

Ministry of Local Development Decree No. 247 of 2024 Announcing New Closing and Opening Hours

By Sherry El Shalakany and Alexandra Arida

In an effort to implement the government's nationwide energy consumption rationalizing plan, the Ministry of Local Development has issued Decree No. 247 of 2024, setting new opening and closing hours for shops (the "**Decree**").

The Decree is effective as of the 1st of July 2024 and will remain in effect until the last Thursday of September 2024.

The key highlights of the Decree can be summarized as follows:

Weekdays Closing and Opening Hours

The Decree specifies the designated hours of operation for weekdays, resulting in a reduction of one hour for all stores and restaurants. As such, commercial shops will open from 7 a.m. to 10 p.m., shopping malls will open from 10 a.m. to 12 a.m., and restaurants, cafes, and bazaars will open from 6 a.m. to 12 a.m., with delivery services and takeaways permitted 24 hours a day. Workshops and craft shops will open from 8 a.m. to 7 p.m., with the exception of those situated on roadways and gas stations providing urgent services.

That said, pharmacies, grocery stores, bakeries, fruit and vegetable stores, supermarkets, poultry markets, and wholesale markets shall not be subject to the above operating hours.

Weekends and Official Holidays Closing and Opening Hours

Operational hours of shops and restaurants are extended by one hour on Thursdays, Fridays, and official holidays. As a result, commercial shops will open from 7 a.m. to 11 p.m., shopping malls will open from 10 a.m. to 1 a.m., and restaurants, cafes, and bazaars will open from 6 a.m. to 1 a.m.

Market Reaction

According to Al-Ahram Newsletter "The decision was announced by Prime Minister Mostafa Madbouli on Tuesday in a press conference on the electricity crisis. He clarified that Egypt did not have a problem with power generation or transmission, noting that Egypt is connected to neighboring countries with a grid that enables the import and export of natural gas. The prime minister stated that the electricity crisis worsened on Monday because a gas field in one of the neighboring states got out of service for 24 hours. Thus, the duration of electricity cuts had to be prolonged – to be three hours instead of two per day - as the government could not risk emptying the grid from all gas as that could engender a domino effect causing all power plants to stop working. To avoid the recurrence of the crisis in case of similar emergencies and in the face of heatwaves expected in July and August, the government will raise its reserves of fuel consumed by power plants by 300,000 tons of mazut worth \$180M and whose delivery will begin next week. Further, to stop electricity cuts in summer from the third week of July until September, the government will import other fuels worth \$1 billion in addition to the \$180 million worth of mazut." [Link]



Egyptian Drug Authority Suspends Applications for Drug Store Licenses for 6 Months

By Omar Sherif and Zaina Morad

The President of the Egyptian Drug Authority (the "**EDA**"), Mr. Aly El Ghamrawy, issued Decree No. 255 of 2024 (the "**Decree**"), regarding the suspension of the acceptance of applications for drug storage licenses for a period of six months.

Background

The Decree was issued after considering the proposal presented by the EDA's Head of the Central Operations Administration in a memorandum dated 13 May 2024, which approved the suspension of the acceptance of applications for drug storage licenses for a period of six months. This suspension is in light of the fact that there are a large number of warehouses in various governorates that sufficiently meet the nation's current pharmaceutical needs.

The EDA is aiming to establish a mechanism for new warehouse licenses that meets global standards and complies with the requirements set out by the World Health Organization. The suspension will remain in effect until the expected completion of a comprehensive organizational system of health requirements for licenses and inspections of drug warehouses, which is currently underway.

Market Reaction

The Decree comes in response to the criticism faced by the EDA following the alleged spoilage of large quantities of drugs and supplements due to high temperatures inside certain pharmaceutical establishments subjected to temporary administrative closure orders. The EDA had previously denied these allegations, asserting that such closures are executed in coordination with the police and relevant authorities to ensure the continuity of electricity and water supply even during closure, thus maintaining the safety of stored drugs. Ultimately, the Decree is likely part of a broader effort to address and mitigate concerns related to drug storage conditions and regulatory oversight.





Licensing Requirements for Marinas, River Ports and Non-Motorized River Units

By: Dr. Moataz El Mahdy and Mohamed Nour

On 28 May 2024, decrees No. 340, 341 and 342 for the year 2024 (the "**Decrees**") were issued by Minister of Transport and published in the Official Gazette and entered into force the following day, on 29 May 2024. The Decrees aim to regulate the licensing of the marinas, river ports and non-motorized river units. Further, Decree No. 340 for the year 2024 sets the fees and costs of inspections of river units, ports and marinas.

We highlight below the key points of the Decrees.

Licenses for Marinas and River Ports

The provisions of Decree No. 341 for the year 2024 state the requirements of the licensing to establish a new marina or river port, an application must be submitted to the General Authority for River Transport (the "Authority") from the concerned party or his legal representative to obtain initial approval (the "Initial Approval") from the Authority, provided that the following documents are attached to the application:

- 1. A recent cadastral map at a scale 1:2500 from 3 signed originals copies, it must be specifying the boundary, and a survey report approved by the competent survey directorate specifying the jurisdiction over the land, the kilometric location, the coordinates, and the area occupied by the site of the marina or port whose construction is required to be approved, and the adjacent water facilities are indicated on it, provided that they are approved by accredited engineer.
- 2. Deed of Ownershipor the allocation or usufruct decree from the competent authority.
- The Authority must grant the license applicant letters addressed to the competent department in each
 of the ministries of (Defense, Interior, Water Resources and Irrigation) to consider approving the
 location of the new marina or port.
- 4. Evidence of payment of the prescribed fees.
- 5. The Authority approval is issued if the site is suitable for construction.

For obtaining the license to establish a new marina or river port, the following required documents must be submitted:

- a) The Initial Approval issued by the Authority for construction.
- b) The general site, designs and technical drawings for the works, approved by the design authority and the dimensions and levels are indicated, in accordance with the requirements contained in the Egyptian Code for marinas and river ports for consideration of approval for the implementation of the works.
- c) A declaration of commitment to carry out the work in accordance with what has been approved.
 - Completing the approvals of the authorities contained in the Egyptian Code for marinas and river ports.
 - Payment of inspection costs will be determined by the Authority.
 - Verifying the technical inspection conducted by the Authority's specialists on the ground, whether the marina or port conforms to the engineering drawings and fulfills the legally prescribed requirements.

For renewing the license, the said Decree specifies documents to be submitted to the Authority as follows:

- a) A copy of the latest issued license for the marina or to the port.
- b) A letter certified by the competent authority with financial clearance.
 - Payment of the prescribed inspection fees and costs.



 Verifying the technical inspection conducted by the Authority's specialists on the ground to verify that the marina or port conforms to the engineering drawings and fulfills the legally prescribed requirements.

With regard to the term of the license, the license period for a marina or port is one year, and temporary licenses may be issued for a period of six months.

The licensee is committed to the following:

- Full compliance with the provisions of laws and regulations and decisions, as well as the rules, conditions and controls decided by the Authority regarding the organization of work in marinas and river ports.
- 2. All technical and operational requirements are determined by the Authority.
- 3. Determine the locations of the trawlers and the parking areas for the river units at safe distances that do not obstruct the navigational course, and the Authority approves that.
- 4. Maintaining bridges, cladding and other existing facilities in the marina or port area, and if any of them are damaged, the licensee is obligated to repair them immediately at his own expense and under his responsibility without recourse to the Authority for any financial or legal obligations.
- 5. Maintaining the validity of the secondary navigational lanes leading to and from the marina or port and connected to the main shipping lane.

Licenses for Non-Motorized River Units

Decree No. 342 for the year 2024 defines non-motorized river units as every unit operating without motors. The said Decree states that it is not permissible to construct or modify or import a licensed non-motorized unit except after obtaining the Authority's prior approval for the construction or modification in accordance with the detailed engineering and design drawings.

We highlight the required documents for obtaining license to establish non-motorized river unit:

- a) The agreement with the workshop in which the unit will be built.
- b) 3 copies of the detailed engineering and design drawings approved by the design and supervision authority (original + 2 copies).
- c) Initial approval from the Ministry of Tourism for construction for tourism units.
- d) Unit catalog in the case of units that are manufactured quantitatively.
- e) A copy of the company's commercial register if the license applicant is a company.
- f) A copy of the license of the marina to which the unit will be anchored.
- g) Payment of the prescribed fees and costs.

Further, the said Decree provides the required documents for the application of licensing the imported non-motorized river unit as the following:

- a) Catalog of the unit to be imported or its detailed engineering and design drawings.
- b) A certificate from the design and supervision authority that the unit to be imported conforms to the engineering and detailed drawings.
- c) Initial approval from the Ministry of Tourism for imports for tourism units.
- d) A copy of the company's commercial register if the license applicant is a company.
- e) A copy of the license of the marina to which the unit will be anchored.
- f) Payment of the prescribed fees and costs.



It is important to mention that in all cases, in order to issue a navigational license for a non-motorized unit, the unit, its components and equipment must meet the conditions of validity, security and safety in accordance with what is approved by the Board of Directors of the Authority.

The licensing period for non-motorized touristic units is two years and three years for cargos transport non-motorized units.

Further, the said Decree states that the design and construction of non-motorized units for their various purposes must be in accordance with the engineering and technical rules for shipbuilding and must have sufficient strength and balance to achieve the requirements of technical validity, and in accordance with international safety standards. In addition to the safety equipment such as boats, collars, belts, floating seats, fire extinguishing equipment, alarm and distress devices, dewatering pumps, parachutes, hooks, chains and ropes in accordance with Authority's Board of Directors guidelines.

The Fees and Costs of Inspections of River Units, Ports and Marinas

The Decree No. 340 for the year 2024 stipulates the fees collected by the Authority for the inspection of river units which are ranges between EGP 100 to EGP 2,000. Further, touristic marina license fees are EGP 50 per square meter.

Market Reaction

According to previous statements by the Minister of Transport, the Decrees aim to achieve unified, tight and disciplined regulation of everything related to river transport in a way that addresses organization and the conflict of jurisdictions between the various departments in the state through the exclusive jurisdiction of the General Authority for River Transport to issue navigational licenses for motorized and non-motorized river units, river ports.

SHALAKANY



Ministry of Supply and Internal Trade Decree No. 90 of 2024

By Alexandra Arida

On May 19, 2024 the Minister of Supply and Internal Trade issued Decree No. 90 of 2024 approving the issuance of certain forms by the Commercial Registry (the "**Decree**").

The Decree was published in the Official Gazette on June 5, 2024, and entered into force on June 6, 2024.

The provisions of the Decree can be summarized as follows:

Approving the Issuance of Certain Forms by the Commercial Registry

The Decree has approved the Commercial Registry's issuance of the following forms:

- (i) Extracts of the Commercial Registration forms of companies
- (ii) Data certificates of companies, which include details such as the company's name, corporate structure, object, and capital, as well as its QR code
- (iii) Certificates evidencing that a company is not registered with the Commercial Registry.





Ministry of Trade and Industry streamlines export procedures

By Mostafa El Zeky and Malak Mounir

Introduction

On 13 of July 2024, the Minister of Trade and Industry issued Decree No. 253 of 2024 (the "**Decree**"). The Decree aims to streamline the procedures for exporting products. It builds upon previous regulations to facilitate the process for companies and set clear timelines.

Key highlights

Establishment of a Committee

- A committee is formed, chaired by the Head of the Foreign Trade Agreements Sector at the Ministry of Trade and Industry.
- The committee includes representatives from various authorities such as the General Organization for Export and Import Control, the Federation of Egyptian Chambers of Commerce, the Atomic Energy Authority and others.
- The committee can seek assistance from any parties it deems necessary to carry out its mandate.

Responsibilities of the Committee:

- The committee's mandate is to prepare a proposal to amend Prime Minister's Decree No. 1186 of 2003 regarding export and import inspection procedures.
- The committee shall also prepare an explanatory memorandum of the draft procedures, to be attached to the committee's minutes.
- The committee must complete its work within one month from the date of issuing this decree and presenting its findings to the Minister of Trade and Industry.

It is therefore expected that the procedures for export and import inspection procedures may be amended in the near future.

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Ministry of Trade and Industry Promotes Environmentally-Friendly Exports

By Mostafa El Zeky and Malak Mounir

Introduction

On 26 May 2024, the Minister of Trade and Industry issued Decree No. 254 of 2024 (the "**Decree**"), which aims to facilitate export procedures while ensuring exported products meet international environmental standards. The Decree amends the existing regulations on imports and exports, set forth in Law No. 118 of 1975, with a focus on regulating the environmental impacts of economic and industrial activities.

Key highlights:

The Decree introduces the definition of "International Environmental Standards" as being the rules and requirements that govern the environmental impacts of economic, industrial, and other activities. These standards are set by some or a group of countries and must be applied to exported products exported to such countries.

The Decree introduces a register for juridical entities engaged in exporting products that comply with International Environmental Standards. The General Organization for Export and Import Control (GOEIC) will set the conditions and procedures for registering in this register.

The overall objective of the Decree is to enhance export from Egypt, obliging manufacturers to produce goods that meet International Environmental Standards. This aligns with the government's efforts to minimize the negative environmental impact of economic and industrial activities, while supporting the country's export competitiveness.

