



Golden License Guidebook



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1 Golden License (Comprehensive Approval)

- According to Article (20) of Investment Law enacted by Law No.72 of 2017 and Articles (42) and (43) of its Executive Regulations, the golden license is a comprehensive approval on the set up, operation and management of a project, including building licenses of such project and the allocation of the real property required therefor. It may be granted to companies upon a decree of the Council of Ministers.
- This approval may include the application of one or more of the incentives mentioned in the present law to the project.
- This approval must be valid on its own without the need to take any other action.

2 Incentives that may be granted to companies within the Golden License

According to Article (20) of Investment Law, the Golden License (Comprehensive Approval) may include the application of one or more incentives stipulated in the present Law to the project, and such includes the incentives stipulated in Part II of Investment Law, which are:



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Companies that may be granted a Golden License (Comprehensive Approval):

The golden License may be granted to the following companies:

- a) Companies that are incorporated to set up strategic or national projects that contribute to the achievement of sustainable development in accordance with the State's economic development plan.
- b) Companies that are incorporated to set up a partnership between the private sector and the State, the public sector or the public business sector in the activities of (public utilities and infrastructure - new and renewable energy - roads and transportation - ports - telecommunications and information technology).



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Conditions for considering investment project as strategic or national

Council of Ministers Decree No.56 of 2022 was issued to set out the Terms and Conditions for classifying any Investment Project as Strategic or National in the application of the provision of Article (20) of Investment Law, among which Investment Project must satisfy one or more of the following criteria:

- It shall contribute to increasing exports by exporting abroad at least fifty percent (50%) of its products per annum, provided such exportation start within maximum three (3) years as of the start of carrying on business.
- Its source of finance shall be foreign money transferred from abroad via one of the Egyptian banks, subject to the provisions set out in Article (6) of the Investment Law and Article (9) of the Executive Regulations of the Investment Law, and subject to the rules set by the Board of Directors of the Central Bank of Egypt.





- It shall target the decrease of imports, industrial domestication, as well as deepening local components in its products, provided that the percentage of local components in its products, including raw materials and production requirements [inputs], be at least fifty percent (50%), and provided further that the aforementioned percentage be calculated by subtracting the value of the imported components from product cost.
- It shall be incorporated in one of the most in need of development areas listed under Council of Ministers Decree No. 7 of 2020.
- It shall contribute to transferring and domestication of modern means of technology to Egypt as well as fostering innovation, development, and scientific research in such a way as determined by the minister concerned with telecommunications and information technology; the minister concerned with industry; or the minister concerned with scientific research, as the case may be.
- It shall be one of the projects aimed at providing strategic goods to Egypt, thus reducing their importation.
- It shall be a labor-intensive project employing the national labor force, as set out in Article (11) of the Executive Regulations of the Investment Law.
- It shall contribute to environmental impact mitigation, gas emission reduction, and weather improvement, as determined by the minister concerned with the environment affairs.



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Areas and activities granted the Comprehensive Approval:

A- Electricity and Renewable Energy Sector



- Green hydrogen projects (production, transportation, distribution);
- Electricity projects related to providing electricity on ultra-high and high voltages to national agricultural development projects carried out by the State entities (such as New Delta, Sinai Peninsula Development, Toshka, al-Ouinat projects);
- Green Corridor projects aimed at maximizing renewable energy share in electricity production;
- Electricity projects transferring electricity via ultra-high and high voltages to the State's national development projects nationwide;
- Renewable energy projects aimed at providing energy to water desalination and green hydrogen production projects;
- Projects aimed at linking Egypt's power grid to neighboring countries and exporting electricity; and
- Electricity storage projects, such as electric pumping and storage as well as batteries.

B- Petroleum and Mineral Wealth Sector



- Projects developing crude oil, gas and petroleum material pipelines and networks to meet local market needs;
- Projects establishing strategic shipping ports and storage areas for crude oil and petroleum products;
- Digital infrastructure development projects aimed at digital transformation;

- Carbon emission reduction projects, as well as Co2 separation and reinjection-into- aquifers projects;
- Expansion and transformation projects using compressed natural gas as an alternative to diesel and gasoline;
- Water treatment projects associated with the production of crude oil and gas;
- Crude oil atmospheric distillation projects as well as projects dedicated to developing existing production units at refineries and manufacturing plants in order to produce high-value petroleum products;
- Projects establishing packing, concrete pipes, and steel pipes factories;
- Projects establishing laboratories for gold refining, casting, and stamping as per the Global Code; and
- Petrochemical plants, projects producing metallic silicon and polysilicon; or phosphate fertilizers and phosphoric acid, or tantalum ore extraction, concentration, and manufacture projects.

C- Transportation Sector



- Maritime Transportation: Seaport superstructure construction as well as container terminal management and operation;
- Railways: Management, operation, and maintenance of cargo railways; sleeper and luxury trains; and repair workshops;
- Electric Traction: Management, operation, and maintenance of electric traction railways (monorail lines - Light Rail Transit "LRT" – Metro Network) and the Egyptian High Speed Rail Network;
- Seaports and Logistics Centers: Establishment, management, operation, and maintenance of land and dry ports and logistics centers; and
- River Transportation: Establishment, management, operation, and maintenance of river ports.



D- Industry Sector



- Industries supplementary to new and renewable energy production projects;
- Automotive industry and industries supplementary thereto, including electric cars, electric vehicle charging stations, natural gas cars and cylinders;
- Wood, furniture, and chemical industries;
- Antibiotics, tumor drugs, and cosmetics industries;
- Food industries and agricultural crops; and
- Engineering, metallurgical, and mining industries including electrical and electric devices; electrical machinery, equipment, and engines; blank printed circuit boards (PCBs); production lines; and containers industry.

E- Communications and Information Technology Sector



- Design and manufacturing of solar cells and renewable energy conversion systems;
- Design and manufacturing of semiconductors, silicon wafers, and integrated circuits (ICs);
- Manufacturing and production of professional/LED chips;
- Manufacturing of LCD Open Cell and projects dependent thereon, such as the manufacture of cell phones and tablets;
- Local manufacturing of lithium batteries; and
- Manufacturing of multi-layer PCBs and projects dependent thereon, such as the manufacture of cell phones and tablets.

F- Housing, Utilities and Urban Communities Sector



- Establishment, development, and efficiency-improvement of main utility plants (drinking water stations and related lifting stations – seawater desalination stations – sewage stations and related lifting stations);
- Building inter-and-intra-city-and-governorates main utility lines serving new urban communities;
- Building, development, and efficiency-improvement of main internal roads and roundabouts as well as those linking cities, new urban communities, and governorates to one another;
- Urban development projects eliminating the randomly-built areas inside the governorates; and
- Housing projects aimed at providing affordable housing to all community segments (such as Housing for All Egyptians and Alternative Housing initiatives).

G- Tourism Sector



- Hotel accommodation projects located in: (the hotels area starting from Sphinx International Airport on the Desert Road and ending at Hadabat al-Ahram, Upper Egypt governorates, Northern Coast region, Nuweiba and Dahab region);
- Ecofriendly tourist projects, subject to the standards laid down by the Ministry of Tourism and Antiquities;
- World entertainment projects at tourist destinations as well world water parks
- Delta and Upper Egypt rural tourism projects; and
- Medical tourism projects.

H- Youth and Sports Sector



- Building sporting clubs; youth centers; youth development and sporting centers; national camps; youth guest houses and forums; and
- Building Olympic cities as well sport stadiums, hospitals, and medical units.

I- Environment Sector



- The manufacture of safe, environment friendly, single-use alternatives of plastic products; and
- Integrated waste management activities.

J- Agriculture Sector



- Livestock breed improvement projects;
- Species crossbreeding and hybridization projects; and
- Agricultural manufacturing projects related to export.

K- Military Production Sector



Solid-waste-to-electricity plants.

L- Health Sector¹



Plasma separation, purification, collection, manufacturing and development its derivatives projects.

¹ The health sector has been added to the sectors mentioned in Article Two of Cabinet Resolution No. 56 of 2022 pursuant to Cabinet Resolution No. (67) Of 2022

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The Terms and conditions to be satisfied from applicant to obtain the Golden License

According to Article (42) of the Executive Regulations of Investment Law No. 72 of 2017¹, those who apply for the comprehensive approval stipulated in Article (20) of the Investment Law must meet the following terms and conditions:

1. They shall be in the form of a joint-stock company or a limited liability company in accordance with the provisions of the Investment Law enacted by Law No.72 of 2017, or Joint Stock Companies, Partnerships Limited by Shares, Limited Liability Companies and Single Member Companies enacted by Law No.159 of 1981;
2. The issued capital of joint stock companies and the capital of limited liability company may not be less than 20% of the investment costs of the project;
3. They shall provide evidence of financial solvency for the implementation of the project;
4. The company must be incorporated at a date later than the date of enforcement of the aforementioned Investment Law.
5. They shall submit a preliminary feasibility study on the project prepared by a reputable and licensed national or international consultancy firms;
6. They shall submit a schedule for implementing the project;
7. They shall submit an acknowledgment of the provision of all utilities of the infrastructure (roads- water- sewage- electricity- communications- waste management); and
8. They shall submit an acknowledgment of all requirements and controls pertaining the company's activity in accordance with laws and regulations regulating thereof.



¹ As per Prime Minister Decree No. 2300 of 2022 amending ER of Investment Law to streamline the terms and conditions pertained by companies to obtain the Comprehensive Approval (The Golden License)

7 Procedures to obtain the Golden License

- According to Article (43) of the Executive Regulations of the Investment Law, companies - incorporated to launch strategic or national projects contributing to the achievement of sustainable development in accordance with the State's Economic Development Plan – or partnerships – between the private sector and the State, the public sector, or the public business sector in the fields of public utilities and infrastructure; new or renewable energy; roads and transportation; ports or communications and information technology – must apply for the Comprehensive Approval with GAFI. GAFI shall assess such application and verify whether it satisfies the terms and conditions stated in the previous Article of the Executive Regulations.
- The minister concerned with investment affairs will, in agreement with the appropriate minister, refer the company/partnership's application to the Council of Ministers in order to obtain a decree granting the company/partnership a Comprehensive Approval on the setup, operation, and management of the project, including the granting of any building permits and the allocation of the real property required for the project. Such approval is self-executing without having to take any further action.
- Moreover, GAFI will coordinate with all the appropriate bodies relevant to the company/partnership's business, and such bodies will streamline all procedures concerning the company/partnership's business.



● **The procedures in connection with obtaining the Golden License can be summed up as follows:**

1

After having complied with all terms and conditions referred to above, a company that would like to obtain the Comprehensive Approval (Golden License) must submit its application to the technical secretariat of the Golden License Unit (the “Unit”) formed at GAFI by Prime Minister Decree No. 1156 of 2020.



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The Unit will then assess the application and ascertain whether the company complies with all terms and conditions referred to above. It will also determine (i) which real property is required for the project and the governmental agencies having jurisdiction over such property; (ii) the building permits and the extent of the license-to-operate required for the project, as well as the governmental agencies having the power to grant such permits/license; (iii) the incentives to be accorded to the company. In addition, the Unit will coordinate with all governmental agencies relevant to the company's business regarding the required permits and licenses.



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Following that, the Unit will furnish to the Prime Minister a memorandum enclosing separate corporate applications that comply with the applicable terms and conditions. The memorandum will also include a list of the real property, building permits, licenses-to- operate, and incentives recommended to be granted to each of the companies.



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Each application will be presented to the Council of Ministers so that the Council issues a decree granting each company a Golden License.



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The Unit will coordinate with the governmental agencies relevant to the company's business in order to put the Golden License into effect and facilitate all procedures related to the company's business.



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Documents required from companies to obtain the Golden License:


A company applying for the Golden License must submit its application to the technical secretariat of the Golden License Unit at GAFI Secretariat General Building located at Salah Salem Street. The company must do so using the designated application form and must attach to the application form two true official copies of the following documents:

- The company's articles of incorporation and articles of association, together with a certificate of incorporation (if the company has already been incorporated);
- A recent extract from the company's commercial registry (if the company has already been incorporated);
- A photocopy of the company's tax card (if the company has already been incorporated);
- A preliminary feasibility study on the company's project, provided it be prepared by a nationally or an internationally recognized consultancy firm having good reputation;
- Evidence that the company is solvent enough to carry out the project;
- Project timetable;
- An acknowledgment by the company's legal representative (BoD chairman or company manager) or the shareholders/partners attorney to the effect that the company will provide all utilities related to the project's infrastructure including roads, water, sanitary sewer system, electricity, communications, waste handling system;
- An acknowledgment by the company's legal representative (BoD chairman or company manager) or the shareholders/partners attorney to the effect that the company will abide by all rules and regulations related to the company's business as set out by the applicable laws and regulations; and
- Any other documents the Golden License Unit deems necessary.






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