

Law No. (7) of 2017
Amendment of some provisions of
Law No. (121) of 1982 Regarding the Importers Register

In the name of the people
President of Republic

The People's Assembly enacted the following law, and we promulgated it:

(Article 1)

The provisions of sections (b),(c),(d),(e) and (f) of Clause (1), sections (a), (b), (d), (e), (f) and (g) of Clause (2) of Article (2), sections (a) and (c) of Article (3), Article (6), Article (8), first section of Article (10) and Article (11) of the Importers' Record Law shall be replaced by the following:

Article (2):

Clause (1): regarding registration of the natural persons

- (b) Shall be of Egyptian Nationality.
- (c) Shall be practicing the commercial activities for at least two consecutive years prior to registration application. Practicing the commercial activities shall be proved through a certificate to be issued by the competent Chamber of Commerce, and approved by the General Federation of Chambers of Commerce; in addition, the volume of business during the last year, according to Tax Declaration provided to Tax Authority, shall not be less than two million Egyptian Pounds.

The person who has Import Card at the time of application of this law shall be exempted from the condition of the volume of business

- (d) shall not be subject to an irrevocable sentence in a felony, shall not be subject to punishment in a crime of dishonesty or breaching of trust, or in a crime provided within the Laws of

Commerce, Fraud, Misleading, Supply, Customs, Import and Export, Controlling Precious Metals, Companies, anti-money laundering, Protection of Any Intellectual Property Rights, Protection of Competition, Preventing Monopolistic Competition, Central Bank, Value Added Tax, Income Tax, Consumer's Protection, or under one of the crimes as provided within Article (8) of this law; all unless reconciliation or rehabilitation occurs.

- (e) Shall not be subject to an irrevocable sentence issued for committing a fraudulent bankruptcy or bankruptcy due to failure unless rehabilitation occurs.
- (f) the recorded share capital in the Commercial record at the time of filing the application shall not be less than five hundred thousand Egyptian Pounds.

The Holder of the Import card at the time of application of this law shall be committed to reconcile situation thereof according to the provisions herein within six months as of the date of enforcement of the necessary rules as included within the Executive Regulation; provided that the said rules shall be issued within six months as of enforcement thereof.

Clause (2): Regarding Registration of Companies

- (a) Shall be a company registered within the Commercial Register. Regarding the partnerships and limited liability companies, shall be registered for at least one year. In addition, the volume of business during the last year according to Tax Declaration provided to Tax Authority shall not be less than five million Egyptian Pounds. The companies which have Import Card at the time of application of the Executive Regulations of this law shall be exempted from the condition of the volume of business.

- (b) The headquarters of the company shall be in the Arab Republic of Egypt and the company shall be incorporated according to the provisions of the Egyptian laws.
- (d) The paid share capital of the partnerships and the Limited Liability companies shall not be less than two million Egyptian Pounds. This shall be proved through the last balance sheet provided by the company to the Tax Authority for the previous fiscal year, or by providing a certificate indicating deposit of the share capital within one of the banks, which are registered within the Central Bank in case the Company commences practicing the activity thereof.

The partnerships and the limited liability companies that hold the Import card at the time of application of this law shall be committed to reconcile situation thereof according to the provisions herein within six months as of the date of enforcement of Executive Regulation;

- (e) the issued share capital of the Joint stock companies or companies limited by shares shall not be less than five million Egyptian Pounds, in addition, at least (51%) of the shares or stocks of the shareholders within the joint stock companies, the companies limited by shares, limited liability companies, or partnerships shall be held by Egyptian citizens.

The companies that hold the Import card at the time of application of this law shall be committed to reconcile situation thereof according to the provisions herein within six months as of the date of enforcement of the law;

In addition, the volume of business of the Joint stock companies and companies limited by shares during the last year according to Tax Declaration provided to Tax Authority shall not be less than

five million Egyptian Pounds. The companies which have Import Card at the time of application of the Executive Regulations of this law shall be exempted from the condition of the volume of business.

- (f) The Company's manager in charge for importation shall be of Egyptian nationality.
- (g) The active partners, the managers and officers in charge for importation within the companies shall fulfill the conditions provided within sections (d), (e), (h) and (i) of the conditions for registration of natural persons.

Article (3):

The Executive Regulations shall determine the following:

- (a) The procedures and documents related to registration within the Importers' Register, as well as renewal of registration, amendment of information, division of the commodities groups rules for proving the share capital and volume of business in the cases of inability to prove the same under provisions of Article (2) herein.
- (c) The amounts and fees payable upon registration, amendment of information, copies, certificates, and the fees for publishing without exceeding the following:
 - EGP 5000 fees for registration for the first time, as well as re-registration.
 - EGP 3000 fees for renewal of registration
 - EGP 1000 fees for each commodity group
 - EGP 500 fees for publishing registration, renewal or amendment.
 - EGP 100 fees for obtaining copies of the record, or Negative Certificate. The extractions or certificates requested by ministries, governmental authorities, local units and

public entities shall be exempted from payment of such fees.

Article (6)

Without prejudice to the sanctions set forth herein or in any other law, the Importer's registration shall be cancelled from the Importers' register, and shall be deprived from recovering the amount of security for registration within the record in case of holding an irrevocable sentence for a felony, or sanction in a crime of dishonesty or breaching of trust, or in a crime provided within the Laws of Commerce, Fraud, Misleading, Supply, Customs, Import and Export, Controlling precious Metals, Companies, anti-money laundering, Protection of Any Intellectual Property Rights, Protection of Competition, Preventing Monopolistic Competition, Central Bank, Value Added Tax, Income Tax, Consumer's Protection, or under one of the crimes as provided within Article (8) of this law.

The importer shall not be re-registered unless in case of reconciliation of rehabilitation.

Article (8):

Without prejudice to any more severe sanction, the sanction of imprisonment for not more than one year and fine not less than fifty thousand Egyptian pounds and not more than one million Egyptian pounds, or one of both sanctions shall be imposed to everyone who commits any of the following actions:

1. Import commodities for the purpose of trading without registration within the Importers' register.
2. Provide incorrect information with bad intention, whether such information are related to registration within the importers' record, renewal of registration within such record or amendment of information thereof.

3. Write down incorrect information regarding registration within the record on one of the correspondences, publications or papers related to importing activities.
4. Refrain to provide the administrative authority, as may be determined by the competent Minister of Foreign Trade, with the information required by the authority regarding disposal of imported freights, places of storing, or distributing of such imported freights; otherwise, to refrain to provide selling and distribution invoices, or provides incorrect or untrue invoices, without prejudice to the provisions of the laws related to protection of the commercial information.

Article (10) (Clause 1):

Shall be subject to a fine not less than five thousand Egyptian pounds and not more than fifty thousand pounds

Article (11):

The officer in charge for the actual management of the violating legal person shall be subject to the same sanctions provided for the crimes set forth within articles (8) and (10) herein, in case of being aware of such crimes, and breach committed thereby to his duties under such management contributed in occurrence of such crime.

The legal person shall be jointly liable for fulfillment of the financial sanctions that shall be imposed in case the violation is committed by one of the employees of the legal person in the name or for the interest of the legal person.

(Article 2)

The phrases: “the competent Ministry of Foreign Trade”, and “the competent Minister of Foreign Trade” shall be replaced by the phrases: “Minister of Economy and Foreign Trade” and

“Minster of Economy and Foreign Trade”, wherever mentioned in the abovementioned law of Importers’ Record.

In addition, the phrase “Article (8) and (10) herein’ shall be replaced by the phrase “Article (8), (9) and (10) herein”, which is mentioned within Article (12) of the said law.

(Article 3)

A new section No. (i) shall be added to the text of Article (2) – First. Besides, new Articles No. (2-bis.), (3-bis.) and (6-bis) shall be added to the Importers’ Register Law, according to the following:

Article (2) – First

- (i) The applicant for registration or the officer in charge and the employees in charge for importing shall pass the training courses adopted by the competent Ministry of Foreign Trade. The executive regulations shall determine the number and kind of the training courses.

In addition, renewal of registration shall happen only after passing such courses.

Article (2 – bis.)

The registered companies that practices productive or service activity shall be exempted from registration within the importers’ record, within the limits of the imported requirements in the name and for interest thereof for the purpose of practicing activity thereof.

Article (3-bis.)

Registration within this record requires depositing cash security or providing equivalent bank letter of guarantee in accordance with the measures and procedures determined by the Executive Regulations according to the following:

- (1) EGP 50 thousand for natural persons
- (2) EGP 200 thousand for legal persons

The said security amount shall be refunded in case of expiry of the registration term, or in case of lack of desire to renew registration. The Holders of the Import card at the time of issuance of this law shall be committed to harmonize situation thereof within six months as of the date of enforcement of the law.

Article (6-bis.)

The competent Minister of Foreign Trade, subject to a justified decision, may suspend importer's registration in the importers' record for not more than two years in case of violating the provisions of the laws regulating Import and Export, Customs, Tax, Controlling Precious Metals, or Consumer's Protection, or in case of importing commodities in violation of the provisions of the laws regulating combating Fraud and Misleading, or in violation to the Adopted Egyptian Standard Measures, or in violation to the provisions of relevant international treaties, which are applicable inside Arab Republic of Egypt, whenever all the same result in damages to consumer's safety or health, or to the national industries or national economy, Public Order or public morals.

(Article 4)

Section (g) of Article (2) – first as well as last section of Article (2), Article (9) of the above-mentioned law of Importers' Record shall be cancelled.

(Article 5)

This law shall be published within the Official Gazette and shall be applicable as of the day next to the publishing date.

This law shall be sealed by the seal of the Republic, and shall be enforced as one of the laws thereof.

Issued in the Presidency of Republic on 5th of Jumada Al Akher1438 Hijry.
(Corresponding to March 04th 2017)

Abdul Fattah Al Sisi

Unofficial Translation