"an estimated 2.7 Million Egyptians contribute actively to develop their country through remittance inflows and circulation of human and social capital".

Investors interested in establishing a business in Egypt are subject to the following laws:
- Corporate Law
- Investment Law
- Capital Market Law
- New Communities Law
- Desert Land Law.

Forms of Business
- Joint stock companies
- Limited liability companies
- Limited liability partnership by shares
- Partnership companies
- Limited liability partnership companies
- Sole proprietorship
- Branches of foreign corporation and representative offices.

All companies established in Egypt are governed by the Corporate Law, the Investment Law and the Capital Market Law. Qualifying foreign companies may receive incentives and guarantees granted by other laws.

The main types of companies under the Corporate Law are the joint stock company, partnership limited by shares and the limited liability company.

Joint Stock Company
The joint stock company is a company where the capital is divided into shares of equal value. The liability of each shareholder is limited to the value of the shares it subscribes for and shareholders are not liable for the debts of the company except to the extent of the shares for which they subscribe. The joint stock company must have at least three founders who are jointly responsible for the obligations they undertake as founders. The founders are required to subscribe for shares in the issued capital of at least LE250 000 (LE is the local currency, the Egyptian pound) or 10% of the authorized share capital, whichever is the highest amount.

The share capital of a joint stock company is divided into nominal shares of equal value. A joint stock company which offers its shares for public subscription must have an issued share capital of at least LE500 000. Other joint stock companies must have an issued capital of at least LE250 000.

The shares in a joint stock company constitute "negotiable" shares and shares "in kind". "Negotiable" shares constitute the negotiable portion of the company’s share capital and a quarter of its nominal value must be fully paid up at the time of the company’s formation (the balance is payable within 5 years). Shares "in kind" are subject to the same rules as negotiable shares save that:
- their value must be fully paid up
- they have to be valued correctly
- they may not be transferred or "negotiated" before the expiry of two years from the formation date of the company.

There is a distinction between "common shares" (which confer the same rights on each shareholder) and "preference shares" (which confer a preferential right to the company’s profits).
Multiple voting shares (which grants a shareholder more than one vote at the general assembly of shareholders) are also permitted.

The most distinctive feature of joint stock companies is that employees must participate in the management of the company. This is done by means of:

- representation on the board of directors (which will not exceed a third of the members of the board)
- a distribution of participation shares that allow workers to elect, through a special assembly, representatives to:
  - the board of directors and the general meeting of shareholders
  - a support administrative committee whose chairman attends meetings of the board of directors.

**Partnership limited by Shares Company**

This is a company with a capital consisting of one or more joint portions belonging to one or more joint partners and shares of equal value subscribed for by one or more "shareholder partners". The partner or joint partners have unlimited responsibility for the liability of the company but the shareholder partner is only responsible to the extent of the value of the shares it subscribed for. The number of founding partners must be at least two and the issued capital must not be less than the limit determined by the executive regulations (currently LE250,000). Partnerships limited by shares companies are not allowed to undertake insurance business, banking or saving operations or to receive deposits or invest funds on behalf of other parties. Employees must receive 10% of the company's profits (distributed through dividends) but this amount must not exceed their total annual income.

**Limited Liability Company**

The limited liability company is a company in which the number of shareholders does not exceed fifty. Each shareholder's liability is limited to his portion. There must be at least two shareholders. The public subscription and issue of negotiable shares or bonds is prohibited and there are restrictions on the transfer of the shareholders' portions. The capital of the company may be any amount determined by the shareholders which is distributed as equal shares but must be paid completely in advance before the formation of the company. The shares are indivisible and the representation of the shares by negotiable bonds is not allowed. Every share will have a vote even if otherwise prescribed by the company's by-laws.

**Taxation**

A new unified corporate and income tax law was passed on 8 June 2005 and became effective from 1 July 2005 for personal income. However, corporate income taxes became effective from 1 January 2006. The new law abolished the general income tax previously levied on individuals and imposed an annual tax on the net personal income of residents and non-residents in Egypt. Total net income consists of salaries and their equivalents, commercial or industrial activities, professional or non-commercial activities and real-estate revenues. According to statistics released by the Ministry of Finance, only 2 million Egyptians filed their tax returns by the end of March 2006. This compares to the 1 million that registered their income for the same period in 2005. Exemptions previously granted to companies and establishments however continue to apply until they expire.

Taxes in Egypt may be divided into two categories, namely direct taxation of individual and legal entities on their income or profit and indirect taxation of goods, services and events. The Egyptian tax framework is statutory based but many changes have been and continue to be made and it is recommended that up-to-date advice on recent and future changes to the tax law is obtained before establishing a business in Egypt.

A real property tax is payable by the owner of real property or the person who has a real right on real property like a usufruct. The rate of this tax varies depending on certain classifications set out in the statute.

**Legal System**

The legal system in Egypt is based on Islamic Shari'a and a civil law system based on the French codified legal system.

**Intellectual Property**

The legal regime regarding patents and trademarks is similar to that of England and registered owners of intellectual property are protected by Egyptian law. Egypt is a signatory to the Paris Convention on the protection of intellectual property and the Madrid Agreement regarding the international registration of trademarks. Egypt is also a member of the World Intellectual Property Organization (WIPO).

**Treaties and Bilateral Agreements**

Egypt is a signatory inter alia to the following:

- General Agreement on Tariffs and Trade (GATT)
- Camp David Accords (Egypt Israel Peace Treaty)
- Joint Defence and Economic Cooperation Treaty between the States of the Arab League
- Convention on the Prevention of Double Taxation between the USA and Egypt
- Convention between the Egyptian Government and the Kingdom of Saudi Arabia (for the transfer of sentenced persons).

**Membership of International and Regional Organizations**

Egypt is a member of the United Nations (UN), African Union (AU), International Atomic Energy Agency (IAEA), Conference on Disarmament (CD), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) and the World Bank.

**Information and Communications Technology**

Egypt's Communications and Information technology (CIT) sector is a leading global outsourcing destination ranked fourth on A.T. Kearney's 2011 Global Services Location Index. This put Egypt ahead of competitors including the Czech Republic, the UAE, Poland, Canada, Australia and Ireland.

In 2011/2012, the CIT sector sustained an annual growth rate of 6%. The sector generates annual revenues of about LE 65 billion and contributes about 3.2% to real GDP.

Leading global players ranging from Intel and Oracle to Orange and Vodafone have established product development divisions and call centres serving global operations. Home-grown players are making their mark nationally, regionally and globally.

Egypt's CIT businesses cover the entire sector. Call centres based in Egypt serve customers worldwide at all parts of the value
chain. Software developers produce Arabic-language solutions for major global software packages and plug-ins for popular English-language programs including Adobe and Microsoft. A research-based technology house created part of the global WiMAX standard. Niche businesses conduct research and data mining operations and others focus on telecommunication and infrastructure projects.

The total number of direct employees in the CIT sector reached 279,000 employees in 2013 (this figure includes IT, Telecom, Post and Smart village employees). A key to the success of this sector is the close partnership between the Government and private businesses.

In line with the Government’s reform efforts, there was a significant deregulation of the business environment. In response, there was a 67.6% increase in the number of companies operating in the CIT sector and in 2012 totalled 4129 companies.

**Agriculture**

There are 4763 agribusiness companies which were established from January 1970 to December 2012. They have a total issued share capital of 34.659.10 Million Egyptian pounds, according to the report of General Authority of Investment and Free zones (GAFI). Agriculture and fishing contributed 14.5% of the Egyptian GDP in 2011/2012. According to Industry and Foreign Trade Ministry, agribusiness industry exports reached 5812 million EGP in 2012 (Jan-April) amounting to 15% of total exports and making the sector one of the nation's top exporters in 2012. The majority of agribusiness exports are targeted towards the Arab world especially Saudi Arabia, Libya and Sudan.

International industry experts and national industrial strategists believe the sector possesses striking potential for growth thanks to favourable growing conditions, proximity to key global markets (including Europe) and an extremely advantageous agricultural calendar that allows Egypt to deliver valuable produce to Europe well before competing markets. Egypt's sophisticated food processing businesses create products and packaging that are high in quality, competitively priced and attractive to global markets.

The main exports are tea, coffee, white chocolate, potatoes and frozen vegetables. To increase the country's agricultural capacity, the Ministry of Agriculture has set a goal of converting 1.3 million hectares of desert land into farmland by 2020. Egypt will then be able to increase its exports to 38 million tons of produce annually with a projected total value of US$ 1.5 billion in 2020. With an annual growth rate of over 34%, the food processing subsector - the largest in the agribusiness sector — is one of the most dynamic and fast-growing sectors in the country. The large domestic market's high growth potential has attracted multinational investors who both cater to the local market and use Egypt as an export hub. Thirty-seven percent of investment in the food processing industry originates from foreign companies. Prominent multinationals operating regional manufacturing bases in Egypt include Heinz, Tetrapak, Unilever, Cadbury, Danone and Coca-Cola.

**Labour Relations**

Employer-employee relations are governed by the labour law No. 12 of 2003. Egypt has a pool of inexpensive labour.