



Amendments to the Executive Regulation of the Building Violations Reconciliation Law

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Introduction

The Egyptian prime minister issued decree no. 36 of 2026 (the “Decree”) introducing amendments to certain provisions of the Executive Regulations issued pursuant to Law No. 187 of 2023 on the reconciliation of certain building violations and its regularization, which were previously promulgated by Prime Ministerial Decree No. 1121 of 2024.

Engineering Report on the Date of Violation

The amended regulations now require that the engineering report proving the date on which the building violation was committed be issued by one of the following entities:

- Faculties of Engineering at Egyptian universities subject to the Universities Organization Law No. 49 of 1972,
- Al-Azhar University,
- The National Housing and Building Research Center, or
- Accredited private (non-public) universities.

Reconciliation Fees for Building Without a License

The Decree revises the reconciliation percentages applicable to construction carried out without a license, as follows:

- **100% of the value per square meter** where construction violates applicable planning and building requirements.
- **50% of the value per square meter** where construction is without a license but complies with applicable planning and building requirements.

Calculation of Fees for Partial Construction Works

The amendments introduce a detailed breakdown for calculating reconciliation fees for partial or phased construction works, including shallow and deep foundations, piles and pile caps, retaining walls, and structural elements (walls, columns, and slabs). Each of those are calculated as a percentage of the applicable reconciliation value, depending on the nature and extent of the works executed.

Market Reaction

The Decree provides further clarity on the entities authorized to issue engineering reports and has established a more detailed methodology for calculating reconciliation fees, particularly for partially executed construction works. This is expected to have a direct impact on ongoing and future reconciliation applications.