



Proposed Amendments to Egypt's Competition Law

By Omar Sherif, Alexandra Arida, Malak Sobhy and Hana Fekry

Introduction

As part of Egypt's ongoing efforts to strengthen its competition framework and align it more closely with international best practices, the Egyptian Parliament has approved substantial amendments to the Egyptian Competition Law No. 3 of 2005 (the "**ECL**") in April 2026. Building on the pre-merger control regime introduced in 2024, the proposed amendments seek to streamline the merger review process, strengthen the enforcement powers of the Egyptian Competition Authority (the "**ECA**") and further modernize Egypt's competition law framework (the "**Proposed Amendments**").

The Proposed Amendments remain subject to presidential ratification and publication in the Official Gazette. Accordingly, the Proposed Amendments' final provisions (including the below mentioned amendments to the thresholds) and date of entry into force should be confirmed once the enacted legislation is officially published.

We set out below the key developments under the Proposed Amendments:

Amendments to the Pre-Merger Notification Thresholds

The Proposed Amendments would increase the applicable filing fees, and substantially revise the turnover and asset thresholds triggering mandatory pre-merger notification. The revised thresholds are intended to reflect the economic developments since the introduction of the pre-merger control regime in 2022, including inflation and changes in market valuations, hopefully reducing the number of transactions requiring mandatory notification while enabling the ECA to focus its review on transactions that are more likely to have a significant impact on competition, by reason of turnover or asset values.

Under the current regime, a pre-merger notification is required where either: (i) the parties' combined annual turnover or assets in Egypt exceed EGP 900 million, provided that at least two parties each generate annual turnover or hold assets in Egypt exceeding EGP 200 million (the Domestic Threshold); or (ii) the parties' combined worldwide annual turnover or assets exceed EGP 7.5 billion, provided that the target generates annual turnover or holds assets in Egypt exceeding EGP 200 million (the Global Threshold).

The Proposed Amendments would significantly increase these thresholds by raising the Domestic Threshold from EGP 900 million to EGP 2.5 billion and the minimum turnover or asset requirement for at least two parties from EGP 200 million to EGP 500 million. In addition, the Global Threshold would double from EGP 7.5 billion to EGP 15 billion, while the target's turnover or asset threshold in Egypt would increase from EGP 200 million to EGP 500 million.

Notwithstanding the increased notification thresholds, the Proposed Amendments preserve the ECA's ability to review certain transactions falling below the applicable thresholds where they may restrict, harm or otherwise raise concerns regarding competition in Egypt.

Future Adjustment of Notification Thresholds

The Proposed Amendments would empower the Prime Minister, following consultation with the ECA, to amend the notification thresholds in the future, enabling the regime to respond more effectively to changing economic conditions without requiring further legislative amendment.

Rebuttable Presumption of Dominance

The Proposed Amendments introduce a rebuttable presumption of dominance where an undertaking holds a market share of 50% or more in the relevant market, unless it demonstrates that it does not possess market power. The Proposed Amendments also refine certain criteria for assessing dominance, reflecting an increased emphasis on both market share and an undertaking's ability to exercise market power.

Amendments Relating to Vertical Agreements

The Proposed Amendments broaden the scope of prohibited conduct relating to vertical agreements by expressly recognizing coordinated practices and other forms of coordination between undertakings.

They also expressly recognize minimum resale price maintenance as conduct that may constitute a competition law infringement.

Strengthening the ECA's Powers, Independence and Review Mechanisms

One of the most significant reforms is the introduction of a more comprehensive administrative enforcement framework, enabling the ECA to impose administrative financial penalties directly on undertakings, subject to the procedural safeguards and review mechanisms set out in the legislation.

For certain infringements, including restrictive agreements and abuse of dominance, penalties may be calculated as a percentage of the revenues generated from the relevant product or service during the infringement period. Where those revenues cannot be determined, fixed statutory penalties may apply. The Proposed Amendments also introduce new penalties, increase certain existing penalties and provide clearer factors for determining the appropriate sanction.

The ECA's enforcement toolkit would also be expanded through enhanced leniency mechanisms, whistleblower protections, administrative settlement procedures and penalties for failure to cooperate with ECA investigations or provide required information.

The Proposed Amendments further reinforce the ECA's institutional status by establishing it as an independent regulatory authority with greater technical, financial and administrative autonomy.

In addition, a specialized grievance committee would be established to review challenges against ECA decisions. However, submitting a grievance or commencing a challenge would not, by itself, suspend the enforcement of the relevant decision unless otherwise ordered by the competent court.



Practical Implications

Pending presidential ratification and publication, the Proposed Amendments have already attracted significant market attention. The higher notification thresholds are expected to reduce the number of mandatory merger filings. At the same time, the ECA's broader enforcement powers, greater institutional independence and ability to impose administrative financial penalties are likely to increase competition law compliance risks.

While the Proposed Amendments may streamline aspects of the merger-control regime, they are also expected to result in more active enforcement and closer scrutiny of conduct capable of restricting competition. Their full practical impact will depend on the final legislation, its executive regulations and the ECA's subsequent enforcement practice and guidelines.