDI in Africa 2022"
- "The **2nd** Largest Recipient of FDI in Middle East 2022"

SOURCE: UNCTAD WIR 2023

- Egypt enjoys competitive edge in producing green hydrogen

GDP growth rate
3.8% (2022/2023) -%6,6 (2021/2022)

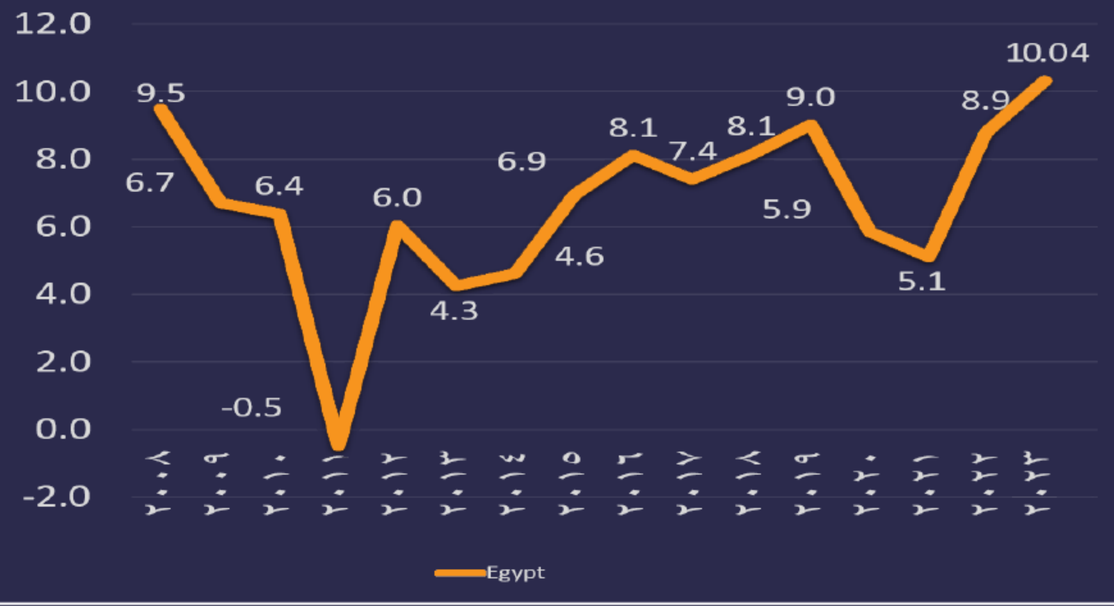
Net Foreign Direct Investment **(FDI)** Flows in Egypt
10.04$bn (2022/2023)

Growth Rate of Net **FDI** Flows (2022/2023) Compared to Previous FY (2021/2022)
12.3%

Net **FDI** in The Non-Oil Sectors
11.02$bn

- Inflows **23,05$bn**
- Outflows **13,01$bn**

NET FOREIGN DIRECT INVESTMENT



THE EGYPTIAN ECONOMY

Objectives of Economic and Social Development Plan for 2025/2024

%4.2
Economic Growth Rate

%13
Investment Rate

%48
Private Sector's Share in Total Fixed Capital Investments

363$bn
Gross Domestic Product (GDP) at Current Prices

47.2$bn
Total Planned Investments

20.7$bn
Private Sector Investments in Fixed Capital Assets

Competitive Advantages & Developed Infrastructure

A Large Trained Labor Force

Over ***29*** *million skilled workers*

Average Monthly Salaries

$150 - $400

Diversified Economy

Various sectors contributing to GDP

Services	Industry	Agriculture
%54.3	**%15.7**	**%11.5**

Developed Infrastructure

- **28th** Road Quality Index
- **39th** Marine Infrastructure Index
- **32nd** Airport Infrastructure Index

Favorable Trade Agreements

Free trade agreements with over **70 Countries** *facilitating trade*

Streamlined Processes for Investors

Digitization Investment Services

Customs - Tax collection

Strategic Geographical Location

Access to markets with a combined GDP of

7$ Trillion

Competitive Tax Rates

Tax incentives for investments, with a corporate tax rate of

%22.5

Attractive Investment Schemes

- *Free zones*
- *Technological Zones*
- *Investment Parks*
- *Special Economic Zones*

Stabilizing Macroeconomic Indicators

World Bank expects growth rate to reach

%4.2 in *2024/2025*

TARGETED SECTORS

Industry
(Industrial sector - Agribusiness - Textile - Engineering - Pharmaceutical - Automotive & feeding industries)

ICT
Growth rate reached **16.3%** FY 2023/2022
3rd rank globally in the **"Cross-Border Outsourcing Services"** Trust Index 2023,

Agriculture
Contributing 11.5% of GDP, provides jobs for 28% of the total workforce

Logistics
18 Main commercial ports
27 Main airports
65,050km Total road network

Green Energy
Target of **42%** renewable energy by **2035**

Tourism
13.6$ billion tourism revenues
13.9 million tourists
FY2023/2022

Education
738K Graduates in 2022
10 Technological universities
National strategy for higher education

Health
2,700 hospitals - **15,356** intensive care beds - **3,452** operation rooms

INVESTMENT INCENTIVES IN EGYPT

10 Years
Exemption from land usufruct charges

Exemptions
From the stamp tax and documentation fees for land, credit facilities and mortgage contracts

30% - 50%
Of the investment costs to be deducted from the Tax base (net profit) over **7 years** maximum

35% - 55%
From the value paid of the project income tax or his expansions **(Industrial Sector)**

2%
Unified Customs Duty
Machinery and equipment

50%
Exemption from infrastructure cost

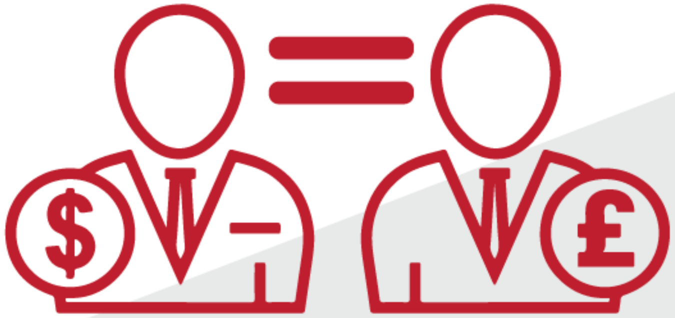
50%
Of basic utility consumption cost can be covered by Public treasury up to ten years

50%
Of land cost is refunded if production starts within two years

INCENTIVES PACKAGES FOR TARGETED SECTORS

- Health
- Green Hydrogen
- Tourism
- Waste Management
- Real State
- Automotive
- ICT
- Small & Medium Enterprises

Main Guarantees



Equal Treatment Between Foreign and Local Investors

Repatriation of Dividends

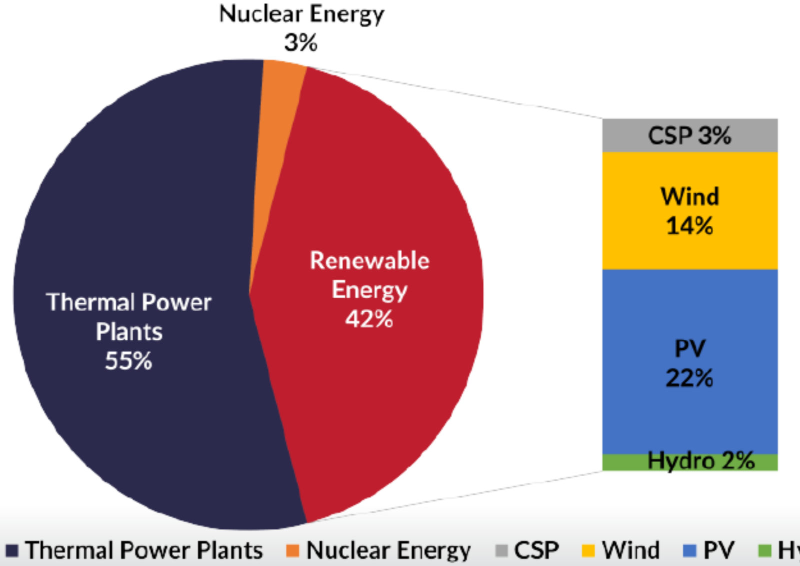
Renewable Energy Outlook

41 Thousand km²

Lands allocated for renewable energy projects

42% of the Energy Mix

Generated from new and renewable sources by **2030**



GREEN HYDROGEN STRATEGY

Prime Ministerial Decree 3445 of 2023 has instituted the National Council for Green Hydrogen with the aim of fostering green investment, in line with the nation's strategy to advance sustainable social and economic growth.

Law No. 2024/2 incentivizes green hydrogen projects and related initiatives.

GREEN HYDROGEN STRATEGY OBJECTIVES

- Secure **5** to **%8** of the **Global Hydrogen Market**
- **Reduce carbon dioxide** emissions by **40** million tons annually by **2040**
- Generate **100,000 job opportunities**
- Increase the gross domestic product by **$10** to **$18** billion.

27 Memorandums of understanding

10 Framework Agreements

114 GW Total Generating Capacity

- **63** GW Wind Energy
- **52** GW Solar Energy

Production at SCZONE

COP27
SHARM EL-SHEIKH
EGYPT 2022

H.E. President Abdel Fattah El-Sisi President of the Arab Republic of Egypt and H.E. Jonas Gahr Store the Norwegian Prime Minister, inaugurated the first integrated green hydrogen plant in Africa during the Leaders Summit at COP27, located at SCZONE's Sokhna Industrial Area.

Scatec | THE SOVEREIGN FUND OF EGYPT صندوق مصر السيادي | Fertiglobe

100MW Green Hydrogen	Operational Project In Africa	**50KTPA** Green Ammonia
70MW Solar Energy	**190MW** Wind Energy	**$417M** Investment Cost

Incentives for GREEN HYDROGEN Projects and Its Derivatives

The provisions of this law shall apply to Green hydrogen projects production and its derivatives carried out within 5 years from the date of entry into force of this law.

Projects enjoy incentives prescribed for the duration of the validity of the projects' expansions agreements, 7 years from its commercial startup date.

To enjoy incentives, The project must begin commercial operation Within 5 years from the date of its conventions contracts.

Incentives for **Green Hydrogen** and its Derivatives

%35-55
Cash Incentive deducted from paid income tax

(VAT) Exemption for machines, tools, devices, raw materials and transport methods

%0 VAT
For exports of green hydrogen projects and their derivatives

%30
Fee Reduction for Egyptian Seaport and Sea Transport Services

%25
Usufruct value reduction of any industrial lands

%20
Reduction the right of using the storage warehouse lands at the ports

Obtaining the single approval **(Golden License)**

The project Import & Export by itself without the need to register the in importer's or Exporters's register

Special customs ports for the project's exports and imports.

Grace period for usufruct payment, starting at project's operational date, free of interest or fines

Aligning license terms with land usufruct duration for green hydrogen projects

%30
Foreign workers are allowed during the first 10 years

GREEN HYDROGEN Investment Schemes

Suez Canal Economic Zone

455 km
Total Area

100K
Direct & Indirect Jobs

0%
Customs Taxes
VAT

50%
Tax Credit

6 Ports

4 Industrial Zones

3 Main Ports Operatores

90 Port Establisments

14 Industrial Developers

300 Operational Establisments

Premier Services and Trade hub with Investment opp. in different sectors at unique stratigic location.

www.sczone.eg

GREEN HYDROGEN Investment Schemes

Investment Zones/Parks

Obtaines all needed approvals and licenses, deals with all relevent entites on behalf of the investor.

18 Investment Zones
11 Existing
7 Under Construction

10K Project

176 million m^2 Developed Area

7 Governorates

300K Direct& Indirect Jobs

GREEN HYDROGEN Investment Schemes

Free Zones Scheme

The free zone authority oversees all project processes, including approvals, licensing, land reservation, building permits, import/export activities, and cessation of operations

0% Taxes Customs

80% Export

1162 Projct

Public Free Zones
9 Public free Zones
953 Project

Private Free Zones
209 Project

GAFI as a Business Partner

GOLDEN LICENSE

31 Golden Licenses

1- The GOLDEN LICENSE is a single license granted to national and strategic projects.

2- A comprehensive approval on the setup, operation and management of the project.

3- Approvals includes all needed licenses within **20 days** with no need to deal with any other entity.

Investor

GAFI
Golden License Unit

Relevant Ministers concerned with project business activity

Council of Ministers
Golden License Supreme Committee

Council of Ministers

GAFI
Golden License Implementation Follow-up Unit

The Entities concerned with licensing the setting up of the project

- The representative of the entity at the Investor Services Center (ISC)
- Ministry/Entity Contact Point

INVESTMENT JOURNEY

01

Meet with **GAFI** Officials

02

Investment Map

Offer opportunity to the investor **1200+**

Public Opportunities

Private Opportunities

investinegypt.gov.eg

03

within **2hrs** E-establishment of the company

14 Through Investor Service Centers (ISC)

04

Land Allocation

21 days

the land will be allocated through GAFI

05

Follow up

After care follow up through lifetime of the project

www.gafi.gov.eg

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THANK YOU