



**Official Journal – Issue No. 1 (Supplement) – Dated 5 January 2017**

**Prime Minister's Decree No. 42 of the Year 2017**  
**On Determining The Technical And Financial Requirements**  
**That must be met by Investors To Whom The Developed Industrial**  
**Lands at the Governorates Of Upper Egypt**  
**May be allocated Free of Charge**

**The Cabinet,**

After thoroughly reviewing the Constitution;  
Law No. 21 of the year 1958 on the Organization and Promotion of Industry in the Egyptian Region;  
Law No. 7 of the year 1991 concerning Certain Provisions Related to the State-owned Properties;  
Investment Guarantees and Incentives Law, as promulgated by Law No. 8 of the year 1997, and amendments thereof;  
Presidential Decree No. 40 of the year 1991 on Establishing the Social Fund for Development;  
Presidential Decree No. 350 of the year 2005 on Establishing the General Authority for Industrial Development;  
Presidential Decree No. 158 of the year 2016 on determining some industrial zones which may be gratis allocated to investors;  
Resolutions of the Supreme Council for Investment, as issued in its session dated 1/11/2016; and  
The proposition of the Minister of Trade and Industry and the Minister of Investment;  
And after getting the approval of the Cabinet;

***DECREES THE FOLLOWING:***

**Article - 1**

Allocating the developed industrial lands at the governorates of Upper Egypt (Aswan – Luxor – the New Valley – Assiut – Sohag – Qena – Beni Suef – Menia), specified by presidential decree no. 158 of the year 2016 referred to, shall take place - free of charge - via any of the methods of allocation set forth in the Investment Guarantees and Incentives Law, for industrial development purposes, to the investors fulfilling the technical and financial requirements and the controls prescribed by this decree, within a period ending on 31/3/2020.



## **Article - 2**

**The following technical and financial requirements shall be met by the investors to whom the lands referred to in the previous article may be allocated free of charge:**

- 1) The investor's activity shall be in one of the industrial fields specified in article-1 of the Investment Guarantees and Incentives Law referred to.
- 2) The investor shall submit a technical, economic and financial feasibility study of the project, to be accepted by the General Authority for Industrial Development according to the criteria established by the Authority's board of directors. This study shall particularly include the type of industrial activity required to be implemented, the schedule of implementation, extent of the investor's ability to provide the finance necessary for the project and the source of such finance.

## **Article - 3**

**Priority as to the allocation of lands shall be given to the establishment of investment projects the seriousness of which is revealed by the feasibility study and through which any of the following considerations can be realized:**

- Labor intensive projects which hire workers from among the residents of the governorates referred to in article-1 to cater for their needs of labor.
- Projects which work on promoting the use of local component in their products.
- Medium, small and micro enterprises.
- Projects using new technologies.
- Projects exporting their products abroad.
- The projects operating in the electricity-related fields (production, transmission and distribution), as regards the electricity generated from conventional or renewable energy sources.

## **Article - 4**

The surface area intended to be allocated shall not exceed the actual needs of the project at a maximum limit of forty thousand square meters per one industrial project.



The board of directors of the General Authority for Industrial Development may approve excepting the projects the establishment of which requires bigger surface areas from the aforesaid maximum limit.

### **Article - 5**

**The qualified investor to whom the land is gratis allocated shall comply with the following:**

- 1) Commencing the erection of the project's constructions within a period not exceeding one year as of the date of obtaining the land. In case of violating this obligation, legal procedures shall be adopted for taking back the land, pursuant to the procedures and controls issued by means of a resolution from the board of directors of the General Authority for Industrial Development.
- 2) Completing the establishment of the industrial project and starting actual production within a period not exceeding three years as of the date of obtaining the land.
- 3) Non-disposing of the lands and real estates allocated therefor except after the lapse of five years as of the date of starting actual production and on condition that approval of the General Authority for Industrial Development shall be obtained prior to effecting such disposition. The Authority's board of directors may consider the reduction of the aforesaid period in the cases deemed appropriate thereby.

### **Article-6**

This decree shall be published in the Official Journal, and the entities concerned shall enforce same.

**Issued at the Cabinet Premiership Headquarters, on 7 Rabea II, 1438 (Islamic Calendar) corresponding to 5 January, 2017 (Gregorian Calendar).**

**Prime Minister  
Eng. Sheriff Ismail**