

### **Competitive Advantages:**

SCZONE located around the main international maritime route where:

- 20% of the international container trade pass through.
- 1 Billion Tons
- Over 18,000 ships passing through.
- 10% of seaborne trade
- A promising investment zones with total area of 460 K.m2
- 4 industrial zones
- 6 Ports

(THE COMMERCIAL ROAD ROUTE FROM CAIRO TO CAPE-TOWN IS 11,000 KM AND THE TRIP TAKE ONLY 6 DAYS) also linking west to east (from Dakar to Nairobi) and (from Bissau to Mombasa). It integrates the regional projects in the neighboring countries and raise transport efficiency and responded to safety measures.

The Egypt has signed several trade agreements that provide Egypt based manufacturers with favorable export regime to other countries.

Access to 2 billion consumers Egypt's Free Trade Agreements ensure rapid delivery of goods to 2 billion consumers in Europe, Asia, the Middle East and Africa, complemented by world class ports, high quality logistics services and preferential trade agreements, it allows investors to efficiently, and competitively, access regional and global markets. Access to Domestic Market

### **Incentives:**

#### **Direct Incentives:**

##### **Custom Tax**

- 0% Customs on all project's components imported from abroad under the condition of exporting the final products.
- In the case of exporting to the local market: custom tax will be applied on the imported components only.

##### **VAT (Value Added Tax)**

- 0% VAT applied whether importing from local or foreign markets to SCZONE, on all procurements required for manufacturing, production, operation (raw materials, components, spare parts, etc.)
- 14% VAT is applied on exporting products from SCZONE to the local market income Tax (incentives for 7 Years)
- Discount on Corporate Tax (net profit) equivalent to 50% of project investment costs.
- Discount shall be attributed maximum to 80% from the paid-up capital.

## **Indirect Incentives:**

### **Export & import regulation**

- Special rules governing the import and export from the SCZONE.
- Reducing cost & time of regulatory examination of shipments.
- Treating the end product of SCZONE industrial establishments as local products.

### **New customs guide 2020**

- Creating an integrated industrial community.
- Establishing a logistic platform to serving international trade and SCZONE.
- Reducing Time of Release of Shipments.

### **Export Support Program**

- Industrial manufacturers for export purposes at SCZONE will benefit from the program.
- Enhancing the competitiveness at foreign markets.

### **Digital Transformation**

- New website introducing e-services.
- Enhancing communication with investors through digital platforms.

### **Incentives to LABOR-INTENSIVE PROJECTS USING LOCAL COMPONENT**

- Reduced prices or facilitate the payment of the value of the energy.
- Full/Partial reimbursement of utilities cost done by investors on the project's land.
- Partially/fully pay the insurance share of Egyptian employees & the employers for specified period.

### **5-year residency permit to foreign investors**

- Foreign investors have the right to obtain residency for a period of 5 continuous years, renewable for similar periods throughout the duration of the project.