



**Report on
the Implementation Gap of
the Simplification of Industrial
Licensing Procedures Law
and its Executive Regulations**

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The Federation of Economic Development Associations (FEDA) aims to promote entrepreneurship culture, improve business and investment environment for small businessmen. It also aims to improve job quality as a key indicator of SMEs performance development and competitiveness. Moreover, FEDA represents its members at the local and international level, and works closely with government entities to assist small investors to be able to overcome legal and operational obstacles, by providing, in cooperation with local and international partners, a package of programs, consultancy and services.

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Table of Contents

5	I. Introduction
7	II. History of the Licensing Problem
9	III. Changes Introduced by the New Laws
11	IV. Empirical Examination of the Implementation of Law No. 15 of 2017 and its Executive Regulations: Theory Versus Practice
11	<i>Study Methodology</i>
13	<i>Key Findings and Observations</i>
23	<i>Recommendations</i>
25	ANNEX 1

I. Introduction

Like in other countries, Egyptian laws consider conducting any economic activity without first obtaining the required approvals and licenses a serious law violation. Thus, an investor commencing activities prior to obtaining the required license could face non-compliance penalties, including fines or imprisonment, and incur unlimited capital losses. Accordingly, it is crucial that investors secure all the necessary business licenses prior to commencing any economic activities. It should be noted here that, compared to the other types of economic activities, industrial activities usually entail large capital investments and generate more employment opportunities. Thus, securing the proper licenses is of paramount importance in the case of industrial activities to ensure against substantial losses, both in terms of capital, and jobs—not tens but hundreds of jobs.

II. History of the Licensing Problem

Generally speaking, investors face a broad array of challenges in carrying out their business. In 2013, the Federation of Economic Development Associations (FEDA) carried out a survey on faltering enterprises. Based on the survey results, 36% of the surveyed businesses stated that they did not obtain the required industrial registration certificate due to the many complexities and problems encountered at the various stages of the process, including:

- Exaggerated fees—license fees are calculated based on the area of land occupied
- Red tape— complex and slow procedures
- Treating “the seriousness of the investor”¹ as a deeming license granting consideration

¹ To demonstrate seriousness, an investor is expected to have taken steps to invest and operate the industrial enterprise. However, meeting this consideration contradicts the requirement that an industrial enterprise should secure a license prior to operation, hence the dilemma.

- ❑ The need to obtain the operating license prior to the issuance of the industrial registration certificate
- ❑ Complexities and challenges associated with renewing the industrial registration certificate and/or the trademark
- ❑ Complexities and challenges associated with the change of activity upon the exit or entry of partners
- ❑ A shortage of authorized satellite offices for licensing, and a lack of qualified staff to meet the needs of investors in the different governorates and industrial zones
- ❑ The requirement that business owners provide a letter of guarantee to serve as some form of credibility. This requirement imposes a heavy burden on investors at the early stages of business, and puts a large portion of the investor's own funds out of work
- ❑ Lack of highly qualified environmental and civil defense personnel, which impedes the process of issuing operating licenses

Such challenges, and others, have prompted the government to undertake a substantial legal and regulatory reform effort, with the objective of streamlining and facilitating the industrial licensing process. At the same time, this effort has also entailed establishing oversight and supervision mechanisms to tackle corruption and undue bureaucratic practices. These reforms culminated in the issuance of Law No. 15 of 2017, "Simplification of Licensing Procedures for Industrial Enterprises Law", and its Executive Regulations, the latter was published in the Egyptian Gazette on August 16, 2017. Moreover, the Parliament passed Law No. 95 of 2018, "The Industrial Development Authority Law", which reconfigured the Industrial Development Authority (IDA), transforming it into an economic entity, and granted it more authority to manage industrial activities in Egypt. The new law was published in the Egyptian Gazette on June 11, 2018.

III. Changes Introduced by the New Laws

Scope of Application

Article 1 of the issuance articles of Law No. 15 of 2017, stipulates that the law shall apply to all industrial establishments and shops regardless of whether they are located inside or outside the industrial zones, including free zones and investment zones. Additionally, Law No. 15 of 2017 designated the IDA as the competent government entity, with the sole authority to issue industrial licenses.

Key Improvements in the Licensing Process

Law No. 15 of 2017 and its Executive Regulations brought about a number of substantial improvements to the industrial licensing process, including the following:

- A significant reduction in the number of entities that investors have to engage with to obtain a license (1 entity now, reduced from 11 earlier)

- A decrease in the number of required licensing procedures
- The creation of accreditation offices, which are authorized to examine and review all licensing requirements and ensure that industrial establishments are in compliance with all requirements; this should limit the need to deal with government bureaucracy
- The introduction of a risk matrix based on which industrial activities are classified according to the risk they pose to the environment, safety or security, thus expediting the licensing process for less risky enterprises
- The reduction of the waiting time for license issuance from approximately two years to less than one month
- The establishment of a grievance system, as well as improving on the inspection and follow-up standards

Enhancing the Role of the IDA

Law No. 95/ 2018, which reconfigured the IDA, granted it the status of “economic entity”. This new status provides the IDA with a high level of independence from the administrative apparatus of the State, besides assuming the sole responsibility for issuing industrial licenses. Operating as an economic entity will enable the IDA to generate its own revenues by offering services and facilitating transactions in industrial lands falling within its jurisdiction. The new law also granted IDA broad authority in the area of developing and regulating the industrial activity, as well as establishing industrial zones and specifying the type of industrial activity for each zone.

IV. Empirical Examination of the Implementation of Law No. 15 of 2017 and its Executive Regulations: Theory Versus Practice

In an effort to assess the impact of implementing Law No. 15 of 2017 and its Executive Regulations on the business community, FEDA carried out a comprehensive study examining their implementation and enforcement through the eyes of an investor; the study was carried out during the period of April-December 2018.

Study Methodology

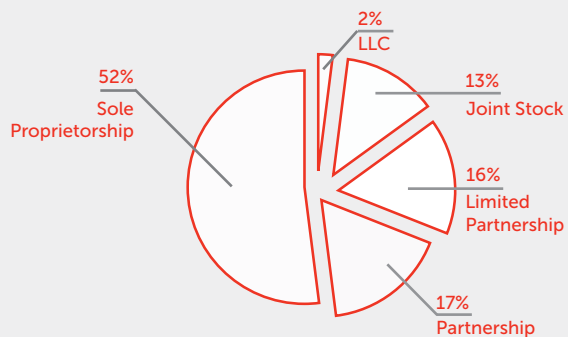
The study was based on field research, whereby researchers directly interacted with business owners (the majority were small and medium-sized enterprises (SMEs)) and other relevant stakeholders. Through a number of interactive meetings and workshops researchers were able to uncover and capture different views regarding the implementation and enforcement of Law No. 15 of 2017 and its Executive Regulations. Researchers gathered data on the positive results of the law as well as challenges and obstacles that still remain. In addition, the meetings and workshops provided participating businesses with the opportunity to hold constructive and in-depth discussions with officials from the

IDA and other Parliamentarians who also attended the events. Seven meetings and workshops were held in various cities representing the different regions in Egypt as follows:

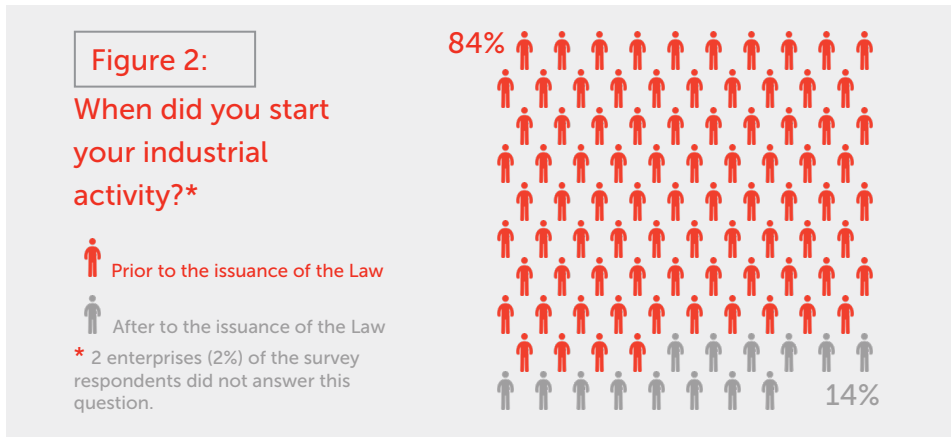
Location	Date
Port Said	May 2018
Tanta	May 2018
10th of Ramadan	July 2018
New Cairo	July 2018
Minya	October 2018
Alexandria	November 2018
Kafr El Sheikh	December 2018

The meetings and workshops were supplemented with a questionnaire, which participants were asked to complete. The questionnaire included a series of questions focusing on the issue of industrial licensing, and the new changes introduced through implementing the Executive Regulations of Law No. 15 of 2017. A total of 101 questionnaires were completed; data gathered through the questionnaires, along with data from the meetings and workshops were analyzed to produce this study.

Figure 1:
Percentage of businesses participating in the study classified by legal form



As shown in Figure 2, the vast majority of participating business, 84%, began their industrial activity prior to the issuance of the new laws.



Key Findings and Observations

Knowledge and awareness of Law No. 15 of 2017

The majority of participants were not aware that a new law was issued. Those who were aware were not familiar with many of its details and the changes that it introduced to the licensing process. More so, they were not familiar with the changes made to the status of the IDA, and its new authorities and responsibilities. This lack of knowledge and awareness can be explained by a number of factors including:

- Continuing with old practices. Established enterprises are still subject to supervision and inspection by different entities including local government units, environmental and civil defense bodies, and others government entities. These various entities are still exercising the authority to issue and revoke licenses, which leaves business owners with the impression that the law has not changed, or at best, that while a new law has been passed, it is not being faithfully implemented or enforced. Hence, the new law is viewed as utterly useless in real life.

- The paltry effort undertaken by the Ministry of Industry or the IDA to disseminate information about Law No. 15 of 2017 at its Executive Regulations among investors across all governorates. Efforts were limited to disseminating information via a limited media campaign, which proved to be ineffective. Other targeted methods of dissemination, such as reaching investors through their business associations (e.g. investors' associations, chambers of industries and economic associations) would have been more useful and effective as these associations include the wide spectrum of business owners who are subject to these new regulations. No doubt, it would have been more effective had the IDA and its governorate-level offices been proactive in enforcing the new regulations, rather than continuing with the status quo. Under this scenario, business owners would have been made aware of the changes through direct interaction with the IDA and its local offices.

- Failure on part of business associations to adequately interact and engage with members and keep them abreast of all developments relevant to their work. Engaging members and keeping them well informed of legal and regulatory changes through periodic bulletins, meetings, or an informative and up-to-date website, is one of the core functions of these associations.

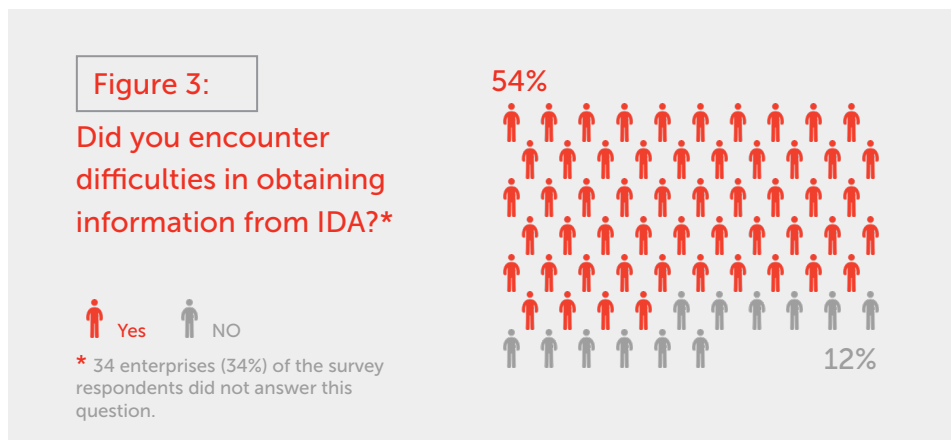
There is no doubt that such an environment, characterized by lack of awareness, knowledge and information, can create fertile ground for corruption or arbitrary administrative practices by some government officials. This in turn generates feelings of distrust in government agencies among business owners and perpetuates informality.

IDA's website

In line with Egypt's E-Government strategy, the Executive Regulations of Law No. 15 of 2017 give prominent attention to the use of information and communication technology in industrial licensing. In this regard,

the Executive Regulations explicitly underscore the important role to be played by the IDA website in facilitating government-business interaction. As such, the website is considered an official industrial licensing platform to be used by investors to apply for a license, as well as obtain all information on licensing requirements.

Asked about the ease of obtaining information from the IDA (primarily using the website, but also through other means), the majority of survey respondents confirmed that they encountered difficulties in obtaining the needed information (Figure 3).



That said, it should be noted here that at the time this study began, May 2018, IDA’s website was still in the process of being designed and developed. At that time, the website lacked necessary information and useful guidance for investors. Further it did not provide any clear mechanism to facilitate filing of online applications for industrial licenses. This may explain the negative views expressed by the majority of survey respondents (shown in Figure 3), because as of that period, investors were not able to retrieve any useful information from the website, nor were they able to file applications online.

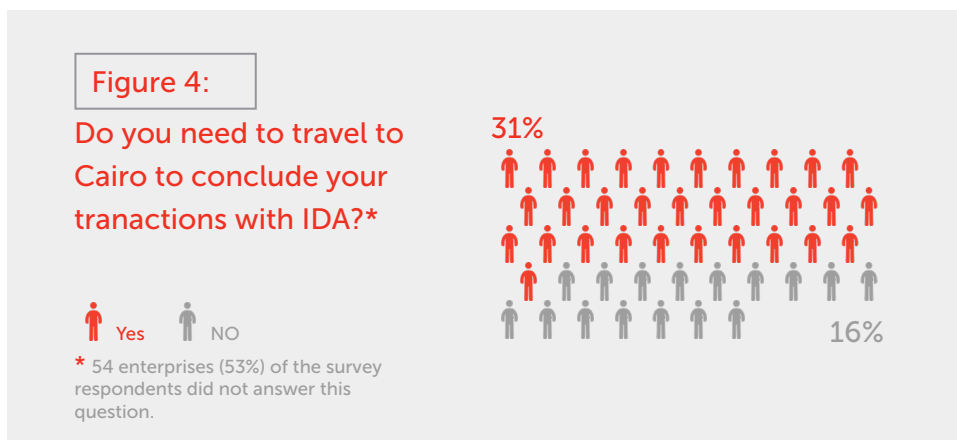
However, the periodic review of the website indicated that it has significantly improved over the past six months. As of November 2018, the website was well-populated with useful information relevant to industrial licensing. However, to date, it does not allow for online filing for industrial licenses. It is anticipated that this issue may be addressed in 2019.

Therefore, it is necessary that attention be given to increasing investors' awareness about the IDA's website, and at the same time, improving and developing it into an interactive IDA-business platform. In doing so, the website can better serve its prime purposes: enhancing transparency, improving access to information, and limiting interactions between investors and public officials. Ultimately, this should enhance integrity and curb administrative corruption. In this regard, business associations should also encourage their members to use the internet and make more use of the various government websites to access information.

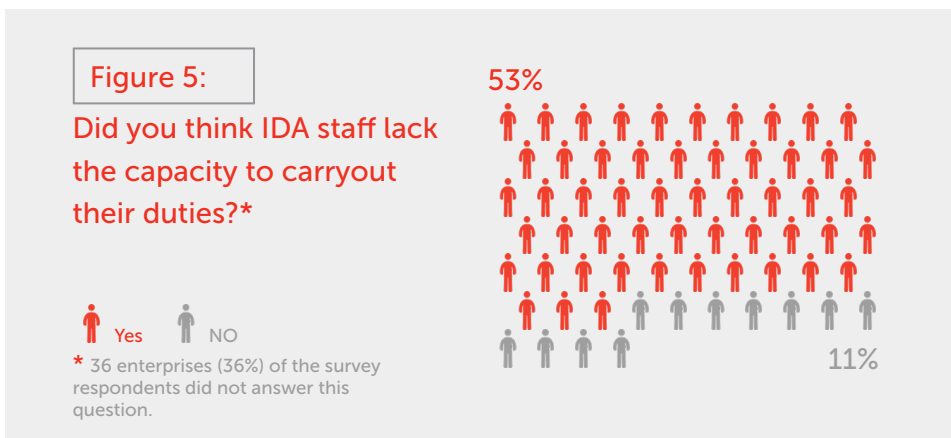
Limited Executive Capacities

It was the consensus among the majority of participants in the various workshops and meetings that the IDA's lack of capacity is notable and real. This, in their view, places significant constraints on its ability to enforce Law No. 15 of 2017 and its Executive Regulations and carry out its new mandate. Examples of this limited capacity include:

- IDA branches are lacking in some governorates: Participants from Port Said and Minya noted that they have to travel to neighboring governorates (and sometimes Cairo) to finalize their licensing applications and carry out other needed transactions with the IDA. Figure 4 shows the percentage of survey respondents who reported that they had to travel to Cairo to conclude their transactions with the IDA.



- Inadequate staffing levels in IDA offices: Besides the inadequate number of IDA offices across governorates, existing offices suffer from staff shortages, which adversely affects the quality of licensing services provided to investors—there is not enough staff to receive license applications and process them within the time frame specified by the law. Inadequate staffing levels also affects the IDA’s ability to meet its oversight responsibilities and ensure that industrial enterprises are in compliance with all requirements.
- Staff capacity: The majority of participants reported that they encounter significant challenges in dealing with IDA staff members. In their view, the majority of the employees do not have real authority to make decisions, and many lack the skills and abilities to engage effectively with the public. Additionally, many employees do not have adequate understanding and knowledge of Law No. 15 of 2017 and its Executive Regulations. This results in unjustified and arbitrary decision-making in dealing with investors, overcomplicates matters, and wastes the time and money of businesses, especially small and medium-sized enterprises. As shown in Figure 5, over 50% of the survey respondents believed that IDA staff do not have the needed capacity to carry out their duties.



In brief, shortfalls in IDA overall capacity (including staffing, infrastructure and financial resources) hinders its performance, and thus result in significant delays in issuing industrial licenses. Consequently, application processing times are much longer than stipulated in both Law No. 15/2017 and its Executive Regulations.

Continued involvement of other government agencies in the licensing process

Law No. 15/ 2017 and its Executive Regulations clearly assign the authority to issue industrial licenses solely to the IDA. However, in practice, other government bodies, which had the authority to issue and revoke licenses prior to the issuance of Law No. 15/ 2017, take advantage of IDA's weak capacity and continue to interfere in the process by exercising their abolished authority on industrial enterprises without consulting the IDA. The majority of participants confirmed that, to date, they continue to be subjected to inspection by representatives of the civil defense, and city and district-level bodies. They added that they are forced to interact with these bodies to ensure that they receive the "Continuation of Operations" license, and that they also continue to pay penalties and are sometimes, exposed to the threat of being shut down. This situation is further compounded by the lack of clear grievance mechanisms such as those provided for under Law No. 15 of 2017. Figure 6 gives the percentage breakdown between the Yes and No answers to the question "did you have to deal with more than one government entity to obtain your industrial license?"

Absence of IDA-authorized accreditation offices

Law No. 15/ 2017 and its Executive Regulations introduced the concept of "accreditation offices", which are offices authorized by the IDA to certify the extent to which an industrial establishment is in compliance with the licensing requirements. License applicants may use the services of these offices to obtain accreditation certificates. These accreditation certificates are to be considered by the IDA and other competent government bodies as sufficient proof of meeting the licensing requirements and will obviate the need for any further

Figure 6:

Did you deal with only one government entity to obtain your industrial licence?*

 Yes  NO

* 50 enterprises (50%) of the survey respondents did not answer this question.



inspection of the industrial establishment. Although taking advantage of these accreditation offices might represent an additional financial burden on license applicants, the benefit outweighs the additional cost: it significantly shortens the application processing times, and spares applicants the direct interaction with IDA staff.

However, over the course of the field research (April-December 2018), these accreditation offices were not yet operational. During this period, IDA was still in the process of registering these offices, which is a two-stage process. The first stage entails assessing the technical capacity of offices that apply to acquire the status of “accreditation office”, to ascertain their ability to carry out the accreditation exercise. The second stage involves conducting a financial assessment of applicants to ensure that they will be able to establish a presence in all governorates and are able to hire enough qualified staff to fulfil their mandate in a timely manner.

It is worth noting that many of the participants were not aware of the difference between the accreditation offices, and other licensing-related facilitation services.² As a matter of fact, Law No. 15 of 2017 introduced the concept of specialized licensing services companies. These companies are able to represent the industrial investors before

² To Currently, some investors use the services of certified accountants and lawyers to represent them in front of the various government agencies. Law No. 15 of 2018 introduced the concept of specialized firms to provide industrial licensing services.

the IDA and manage all the procedures necessary to obtain an industrial license. This observation further confirms the lack of awareness of Law No. 15 of 2017 and its details, primarily due to the absence of direct and effective communication with the business community.

Decree No. 192 of 2018/2018 regarding IDA service fees

On April 30, 2018, the IDA's Chairman issued Administrative Decree No. 192 of 2018 of 2018 (the Decree), regulating the collection of fees against services provided by IDA to investors, and adding a value-added tax to the fees charged. The Decree also stipulated that the fees and VAT collected are to be annually increased based on the official inflation rate released by the Central Bank of Egypt. The Decree provided a detailed account of the services provided by the IDA, including issuing industrial licenses (either through the notification license system or the pre-licensing system); preparing or reviewing environmental impact assessments, issuing building permits and land to building ratios letters. Furthermore, the Decree garnered more power with the passage of Law No. 95 of 2018, which granted the IDA the status of "economic entity", and thus granted it the right to generate its own revenues by providing services to investors.

Over the course of the study, investors participating in the workshops and meetings fiercely criticized the Decree. Moreover, FEDA leadership exerted every effort in an attempt to have the Decree repealed or reformulated so as to reduce the financial burden on investors, especially SMEs. Criticism of the Decree centered on the following points:

In search of profit: Practically speaking, the Decree, as well as Law No. 95 of 2018, which granted IDA the status of "economic entity", precludes it from being regarded as a service-oriented public entity. Both render it more like a profit-seeking private entity, focused on serving its own interests, without regard for the national interest: promoting domestic investment; lessening the burden on investors (particularly for smaller investors); and incentivizing investors to establish and expand industrial enterprises.

The VAT: Imposing such a tax further solidifies the perception among investors that IDA views its services more as profit sources, rather than means for serving the national interest. In the view of the participants, the 14% VAT on the service fees charged by IDA is an unjustifiable additional burden on investors, particularly given that IDA is viewed as a government body, and thus its revenues are considered government revenues.

The annual increase in fees: The Decree-mandated annual increase in fees (to be calculated based on the official inflation rate released by the Central Bank of Egypt) is regarded as a clear violation of the Law No. 15 of 2017, which sets a ceiling (5%) on the annual increases in licensing fees, based on a decision issued by the competent minister.

Licensing fees exceed the amounts specified in Law No. 15 of 2017 and its Executive Regulations: Law No. 15 of 2017 and its Executive Regulations set a maximum licensing fee of LE 5,000 for low risk industrial activities (issued through a notification licensing system), and LE 20,000 for high risk industrial activities (issued through a pre-licensing system). The law also granted micro and small enterprises a 50% exemption from these fees. This means, for example, that under the notification license system, a micro or small enterprise can obtain a license for an amount not to exceed LE 2,500. However, Decree No. 192 of 2018 imposed a fee of LE 4,050 on small enterprises occupying an area of less than 500 square meters, and LE 5,300 on enterprises occupying an area of more than 500 square meters, which clearly constitutes a violation of Law No. 15 of 2017 and its Executive Regulations.

The dilemma of industrial land acquisition

Law No. 15/ 2017 and its Executive Regulations set specific requirements for obtaining an industrial license, including the possession of a title deed of the land that will be used for the industrial enterprise. More so, Law No. 95/ 2018 regulated the authority of IDA in granting and allocating land for industrial use. During all meetings and workshop, participants repeatedly complained about the difficulties they encounter

while trying to secure a parcel of land (appropriate to the size of the enterprise and well-served by utilities) in industrial areas. The majority of complaints centered on the following issues:

- The scarcity of land plots available to industrial enterprise, especially plots that are less than 500 square meters—the most suitable for SMEs.
- In the event that plots are available, the mechanisms for land acquisition are vague, and the entire process is viewed as an opportunity for government to exploit the need of investor for land. Land acquisition procedures are seen as lacking transparency and marred by corruption and illicit enrichment.
- The unjustified and excessive escalation of land prices represents a significant burden on investors. Many of the investors noted that the IDA, especially with its newly acquired status as an economic entity, is taking advantage of the situation, and using the land falling under its mandate to generate profits, with no regard to the role it should be playing in supporting and encouraging industrial investments.
- The continued confusion surrounding IDA jurisdiction over industrial land (*vis-à-vis* the New Urban Communities Authority, which is affiliated with the Ministry of Housing). This confusion also extends to the provision of utilities to industrial lands. In spite of the passage of Law No. 95/ 2018 regulating IDA, this confusion persists.
- Significant challenges associated with the provision of infrastructure and utilities such as roads, water, sewage, gas, electricity, and transportation in most of the industrial zones, as well as other services and facilities necessary for operating industrial enterprises.

Absence of incentives encouraging enterprise formalization

The study revealed that some participants, namely owners of small and micro enterprises, are in favor of operating informally. Preference for informality is driven by fear of increased financial burdens, as well as being exposed to unjust penalties, corruption and arbitrary actions by some representatives of oversight and inspection entities. They further contended that the issuance of the new laws— Law No. 15/ 2017 and Law No. 95/ 2018— had no positive impact on their situation.

This preference for informality and the lack of positive response to recently passed laws can be attributed to the poor and ineffective communication between the various responsible government agencies and small investors. Rarely do these agencies consider the fears expressed by small investors and engage constructively with them to overcome the challenges they face. Dealings with the various government agencies, particularly for small investors, are often cumbersome, prolonged, exhausting, marred with abuse of power, and impose unjustified financial burdens. Such experiences have created psychological barriers, which prevent small investors from dealing with government agencies due to the prohibitive financial and nonfinancial costs.

Recommendations

Based on the observations and findings of the field research, FEDA recommends the following:

1. Allocate sufficient funding for the IDA to strengthen its financial and human resource capacity and enable it to effectively and efficiently carry out its mandate: issuing industrial licenses and providing other services to the industrial community at large. In the meantime, consider providing budgetary support to the IDA from the State budget, until it is able to reach financial independence through generating its own resources.
2. Expand the reach of the IDA in all governorates and ensure that governorate-level offices are well-equipped and prepared

to engage with investors. Additionally, ensure that local offices have adequate power to issue industrial licenses without the need to get approval from the center.

3. Ensure that staffing levels in IDA's governorate-level offices are adequate and provide staff with intensive training to increase their technical and administrative capacity. This will enhance the capacity of staff, which in turn will facilitate procedures, and improve services provided to investors, thereby improving the efficiency of the licensing process.
4. Encourage IDA staff at the local level to be proactive and reach out to the industrial and business community with the ultimate objective of incentivizing investors to adjust their status and protecting them against any extortion and arbitrary action taken by employees from different government agencies. Efforts should focus on raising awareness about the Law No. 15 of 2017, and clarifying any ambiguity regarding the requirements, procedures, fees, and other issues related to the licensing process. Effective outreach can be accomplished by holding seminars and meetings with members of the community and carrying out field visits to industrial zones.
5. Expedite setting up the electronic licensing system to facilitate licensing procedures for investors, as well as save time and minimize direct contact between license applicants and IDA staff, which increases integrity and builds trust.
6. Continue with efforts to improve and further develop the IDA's website. Ensure that the website is updated and well-populated with useful and relevant content that can help investors make informed decisions and know their rights and responsibilities as investors (e.g. information about IDA services, licensing rules, regulations and procedures, and land availability).
7. Encourage enterprises that were established prior to the issuance Law No. 15 of 2017 to adjust their status in compliance with the law. The IDA should establish a dedicated department to assist industries with adjusting their status and convince them of the benefits of Law No. 15 of 2017.

8. Incentivize informal enterprises to formalize by adopting a number of measures including:
 - Expedite the issuance of the legislation for micro, small and medium-sized enterprise, which includes incentives encourage formalization and helps facilitate the process.
 - Simplify the adjustment of status requirements and procedures and take into consideration the needs and requirements of smaller enterprises, such as the cost of fees to be charged for obtaining a price comparison for utilities.
 - Reduce all fees associated with obtaining a license.
 - IDA staff should reach out to enterprises located in informal industrial districts to learn about the problems they encounter, and work on developing plans to address them.
 - Offer land plots, equipped with utilities and services, to existing enterprises located within or close to residential blocks so as to incentivize them to formalize.
 - Encourage small businesses to enroll their workers in the social insurance system by easing the social insurance requirement—limiting it to providing occupational injury insurance (3%) for business with a maximum annual turnover of LE 5million.
9. IDA Chairman should issue an administrative decree reducing all fees stipulated in Decree No. 192 of 2018/2 by 50%, at least for micro and small enterprise.
10. Exert the utmost effort to address the problem of industrial land scarcity, especially for small industrialists. The following measures should be considered for alleviating the problem:
 - Utilize abandoned or underused industrial sites, which belong to government entities or the public sector, in all governorates. Offering plots of land in these sites to small industrialists is ideal due to them proximately to residential

areas, and the fact that they are, to a great extent, already well-equipped with utilities.

- Resolve the jurisdictional overlap between the IDA and the New Urban Communities Authority regarding the provision of industrial land, including the allocation of land to investors, and equipping it with utilities and services.
 - In an effort to ease the burden on small investors, reconsider the pricing of land allocated to micro and small enterprises, especially for plots less than 500 square meters.
 - Prevent monopolistic practices by large investors through implementing a transparent and fair mechanism for acquiring industrial land, as well as for equipping it with utilities and utilizing it.
11. In partnership with government entities and members of the Parliament, FEDA should develop an amended version of the Executive Regulations for Law No. 15 of 2081.

ANNEX 1

Survey Questionnaires and Results: Impact of Law No. 15 of 2017 and its Executive Regulation on Industrial Activity in Egypt

What is the legal form of your enterprise?	Number of Respondents	Percentage (%)
Sole proprietorship	53	52
Partnership	17	17
Limited Partnership	16	16
Joint Stock	13	13
LLC	2	2
No Response	0	0

Did you start your industrial activity prior to the issuance of Law No. 15 of 2017?	Number of Respondents	Percentage (%)
Yes	85	84
No	14	14
No Response	2	2

Did you obtain an operating license?	Number of Respondents	Percentage (%)
Yes	64	63
No	32	32
No Response	5	5

Did you obtain an industrial registration certificate?	Number of Respondents	Percentage (%)
Yes	49	48
No	46	46
No Response	6	6

How long did it take you to obtain the license?	Number of Respondents	Percentage (%)
3 Months	13	13
6 Months	12	12
One Year	7	7
More than One Year	28	28
No Response	40	40

Which government entities did you need approval from in order to obtain the license?	Number of Respondents	Percentage (%)
Public Security Authority	16	16
Civil Defense	41	41
Environment	55	55
Housing	18	18
Governorate/District	33	33
Wastewater	29	29
Safety Studies	22	22
Agriculture	5	5
Irrigation	5	5
Health and Population	9	9
Others	3	3
No Response	42	42

How much did you pay in fees?	Number of Respondents	Percentage (%)
Less than LE 5,000	14	14
LE5,000-LE 10,000	15	15
LE10,000-LE 20,000	8	8
More than LE 20,000	23	23
No Response	41	40

Do you think the fees are exaggerated?	Number of Respondents	Percentage (%)
Yes	31	31
No	12	12
No Response	58	57

Did you encounter any corrupt practices?	Number of Respondents	Percentage (%)
Yes	46	45
No	15	15
No Response	41	41

Were you subjected to administrative arbitrariness?	Number of Respondents	Percentage (%)
Yes	51	50
No	15	15
No Response	35	35

Do you think the staff lack capacity to carry out their duties?	Number of Respondents	Percentage (%)
Yes	54	53
No	11	11
No Response	36	36

Did you have to travel to Cairo to conclude your transaction?	Number of Respondents	Percentage (%)
Yes	31	31
No	16	16
No Response	54	53

Did you encounter problems accessing information?	Number of Respondents	Percentage (%)
Yes	55	54
No	12	12
No Response	34	34

Did you apply to adjust your status in compliance with Law No. 15 of 2017?	Number of Respondents	Percentage (%)
Yes	45	45
No	26	26
No Response	31	31

Did you perceive any change in the bureaucratic practices?	Number of Respondents	Percentage (%)
Became Less	21	21
No Change	20	20
Have Increased	13	13
No Response	47	46

Did you perceive any changes in administrative corruption?	Number of Respondents	Percentage (%)
Became Less	23	23
No Change	17	17
Have Increased	11	11
No Response	51	50

Did you perceive any changes in amount of fees you paid?	Number of Respondents	Percentage (%)
Became Less	6	6
No Change	11	11
Have Increased	33	33
No Response	51	50

Did you perceive any changes in the wait time for obtaining your industrial license?

	Number of Respondents	Percentage (%)
Became Less	22	22
No Change	14	14
Have Increased	7	7
No Response	58	57

Did you perceive any changes in your access to information?

	Number of Respondents	Percentage (%)
Became Less	17	17
No Change	21	21
Have Increased	9	9
No Response	55	54

Did you use the services of an accreditation office?

	Number of Respondents	Percentage (%)
Yes	3	3
No	29	29
No Response	69	68

Did using the services of an accreditation office save you time?

	Number of Respondents	Percentage (%)
Yes	0	0
No	2	2
No Response	99	98

Are the fees charged by the accreditation offices reasonable?

	Number of Respondents	Percentage (%)
Yes	0	0
No	3	3
No Response	98	97

Did the accreditation office have the expertise and was it professional?	Number of Respondents	Percentage (%)
Yes	1	1
No	2	2
No Response	98	97

Did you deal with one entity to obtain your industrial license?	Number of Respondents	Percentage (%)
Yes	16	16
No	35	35
No Response	50	49

What type of system was used for processing your application and issuing the industrial license?	Number of Respondents	Percentage (%)
Manual	29	29
Automated/Advanced	17	17
No Response	54	54

Was your application processing time in compliance with the time specified in the Executive Regulation?	Number of Respondents	Percentage (%)
Yes	9	9
No	30	30
No Response	62	61

Were the fees paid to obtain the license in compliance with the fees specified in the Executive Regulation?	Number of Respondents	Percentage (%)
Yes	8	8
No	27	27
No Response	66	65

Do you think the new fees are exaggerated?	Number of Respondents	Percentage (%)
Yes	19	19
No	5	5
No Response	77	76

Did the number of required documents decrease?	Number of Respondents	Percentage (%)
Yes	23	23
No	22	22
No Response	56	55

Did you notice any improvement in the performance of employees?	Number of Respondents	Percentage (%)
Yes	10	10
No	33	33
No Response	58	57

Did you find the procedures to be more transparent and clear?	Number of Respondents	Percentage (%)
Yes	20	20
No	26	26
No Response	55	54

Does your enterprise fall in the category of high-risk industrial establishments?	Number of Respondents	Percentage (%)
Yes	9	9
No	49	48
No Response	43	43

What type of risk does your establishment pose?	Number of Respondents	Percentage (%)
Environmental	4	4
Health	1	1
Safety	8	8
No Response	89	88

Did you adjust the status of your enterprise to be in compliance with the risk requirements specified under Law No. 15 of 2017?

	Number of Respondents	Percentage (%)
Yes	24	24
No	9	9
No Response	68	67

Did your enterprise undergo any inspection or examination?

	Number of Respondents	Percentage (%)
Yes	22	22
No	24	24
No Response	56	55

Did you perceive the work of Inspection and Examination Committee to be arbitrary?

	Number of Respondents	Percentage (%)
Yes	13	13
No	16	16
No Response	72	71

Were the reports issued by Inspection and Examination Committee fair?

	Number of Respondents	Percentage (%)
Yes	7	7
No	14	14
No Response	80	79

Did you use the grievance process as set out in the Executive Regulations of Law No. 15 of 2017?

	Number of Respondents	Percentage (%)
Yes	4	4
No	16	16
No Response	81	80

Did the grievance committee operate in a collaborative manner, and was its resolution acceptable?

	Number of Respondents	Percentage (%)
Yes	1	1
No	4	4
No Response	96	95

Overall, how do you view Law No. 15 of 2017?

	Number of Respondents	Percentage (%)
A Step Forward	31	31
No Change	18	18
No Response	52	51