

**Online Meeting with  
Zonguldak Association of Industrialists and Businesspeople  
Thursday the 5<sup>th</sup> of February 2026**

EBA has held a Meeting with Mr. Nejdət Tiskaođlu, Chairman, Zonguldak Association of Industrialists and Businesspeople, Mr. Ramy Fathalla, Managing Director and Partner, Fathalla and Co. (Accountants and Auditors), Mr. Mohamed Fathalla , Fathalla and Co. (Accountants and Auditors), and Dr. Mohamed Youssef , Executive Director of EBA , Mrs. Dalia Youssef, Division Director of International Relations & Membership Affairs of EBA and representatives of several Turkish companies

The main objective of the meeting was to discuss investment opportunities in Egypt and clarify the legal, tax, and operational framework for Turkish investors interested in entering the Egyptian market.

**Main Points of discussions**

- At the beginning of the meeting, Mr. Nejdət welcomed all participants and expressed his appreciation for their attendance. He emphasized the strong interest of Turkish companies in investing in Egypt and highlighted the importance of understanding the available investment structures, incentives, and procedures.
- The discussions focused on providing a clear overview of the Egyptian business environment and addressing investors' questions.
- During the meeting, the different types of companies that can be established in Egypt were explained. It was clarified that the most common and suitable structures for foreign investors are Limited Liability Companies (LLC) and Joint Stock Companies. LLCs are generally suitable for most business activities, while certain sectors, such as insurance, require the establishment of a joint stock company. It was also confirmed that shareholders and managers may be fully foreign or a mix of Egyptian and Turkish nationals, depending on the investor's preference.
- The meeting also covered the available locations and zones for establishing companies in Egypt. These include operating inside Egypt, such as in industrial areas like 10th of Ramadan City and 6th of October City, which are suitable for serving the local market. Another option discussed was the Suez Canal Economic Zone, which is suitable for companies targeting both exports and the local market. Free zones were also explained as an option mainly designed for companies focused on 100% export activities. The advantages of economic and free zones

were highlighted, including exemptions from VAT and customs duties on imported machinery, equipment, and raw materials. In addition, it was noted that up to 50% of the investment cost can be deducted from taxable profits over a period of up to seven years, subject to submitting a formal application. However, it was also mentioned that land prices in economic zones are generally higher than in other areas.

- Taxation and statutory obligations in Egypt were discussed in detail. It was clarified that the corporate income tax rate is 22.5%, while the standard VAT rate is 14%. Other obligations include payroll taxes, social insurance contributions, and labor office requirements. For companies operating in free zones or economic zones, it was explained that imports from abroad are exempt from VAT and customs duties. Additionally, VAT paid on materials used in exported products can be refunded. Currently, the VAT refund process takes approximately six to seven months, although a new law is expected to reduce this period to around 45 days.
- The discussion then moved to the distinction between trading and manufacturing activities. For traders dealing in products such as textiles or stationery, it was clarified that buying locally and selling locally does not present any issues. However, importing finished goods for sale in the local market requires obtaining an import license. The conditions for this license include having a company established for at least one year, achieving annual revenues of no less than five million Egyptian pounds, and having a minimum capital of two million Egyptian pounds. As an alternative, investors may acquire an existing company that already meets these requirements in order to avoid the waiting period.
- Regarding investment requirements, it was clarified that there are generally no minimum investment limits for most zones in Egypt. Only very large-scale projects or special zones may require a minimum investment amount. Investors are also allowed to increase their investments gradually after establishment by adding machinery, buildings, or additional capital.
- The advantages of investing in Egypt were highlighted throughout the meeting. These include significantly lower costs compared to Turkey, particularly in terms of labor, electricity, and energy. It was noted that popular sectors for Turkish investors include textiles and furniture. Economic and free zones were emphasized as particularly attractive due to the tax incentives, customs exemptions, and investment deductions they offer.

- At the conclusion of the meeting, Mr. Nejdatt expressed his sincere thanks to all participants for their active engagement and valuable discussions. Special appreciation was extended to Mr. Rami Fathallah and Mr. Mohamed Fathallah for their comprehensive presentations and for answering all questions raised during the meeting. It was confirmed that individual follow-up meetings with Mr. Rami and Mr. Mohamed could be arranged to address specific inquiries related to company or factory establishment. The meeting concluded with mutual appreciation and hopes for continued cooperation and future meetings in Egypt.