

# World Universities Comparative Law Project

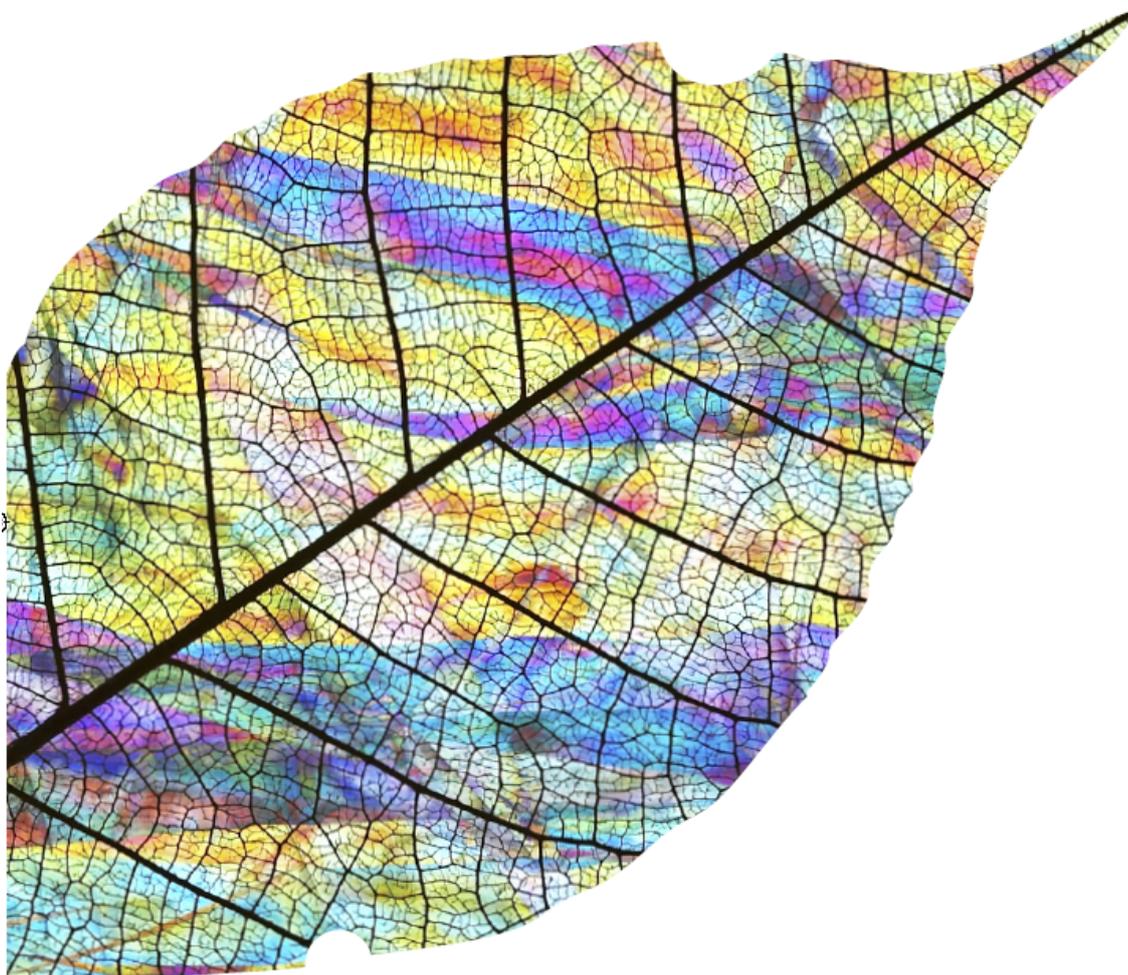
## Legal rating of Egypt

carried out by students at the University of Cairo

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A production of the Allen & Overy Global Law Intelligence Unit

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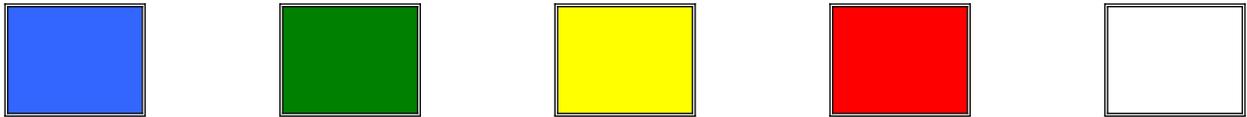


July 2014



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# World Universities Comparative Law Project

The World Universities Comparative Law Project is a set of legal ratings of selected jurisdictions in the world carried out by students at leading universities in the relevant jurisdictions. This legal rating of Egypt was carried out by students at the University of Cairo.

The members of the Faculty of Law at the University of Cairo who assisted the students were Dr. Ahmed Farouk Ali Weshahy and Dr. Amr Abbas Mohamed Adel.

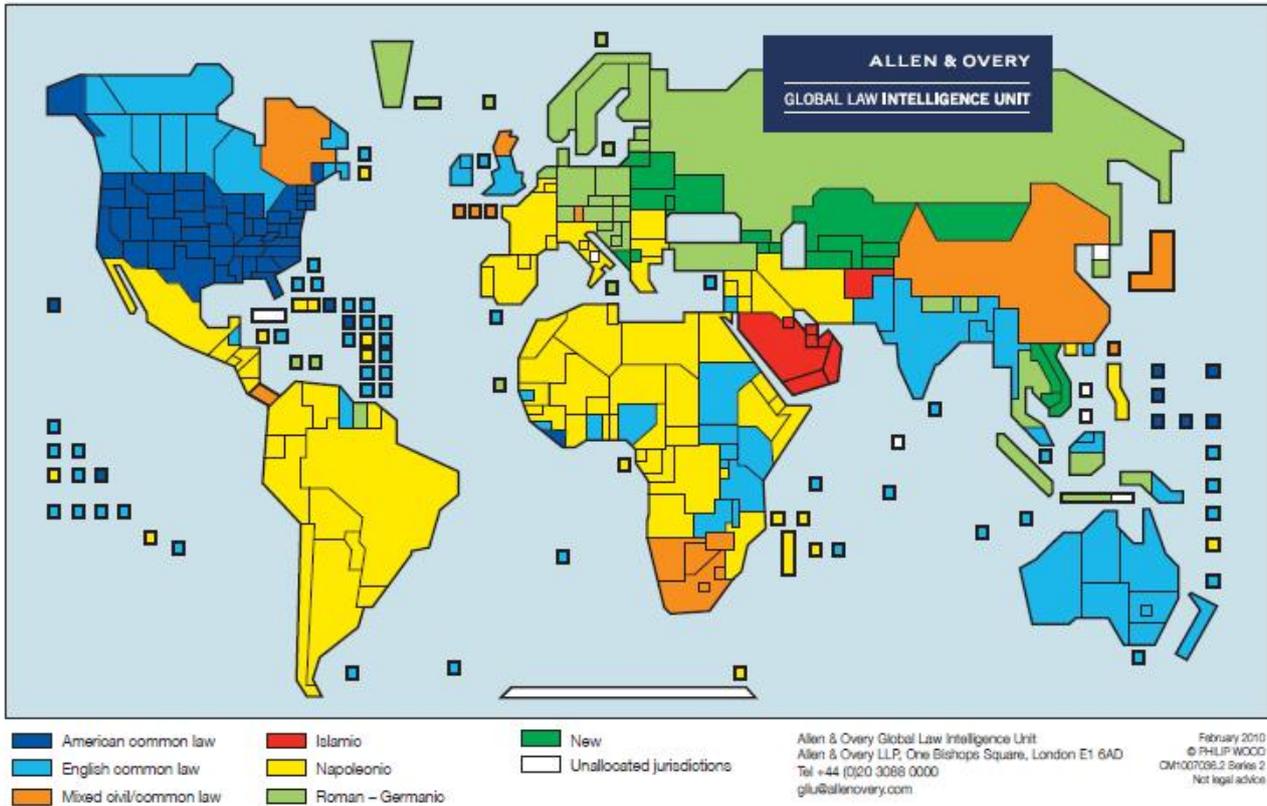
The members of the Practitioner Expert Panel with whom the students could discuss the questions in the survey were

1. Aly El-Shalakany from Shalakany Law Office
2. Omar S. Bassiouny from Matouk Bassiouny Law Firm
3. Ahmed El-Sharkawy from Sharkawy & Sarhan Law Firm
4. Mohamed Ghanam from Baker & Mackenzie Law Firm

The Allen & Overy Global Law Intelligence Unit produced this survey and is most grateful to the above for the work they did in bringing the survey to fruition.

All of those involved congratulate the students who carried out the work.

## Families of law



## Foreword

I am delighted to present this legal rating of Egypt, which is one of a series of ratings completed by students from top universities in different jurisdictions. I would like to congratulate the eight students from the English Section of Cairo University Faculty of Law for their outstanding work in completing this survey.

The English Section of the Faculty of Law at Cairo University was the first of its kind in Egypt with its first class starting in 1995 during my time as a dean of the Faculty of Law. In establishing the English Section, one of our main objectives was to provide the students with a comparative perspective to law and its practice. The study in the English Section includes both the civil law system as adopted by Egyptian law from the French system and the common law as applied in the United Kingdom and the United States. It aims at equipping the graduates with the ability to understand and think globally in an ever changing world. To achieve this objective, cooperating with universities and institutions from different jurisdictions is a must.

This Comparative Law Project fits very well into this objective. I would like to thank Allen & Overy Global Law Intelligence Unit and the Unit's head Professor Philip Wood for designing this innovative survey and for inviting Cairo University to participate in it.

Dr. Ahmed Weshahy and Dr. Amr Abbas who managed this project have made an excellent contribution to complete the survey and to establish the Practitioners Experts Panel. I would like also to thank the members of the Practitioners Expert Panel for contributing to this project with their expertise and time.

I wish this project will be a beginning of similar projects that enhance the comparative studies and provide such a magnificent means for universities and practitioners from different jurisdictions to communicate and cooperate.

**Prof. Dr. Mahmoud Samir El-Sharkawi**

Attorney at Law

Professor of Commercial & Maritime Law

Former Dean

Faculty of Law -- Cairo University



# Description of the legal rating method

## Introduction

This paper assesses aspects of the law in Egypt with a view to rating the law in the relevant areas. The survey is concerned primarily with wholesale financial and corporate law and transactions, not with retail law.

Legal risk has increased globally because of the enormous growth of law; because of its intensity; because many businesses are global but the law is national; because nearly all countries are now part of the world economy; and because the law is considered to play a very significant role in the fortunes of our societies. Liabilities can be very large and reputational losses severe.

The survey was carried out by students at University of Cairo. The survey was designed by the Allen & Overy Global Law Intelligence Unit.

The students were requested to express their views freely and in their own way. The views expressed are their views, not necessarily those of, the University of Cairo, the members of the Practitioner Expert Panel or the Global Law Intelligence Unit, the members of Allen & Overy.

## Methodology

The survey uses colour-coding as follows:

**True**



**False**



**Can't  
say**



**Blue** generally means that the law does not intervene and the parties are free, i.e. the law is liberal and open.

**Red** generally means that there is intense legal intervention, usually in the form of a prohibition.

**Green** and **yellow** are in-between.

The purpose of this colour-coding is to synthesise and distil information in a dramatic way, rather than a legal treatise. The colours correspond to a rating of 1, 2, 3 or 4, or A, B, C or D.

The cross in the relevant box signifies the view of the students carrying out this assessment of the position of Egypt. This is followed by a brief comment, e.g. pointing out qualifications or expanding the point. These comments were written by the students.

The colour-coding does not usually express a view about what is good or bad. Whether the law should intervene in a particular arena is a matter of opinion. The scale is from low legal intervention to intense legal intervention or control. This is not a policy or value judgment as to whether or not the law should or should not intervene. Jurisdictions often disagree on whether the law should intervene and how much. So one of the main purposes of this survey is to endeavour to identify some of the points of difference so as to promote fruitful debate.

## **Black letter law and how it is applied**

This survey measures two aspects of law. The first is black letter law, i.e. what the law says or the written law or law in the books.

The second measure is how the law is applied in practice, regardless of what it says. Thus, the law of Congo Kinshasa and Belgium has similar roots but its application is different.

Although there is a continuum, these two measures have to be kept separate. Otherwise we may end up with just a blur or noise or some bland platitude, e.g. that the law depends upon GDP per capita.

In fact, only the last two questions deal with legal infrastructure and how the law is applied. All of the others deal with the written law, without regard to enforcement or application.

## **Key indicators**

The survey uses key indicators to carry out the assessment. It is not feasible to measure all the laws or even a tiny fraction of them. The law of most jurisdictions is vast and fills whole libraries.

The key indicators are intended to be symptomatic or symbolic of the general approach of the jurisdiction. To qualify as useful, the indicator must usually be (1) important in economic terms, (2) representative or symbolic and (3) measurable. In addition, the indicators seek to measure topics where jurisdictions are in conflict. There is less need for measuring topics where everybody agrees.

An important question is whether this method is useful or not, and, if it is, whether the indicators are relevant.

## **Legal families of the world**

Most of the 320 jurisdictions in the world, spread just under 200 sovereign states, can be grouped into legal families. The three most important of these are: (1) the common law group, originally championed by England; (2) the Napoleonic group, originally championed by France; and (3) the Roman-Germanic group, originally championed by Germany, with major contributions from other countries.

The balance of jurisdictions is made up of mixed, Islamic, new and unallocated jurisdictions.

Many aspects of private law are determined primarily by the family group, but this is not true of regulatory or economic law.

## **Excluded topics**

This survey does not cover:

- transactions involving individuals
- personal law, such as family law or succession
- competition or antitrust law
- intellectual property
- auditing
- general taxation
- macroeconomic conditions, such as inflation, government debt, credit rating or savings rates
- human development, such as education, public health or life expectancy
- infrastructure, such as roads, ports, water supply, electricity supply
- personal security, such as crime rates, civil disorder or terrorism.

# Banking and finance

## Introduction

Banks and bondholders (typically also banks, but also insurance companies, pension funds and mutual funds) provide credit or capital. Their main risk is the insolvency of the debtor and therefore the key indicators intended to measure whether the law supports those habitual creditors or debtors, such as large corporations as borrowers, when it matters, i.e. on bankruptcy. This is when commercial law is at its most ruthless in deciding who survives and who drowns.

This debtor or creditor decision is implemented mainly through the bankruptcy ladder of priorities. A feature of common law systems is the presence of super-priority creditors who are paid before anyone else - creditors with a set-off or a security interest and beneficiaries under a trust. For example, if a bank has universal security over all the assets of a company, the bank is paid before all other creditors, including employees and trade creditors. This regime therefore protects significant creditors who such as banks.

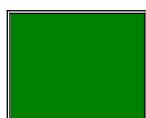
Jurisdictions based on the English common law model give super-priority to all three claimants. Traditional Napoleonic jurisdictions typically do not allow insolvency set-off, have narrower security interests and do not recognise the trust. Their bankruptcy ladder favours greater equality of creditors. Most traditional Roman-Germanic jurisdictions are in-between. They allow insolvency set-off and have quite wide security but most do not recognise the trust. There are wide exceptions to these generalisations.

## Insolvency set-off

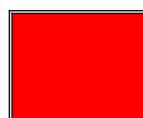
**Generally** If set-off of mutual debts is allowed on insolvency, the creditor is paid. If it is not allowed, then effectively the creditor is not paid. Very large amounts are involved in markets for foreign exchange, securities, derivatives, commodities and the like, so that the question of whether exposures should be gross or net is a matter of policy as to who the law should protect.

**Q1** In Egyptian Law, creditors can set off mutual debts on the insolvency of a debtor if they are incurred before notice of the insolvency.

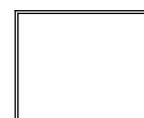
True



False



Can't  
say



**Comment:** Under Article 591 of the Commercial Code, debts cannot be mutually set off after the issuance of insolvency judgments. The only exception to this rule is if the two debts are linked/related. The debts are considered linked particularly if the rights and obligations arise from the same source, or if they are both included in a current account.

## Security interests

**Generally** Security interests give priority to the creditor with security - typically banks - who are the main providers of credit in most countries.

In traditional common law jurisdictions, a company can create universal security over all its present and future assets to secure all present and future debt owed to a bank. Once registered, the security is valid against all creditors, except that the floating collateral ranks after preferred creditors - typically wages and taxes. The security can be granted to a trustee for creditors. On a default there are no mandatory grace

periods and the creditor can enforce out-of-court by appointing a receiver (a type of possessory manager) or by private sale. But in some common law jurisdictions there are freezes on enforcement in the event of a judicial rescue of the debtor. Also, in some of these jurisdictions there are stamp duties.

On the other hand, in many traditional Napoleonic jurisdictions, universal security is not possible, neither is security for all future debt. There is no trustee to hold the security. On enforcement, there are grace periods and no receiver. Sale is through the court and a public auction. Preferential creditors rank ahead. Some countries have a freeze on enforcement under a judicial rescue statute.

The main policy issue is therefore whether security should be encouraged or whether the law should intervene to impose greater equality.

The main tests are (1) scope of eligible assets, (2) debt secured, (3) trustee, (4) priority over preferred creditors, (5) private enforcement and receiver, (6) no rescue freezes and (7) low costs.

**Q2** In Egypt, the law offers a security interest which is highly protective of the secured creditor.

**True**



**False**



**Can't  
say**



**Comment:** There is no universal security regime under Egyptian law. Security interests are taken separately according to the nature of the asset under different laws, including the Civil Code, Commercial Code, Fonds de Commerce Law, Intellectual Property Law and Central Bank Law. Under these laws, different securities can be granted, including Real Estate Mortgages over real estate, Movable Mortgages (or Possessory Pledges over movables) including securities, "Fonds De Commerce" Mortgage over tangible and intangible assets of a business including the trade name, goodwill, licences, approvals, equipment, the right to contact clientele, and rights in lease.

These securities give priority over other creditors. Yet there is no private enforcement. A creditor must go to court to enforce on the secured assets. However, under Article 105 of the Central Bank Law pledged securities to a bank may be sold by the bank without court approval if the pledge agreement so provides.

Contrary to most Napoleonic systems, according to article 1040 of the Civil Code, security for future debts is allowed, provided that the mortgage contract states the amount or the maximum amount of the future debt.

Some of these securities, such as the real estate mortgage and the fonds de commerce mortgage must be registered. The registration cost is high as it is calculated as a percentage of the debt secured. Yet if the creditor is a bank, there is a cap of EGP 100,000 for registering real estate mortgages or fonds de commerce.

## Universal trusts

Under a trust, one person, called the trustee, holds title to the assets of another person, called the beneficiary, on terms that, if the trustee becomes insolvent, the assets go to the beneficiary and are not used to pay the trustee's private creditors. The assets are immune and therefore taken away from the debtor-trustee's bankrupt estate.

The main examples of trusts are custodianship of securities, pension funds, securities settlement systems and trustees of security for bondholders and syndicate banks. The amounts involved are enormous.

All jurisdictions have an effective trust of goods (called bailment or deposit). The common law group has a universal trust for all other assets (land and intangible property). Most members of the civil code group do not have a universal trust, subject to wide exceptions, especially for custodianship of securities. A few countries in this group have a universal trust by statute, e.g. France and China.

### Q3 Egypt has a universal trust for all assets.

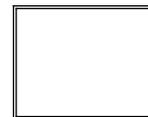
True



False



Can't  
say



**Comment:** Trust as a concept is not dealt with in the Egyptian law. However, there is a similar concept in the Central Depository Law which provides that a security can be registered under one name while another person is the beneficiary. Yet in this case the registered owner must follow the beneficiary's instructions with regard to voting.

#### Other indicators

Other bankruptcy indicators not measured here include freezes on the termination of contracts, fraudulent preferences, the priority of rescue new money, the presence and intensity of corporate rescue proceedings and recognition of foreign insolvencies. Director liability for deepening the insolvency is dealt with below.

Other financial law topics not covered in this survey include the regulatory regime, especially capital, liquidity, authorisation of financial business, conduct of business, control of prospectuses, control of market abuse and frauds, such as insider dealing, and the insolvency regime for banks. Financial regulation is a very large field.

## Corporations

### Introduction

Financial law involves competition between debtors and creditors so that jurisdictions can be positioned on a straight line. Corporate law however involves three main competitors: (1) shareholders, (2) creditors and (3) managers - a triangle. If the key indicators show that a jurisdiction strongly favours one or other of the parties at the points of the triangle, whether creditors, shareholders or management, then one can begin to build up a picture of the choices which the jurisdiction habitually makes in resolving the conflicting interests of the parties.

For example, a very tough prohibition on financial assistance (which is protective of creditors against shareholders) tends also to support an attitude to other principles of the maintenance of capital or to support the proposition that mergers by fusion are difficult (because they can prejudice creditors). This would be true of the English regime in 1948. Similarly, a view which easily imposes personal liability on directors for deepening an insolvency might also show a legal approach which is not supportive of the veil of incorporation in other areas, e.g. shareholder liability and substantive consolidation on insolvency.

The two extreme corporate law models are the Delaware model and the traditional English model, exemplified by the English Companies Act 1948 (now superseded). Napoleonic and Roman-Germanic models are in-between to varying degrees.

The Delaware regime is highly protective of management in the key areas. The traditional English regime favours creditors on most of the key contests and, where creditor interests are not involved, it tends to favour shareholders as opposed to managers.

### Director liability for deepening an insolvency

**Generally** If the law imposes personal liability on directors for deepening an insolvency, e.g. carrying on business and incurring debts where there is no reasonable prospect of paying them, then the regime is hostile to the interests of management. The legal risks of management are increased.

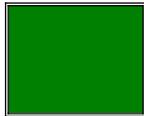
There are basically four regimes internationally: (1) directors are hardly ever liable for deepening the insolvency, eg Delaware and most US jurisdictions, plus some traditional English jurisdictions which only punish fraudulent trading; (2) directors are liable for serious negligence (England, Singapore, Australia, Ireland); (3) directors are liable for mere business misjudgements deepening the insolvency (France); and (4) directors are liable if they fail to file for an insolvency proceeding after the company becomes insolvent (France, Germany and others).

**Q4** In Egypt the law rarely imposes personal liability on directors for deepening the insolvency and there is no rule that the directors must file for insolvency when the company is insolvent.

**True**

**False**

**Can't say**



**Comment:** The Commercial Code specified certain cases for the liability of directors in case of insolvency of the company (article 704/1 ):-

- 1- Any person who carries out commercial acts for his own interests under the name of the company and dealt with the company's money as its own.
- 2- If the assets of the company are not sufficient to meet 20 % at least of its debts, the court may, upon the request of the bankruptcy judge, bind the directors jointly to pay the debts unless they prove that they exerted prudent person efforts in managing the company affairs.
- 3- The court may deprive the board of directors from some rights (such as election and membership in parliament, commercial chambers, syndicates, etc., being a director in any company, some other commercial acts like the banking acts , commercial agencies , importation and exportation acts , and stocks brokerage acts) if they committed grave mistakes which led to the insolvency of the company.

Additionally Article 102 of the Companies Law no.159/1981 states that directors are personally liable for mistakes carried out by them.

Generally, there is an obligation on any trader to file for insolvency within 15 days of the insolvency, which includes companies. (Art. 553 of the Commercial Code) Yet the company's directors may not file for bankruptcy except after the approval of the general assembly of the shareholders. (Art. 700 (1) of the Commercial Code).

## Financial assistance to buy own shares

**Generally** Many jurisdictions prohibit a company from giving financial assistance to buy its own shares. The typical example would be where a bidder finances the acquisition of a target company by a loan and after the takeover arranges for the target to guarantee the loan and charge its assets to secure the guarantee. The commercial effect is similar to the repayment of the share capital of the target before its creditors are paid. Shareholders should be subordinated to creditors.

The prohibition therefore favours creditors against shareholders of the target.

The Delaware regime does not prohibit financial assistance. The traditional English regime has a wide prohibition (not England any more). Most Roman-Germanic regimes are against it, with Napoleonic regimes hesitant. The EU has a prohibition against financial assistance by public companies. Some countries allow financial assistance by private companies if solvency is established.

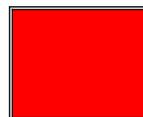
A contravening transaction is usually a criminal offence and void.

**Q5** Egyptian Law permits a company to grant financial assistance for the purchase of its own shares.

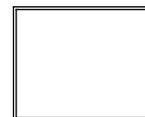
True



False



Can't  
say



**Comment:** The law does not explicitly deal with this case in general. However, under Article 96 of the Companies Law 159/1981 a company is prohibited from granting any loan to any of its directors or to guarantee a loan taken by any of them. Accordingly, if the shareholder is also a director or has a corporate director in the company, then this prohibition covers this shareholder.

In addition, under Article 100 of the Companies Law the board or any director is not allowed to enter into a contract with another company in which any of them is a director if the unfairness is more than a fifth of its value.

Other than the mentioned specific cases, there is no consensus whether financial assistance is permitted.

- A. One opinion is that as long as the general assembly of the shareholder approves the financial assistance, this is a valid decision by the company in the absence of explicit prohibition of such transaction.
- B. Another opinion prohibits financial assistance if there is no corporate benefit to the company. It considers such financial assistance a donation which no company can grant over 7% of that company's average profits in the previous five years.

## Public takeover regime

**Generally** A public takeover regime which is free and open tends to favour managers who can guard against takeovers by poison pills and the like and who have relative freedom to acquire other companies. An example is the Delaware regime. A restrictive regime on the lines of the British system tends to favour shareholders.

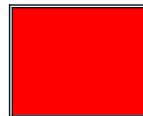
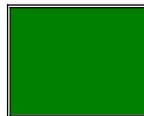
The chief features of a restrictive regime are: (1) the bidder must make a mandatory bid in cash when a threshold of shares in the target is reached, e.g. 30%; (2) the bidder must pay the same price to all shareholders (sharing the control premium); (3) no partial bids (getting control on the cheap); (4) proof of certain funds to implement the offer; (5) compulsory acquisition of dissenting minorities (squeeze-out); (6) fixed timetable; (7) no ability of the managers to frustrate a bid by poison pills without shareholder approval; and (8) control of the content of circulars, especially forecasts.

**Q6** Apart from exchange controls and restrictions on foreign direct investments, the public takeover regime in Egypt is open and has few restrictions.

**True**

**False**

**Can't  
say**



**Comment:** According to Article 8 of the Capital Market Law anyone who would make a transaction that leads to increasing his possession over 10 % of the nominal shares in the capital of a company that offered its shares to the public, has to notify the company before the transaction by 2 weeks at least. The company has to inform any shareholder who possesses 1% at least of the capital of the company within a week from the date of its knowledge about the transaction. Breaching the mentioned rule cancels the transaction.

The same rule applies also to any director or employee of the company making a transaction that leads to increasing their possession of the nominal shares to more than 5% of the capital of the company. Also under Chapter 12, articles 331, 332 and 333 of the executive regulation of the Capital Market Law, acquiring shares of the capital of a listed company or a company that offered its shares to the public is restricted by certain rules requiring disclosures or a mandatory tender offer if a third of the capital or a third of voting rights in the company is being acquired.

Any person acquiring through open market transactions 5% or any multiple of 5% of the capital or voting rights up to the third thereof must notify the stock exchange market and the Egyptian Financial Supervisory Authority (EFSA) within two days of the transaction. This notification must contain sufficient definition of the acquirer, its ownership after the transaction, number of shares, kind, price of the shares, the brokerage company's name and address, and persons relative to the acquirer. This percentage decreases to 3% for acquisitions by employees and directors of the company.

If the percentage of the takeover exceeds 25% or more without reaching the third of the capital of the company or its voting rights, the disclosure here should include the purchaser's future investment plan and its views relating to the company's management if available.

Regarding Egypt's position in the mentioned chief features of this restrictive regime, they are as follows:-

1. For the first restriction, a bidder may make a mandatory bid in cash or in shares or a mix of them provided that the offeree always has the right to choose only cash.
2. The second restriction is totally available as the bidder has to pay the same price to all the shareholders.
3. As for the third restriction, no partial bid is allowed -- if the acquisition with connected parties will lead to ownership of a third or more, then the bid must be for all shares.

4. The fourth restriction is also applied as there must be proof of certain funds to implement the offer.
5. The fifth restriction is not true in Egyptian law as there is no squeeze out mechanism to force shareholders to sell.
6. There exists a fixed timetable.
7. Managers and directors may not undertake any action that may frustrate or harm the bid after EFSA has published its approval thereof. Practically directors may be able to frustrate a bid before such publication.

## Other indicators

Other important indicators are corporate governance (difficult to measure), free ability to merge companies by fusion, the one-share-one-vote rule, and, to a lesser extent, minority protections. Other indicators relate to quick and cheap incorporation, the *ultra vires* rule, maintenance of capital, no par value shares, shareholder liability, substantive consolidation on insolvency and disclosure. These are not measured here.

## Commercial contracts

### Introduction

Contract is at the heart of commercial life, and is everywhere. In fact, the main tenets of contract law across the main families of jurisdictions are consistent - it is in the fields of insolvency and property law where the main differences emerge. It is true that there are contract differences, for example, between writing requirements, open offers, the time of acceptance and specific performance, but often these differences are of lesser significance in practice in the business field.

The key indicators the survey chooses all tend to symbolise whether the approach of the jurisdiction to contract is hard or soft. If the approach is hard, then the jurisdiction tends to support predictability in business contracts so that certainty and freedom of contract are valued more than mitigating the risk of occasionally abusive behaviour and unfair results, especially for weaker parties. A soft jurisdiction tends to give greater primacy to notions of good faith and the like.

### Exclusion of contract formation

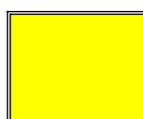
**Generally** Commercial parties often wish to be able to negotiate heads of terms commercially without being bound by a contract. In some jurisdictions, the courts are ready to infer that the parties are bound if the terms are sufficiently clear, even if they have said expressly that they do not intend to be bound.

**Q7** In Egyptian law, parties are not bound to heads of terms if they expressly state that the terms are "subject to contract" or some such clear phrase.

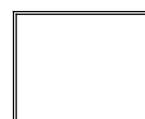
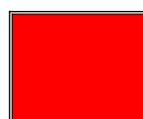
True



False



Can't  
say



**Comment:** If the parties explicitly stated that they will not be bound by the heads of the terms, then such statement shall be upheld. The Egyptian Civil Code also states that in case the parties agreed on the core issues of the contract and left the details to be agreed upon later - and did not state that

in this case the contract will not be concluded- then the contract shall be considered concluded (Art. 95). The contrary is the case if the parties agree that they will not be bound by the heads of terms in case the contract is not concluded as, according to the question, they made the terms subject to the contract. In such case, no contract is concluded.

## Termination clauses

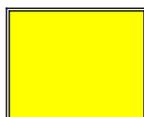
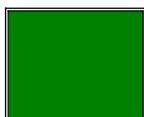
**Generally** Many contracts, especially loan contracts, leases of goods and long-term sales contracts, contain events of default on the occurrence of which one party can terminate the contract. Jurisdictions which uphold freedom of contract and the literal interpretation of contract give effect to these clauses and do not rewrite the contract according to the court's notions of what is fair. Other jurisdictions prefer good faith. We ignore consumer contracts - where there may be consumer protections.

**Q8** Egyptian law, a termination clause in a loan or sale of goods contract between sophisticated companies (not individuals) providing for the termination of the contract immediately on certain events is usually upheld, even if the event concerned is relatively trivial.

True



False



Can't  
say



**Comment:** According to the Egyptian Civil Code parties may agree on the immediate termination of the contract in case the obligations arising therefrom are not fulfilled (Art.158).

However, the use of this right is not absolute as the Egyptian Civil Code has regulated the theory of the abuse of right. According to article 5 there are three cases in which the use of the right is considered illegitimate, namely if it is only committed to harm others, if the targeted interest is trivial when compared with the harm incurred by others, and if the targeted interest is illegal.

As for the court, it tends to interpret the contract according to the parties' intention when concluding the contract. Accordingly even if the termination is based on a trivial event, the court will usually uphold it. However, the court may sometimes see that the right to terminate the contract was used in an abusive way (art. 5 civil code). In such an event it may grant damages to the injured party.

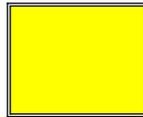
On the other hand, the Commercial Code states that in case one of the parties reserves its right to terminate the contract during a certain period of time, this right will be considered waived in two cases: first, if it fulfilled its obligations under the contract during this period: second, if it accepted the fulfillment of the obligations of the other party (Art. 56).

## Exclusion clauses

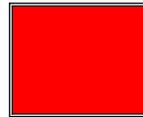
**Generally** Contracting parties often seek to exclude their liability for defective performance of the contract. So the issue is whether these exclusion clauses are generally upheld if they are clear and whether freedom of contract is allowed in this area.

**Q9** In Egyptian law, exclusions of liability in most commercial contracts between sophisticated companies, such as a sale of goods contract, are generally upheld if they are clear.

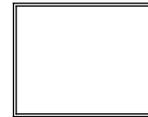
**True**



**False**



**Can't  
say**



**Comment:** As a general rule, the Civil Code supports the freedom of contracts (Art.147/1). It also states that parties may agree on exempting the debtor from liability arising from fraud or gross error committed by persons used by him to fulfil his obligation (Art. 217/2).

However there are three cases in which the exclusion of liability is considered null and void, namely excluding the debtor's liability arising from fraud or gross error committed by it, excluding the liability arising due to committing illegal acts (Art. 217/2 and 3 of the Civil Code) and excluding the seller's liability arising from the latent defects (Art. 447/1 and 449/2 of the Civil Code).

On the other hand, the Commercial Code states that the producer and the distributor of products shall be held liable before whoever suffers damages if it is proved that such damages are due to a defect in the product (art. 67).

## Other indicators

Other contract indicators not assessed here include writing formalities, open offers, mistake, frustration, damages, penalties, specific performance and whether notice of assignment of the contract to the debtor is mandatory if the assignment is to be valid on the insolvency of the assignor.

## Litigation

### Introduction

The first three key indicators of governing law, jurisdiction and arbitration tend to show whether the jurisdiction does or does not place a high value on international comity and freedom of contract as opposed to national primacy.

The indicator on class actions tends to show whether or not the jurisdiction's litigation system is orientated towards plaintiffs, especially mass plaintiffs in product liability cases. This indicator may also show the attitude of the jurisdiction to the protection of individual parties as against business parties, both in terms of the incidence of costs and enforcement.

### Governing law clauses

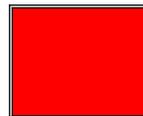
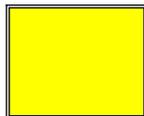
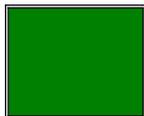
**Generally** Most countries apply a foreign governing law of a contract even if there is no connection between the contract and the jurisdiction. If the courts do not uphold the governing law, the effect is that the contract obligations may be different.

**Q10** The Egyptian national courts will apply an express choice of a foreign law in a loan or sale of goods contract between sophisticated companies, even though the contract has no connection with the foreign jurisdiction, but subject to Egyptian public policy and mandatory statutes.

**True**

**False**

**Can't say**



**Comment:** Under the Egyptian Civil Code article 19/1 and 28, if the parties agreed to apply a foreign law on a contract, the court has to apply their express choice of the foreign law. However, rules or provisions in foreign law inconsistent with Egyptian public policy and morals will not be applied.

### Foreign jurisdiction clauses

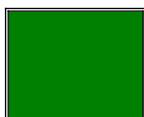
**Generally** Many contracts confer jurisdiction, sometimes exclusive, on the courts of a foreign jurisdiction, usually accompanied by a choice of foreign governing law.

**Q11** The Egyptian courts will generally uphold a clear submission in a loan or sale of goods contract between sophisticated companies to the exclusive jurisdiction of the courts of a foreign country, even if there is no connection between that country and the contract.

**True**

**False**

**Can't say**



**Comment:**

The law does not deal explicitly with this case. The Egyptian legislature regulated the opposite case in article 32 of the Egyptian Procedural Law, stipulating that Egyptian national courts can accept the submission of a case by consent of the parties even if the case is not within the Egyptian courts' jurisdiction as provided in the law. However the legislature was silent on the possibility of excluding the jurisdiction of the national courts by consent of parties. Generally, Egyptian courts accept a clear choice of the parties to exclude their jurisdiction provided (i) the case has an international character; (ii) such exclusion does not conflict with Egyptian public policy or sovereignty; (iii) there is an actual connection between the dispute and the chosen court's jurisdiction; and (iv) the foreign law of the chosen jurisdiction accepts such submission to its jurisdiction. An example of public policy rule is that Egyptian courts have an exclusive jurisdiction: on cases relating to immovables inside the Egyptian territory.

To sum up, Egyptian courts will uphold a clear contractual submission to the exclusive jurisdiction of a foreign court if certain conditions are met.

Yet accepting foreign judgment enforcement is an issue. According to the Egyptian Procedural Law articles 296 -301, the enforcement of foreign judgments in Egypt is permitted after reviewing certain requirements by the national courts and on a reciprocal basis. Accordingly, the party seeking to enforce a foreign judgment must prove that the specific jurisdiction enforces Egyptian judgments, which is hard to prove if there is no treaty between Egypt and the other country.

The requirements under article 298 that courts must review are:

1. That Egyptian national courts are not competent to decide the dispute and that the foreign court is the competent court.
2. The parties in the case were duly notified and properly represented.
3. The judgment is final and has the power of res judicata according to the law of the court that issued it.
4. The judgment is not in conflict with a previous judgment of national courts and does not include rules against the public order.

## Arbitration recognition

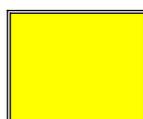
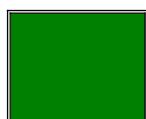
**Generally** Contracting parties, especially in trading and construction contracts, but less so in loan contracts, wish to submit disputes to arbitration, sometimes in a foreign country. The resulting award is often enforceable locally under the New York Arbitration Convention of 1958, to which most countries have adhered.

**Q12** In Egypt, the courts allow sophisticated contracting parties to submit contract disputes to a foreign arbitral tribunal to the exclusion of the Egyptian courts.

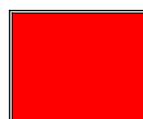
**True**



**False**



**Can't  
say**



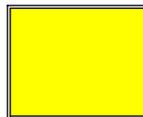
**Comment:** Egypt is a New York Convention party which applies as an Egyptian law. In addition, under Egyptian Arbitration Law article 13/1 a court seized with a dispute in respect of which an arbitral agreement exists must rule the case non-admissible.

## Class actions

**Generally** In some countries, such as the United States, a plaintiff can be authorised by the court to sue on behalf of all claimants who are similarly situated. Claimants have to opt out or they are bound.

**Q13** In Egyptian law, class actions where the class is bound if they do not opt out are generally not allowed.

True



False



Can't  
say



**Comment:** Class actions as a concept are not dealt within Egyptian law. However, there is only one situation in Egyptian employment law that permits the syndicate to litigate on the behalf of its members in the case of collective labour contracts concluded between the syndicate and the employer; nevertheless members and employers are not bound by these judgments. For example, if the syndicate sued an employer and it was held that the syndicate should receive compensation, this compensation may not be divided amongst the employees but otherwise the syndicate will keep it or use it for the benefit of its members. However in the class action this compensation has to be divided amongst the class members.

### Other indicators

Other indicators not covered by this survey include contingent costs, loser pays the costs of the winner, prejudgment freezes or arrests, appeals, scope of disclosure (discovery of documents), efficacy of waivers of sovereign immunity and the enforceability of foreign judgments.

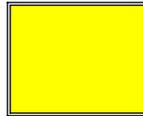
## Real property

### Ownership of land

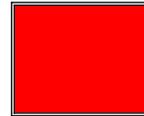
**Generally** In most countries, nationals can own land absolutely and are not restricted simply to leases for a limited term or simple rights of occupancy. However, in some jurisdictions, absolute ownership of land is not available to nationals or local corporations. If this is so, then the jurisdiction would be coloured green if citizens can lease land for a very long term without material restrictions, such as 999 years, and can also mortgage or sell the land or give it away or bequeath it under their wills without official consent because the ownership is a close proximate of absolute ownership. If on the other hand citizens are entitled only to a lease of, say, 70 years or less, or to similar rights of occupancy, and if there are limitations on dealing with the land without official consent, such as mortgaging, selling or bequeathing it, then the jurisdiction would be red.

**Q14** In Egyptian law nationals and local corporations are entitled to own land absolutely.

**True**



**False**



**Can't  
say**



**Comment:** Ownership in Egyptian law is an absolute right that enables the owner to use, exploit and dispose of the land. It is not temporary, otherwise it will not be considered as ownership under the Egyptian law. The Court of Cassation has approved this, stating: "... the ownership according to what is well established is a cumulative, exclusive right effective before all people and at the same time its perpetual non-forfeitable right (Court of Cassation, civil circuit, dated 4/2/1999)".

The law has numbered the restrictions imposed on this right; such restrictions are divided into legal and voluntary ones. Examples of such restrictions are: the non-abuse of use of the ownership right, and the disposal prevention condition.

The above is applied to all persons, whether legal or natural ones. . Thus according to the law of guarantees and incentives of investment No. 8/1997 companies and establishments have the right to own the land and the immovables required for conducting their activity or for expanding it (article 12).

With regard to the Sinai region, there are special rules applied to the ownership of land in Sinai. The owner must be Egyptian who holds no other nationality, his parents also shall be Egyptians and he shall acquire the approval of the ministry of the interior, the ministry of defence and the general intelligence institution. If the ownership is transferred to foreigners or to someone who does not satisfy all the above conditions, s/he shall dispose of such land to whoever satisfies all the above conditions within six months. Otherwise, the land will be transferred to the state at market price.

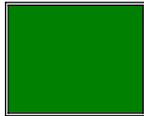
## Security of land title and land registers

**Generally** Many jurisdictions improve the security of title to land by a registration system which, although not necessarily state-guaranteed, has high reliability. An example is the Torrens system developed in Australia and used in many other countries, eg Canada and England.

Most countries in the civil code groups do not have a title register but instead require documents concerning land to be notarised and filed at the registry so that they can be searched. The United States does not generally have title registers for land although there may be mortgage registers. They rely on title registration companies which provide title insurance.

**Q15** Most land in Egypt is registered in a land register which records most major interests in land, eg ownership, mortgages and longer-term leases.

True



False



Can't say



**Comment:** Registration of land in Egypt is subject to the law no. 114 of 1946, which requires the registration of: the principal rights in rem, the subordinate rights in remortgages and leases that exceed nine years, and final judgments on any of the above. Non-registration will result in unenforceability vis a vis third parties and will only create between the parties rights in personam. In Egypt there are two types of register:

The in rem register: is a writ devoted to each immovable in which every disposal of it is recorded.

The personal register: this is a writ devoted for a person to register in it all the immovables he owns and all the disposals of them. The second type is the most common one in Egypt

Yet in practice most land titles are not registered.

### Land development restrictions

**Generally** Many countries restrict development and the change of use of land and require permits to be obtained for any development or change of use.

**Q16** In the Egyptian law, apart from environmental controls (dealt with later), the control of commercial development and the change of use of land is very light and, where required, permits are quick and cheap to obtain.

True



False



Can't say



**Comment:** The owner can change his use of the land, with due observance of the requirements of the laws, the decrees and the regulations pertaining to the public and the private interest. Law no. 119 of 2008 authorises the Local People's Council of the governorate based upon the governor's motion to approve the changing of the land's use (art. 17).

The executive regulation determines the requirements and the procedures of such change. These procedures are very difficult and relatively expensive (article 47 from the executive regulation of the law no. 119/2008 & article 10 from the law no. 222/1955).

Exceptions from the above are agricultural land and Sinai land.

According to the law No. 53/1966 and its amendments regarding agricultural land, it is prohibited to leave the land uncultivated for a year or to commit any action (or to refrain from any action) that leads to set aside the land, prejudicing its fertility, establishing any establishments, buildings or brick factories on it or to take any action to partition it to establish buildings on it. (articles 151 to 153).

As for the lands in Sinai, they are regulated by law no 14/2012 which prohibits or, with respect to the usufruct, using the property for a purpose other than that it was allotted for (article 3).

## Other indicators

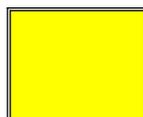
Other indicators not surveyed include transfer costs, stamp duties and lessee protections.

## Employment law

**Generally** The indicator here is whether it is easy or hard to hire and fire employees. The measures include high minimum wages, maximum hours, minimum holidays, maternity rights, equal pay for equal work (non-discrimination) and severance costs.

**Q17** In Egyptian law, there are few controls on hiring and firing employees or on the terms of employment.

True



False



Can't  
say

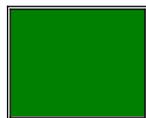


**Comment:** Employment law in Egypt has laid out explicit regulations to control the hiring and firing of employees. We should just note that minimum wages are governed by the national council for wages, but it has not so far taken an active role.

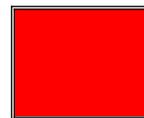
## Environmental restrictions

**Q18** In Egyptian law the rules governing the environment and liability for clean-up are very light and relaxed.

True



False



Can't  
say



**Comment:** The environmental law in Egypt is strict. It sets rules protecting:

1. Land Environment: Rules concerning: the impact of establishments and projects on the environment, hazardous materials and waste.

**Note: The Egyptian rules demand that every natural or legal person, public or private, must present a study of the environmental impact assessment of the establishment or the project before starting implementation thereof.**

2. Air Environment: Rules governing: Establishment, activities, use of machine and exhaust, garbage and solid waste, the level of radioactivity and ozone depleting substances.
3. Water Environment: Rules concerning: (a) pollution from ships: oil, harmful substances, sewage and garbage. (b) pollution from land based sources: discharging and/or throwing any untreated substances and wastes along the seashores and adjoining water.

**In a nutshell: the law requires that any establishment, vehicle or vessel dealing with the treatment, transportation or disposal of waste and oil, or any activity that may have an effect on the environment, being land, water, or air, shall have special licences or certificates, and in accordance with the rules fixing ratios of waste and harmful substances, being subject to the Egyptian law or treaties concerning the environment signed by Egypt.**

The rules also impose a set of sanctions of fines, imprisonment and revoking licenses on the violator of environmental rules. That is all in addition to removing or rectifying the violations at the expense of the violator.

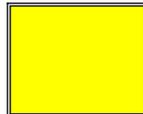
## Openness to foreign business

**Generally** These indicators measure the degree to which the country is open to foreign businesses. The indicators are quite generic and therefore subjective.

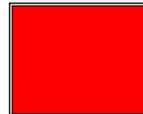
## Foreign direct investment

**Q19** In Egypt foreigners may freely own and control local companies outside protected industries, such as media, banks and defence.

True



False



Can't  
say



**Comment:** Under the Law No. 8 for 1997 foreigners may freely own and control local companies in Egypt whether they are limited liability companies, limited by shares or joint stock companies. But there is an exception regarding limited liability companies in that one of the managers at least must be Egyptian (art. 281 of the executive regulation of law no, 159/1981). However there are some protected industries which foreigners are prohibited to invest in such as importation and commercial agencies.

## Exchange controls

**Q20** In the Egyptian law, there are no exchange controls. Businesses may therefore have foreign bank deposit accounts in foreign currency, borrow in foreign currency and repatriate profits to foreign shareholders in foreign currency.

True



False



Can't  
say

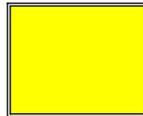


**Comment:** The Central Bank of Egypt law puts no restrictions on having foreign bank deposit accounts in foreign currencies, and the repatriation of profits to foreign share holders in foreign currency as Egypt adopts policies seeking to encourage investment. Also under the Egyptian investment law No.8 for the year 1996 the foreign inflow and outflow of foreign currencies is allowed. But in certain circumstances the CBE may put some restrictions on capital transfers. For example after 25th January 2011, because of the increase in transferring currency abroad, it imposed some restrictions to ensure stability of reserves of foreign currency and more restrictions on Egyptian transfers were put in place. Yet no restriction is currently imposed on foreign companies' repatriation of funds as long as proper documentation is provided.

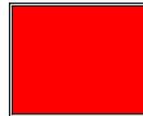
## Alien ownership of land

**Q21** In Egyptian law, foreign-controlled companies have the same rights as nationals or residents to own or lease land without a permit.

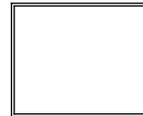
True



False



Can't  
say



**Comment:** According to the investment law (Law no.8 of 1997, Art 28) companies have the right to own and lease lands only for the purpose of the company. According to decree no.350 of 2007, companies and establishments are allowed to own land for their activities whatever the nationality of partners is except the following strategic areas specified by the decree No.52 for 2001, and land adjacent to the borders. For land located in Sinai, they only have the right of usufruct by fixed term contracts and after receiving certain licences and approvals. Also according to the law No.15/1963, foreigners are prohibited, whether they are natural or juristic persons, from owning agricultural lands. Law no.5 of 1996 allows the allocation or lease of desert land owned by the state to foreign investors. This law states some conditions to guarantee the seriousness of the investor:

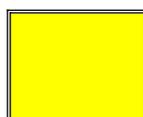
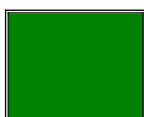
1. In case the of leases, it should not exceed 40 years, which can be renewed.
2. The ownership of the land is transferred to the investor after the payment of the price and starting production.
3. Implementation of the project must be within the time frame specified in the allocation decree, otherwise the land will be withdrawn.
4. The land should be only used for the specified purpose.

## Application of the law

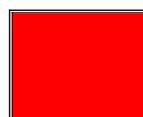
**Generally** These indicators deal with the application of the law, as opposed to what the law actually says. They are bound to be generic and subjective, a matter of impression.

**Q22** In Egypt, the higher courts usually treat big businesses as fairly as they treat individuals and do not favour local interests over foreigners.

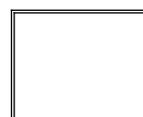
True



False



Can't  
say

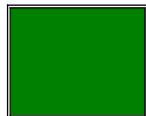


**Comment:** In practice Egyptian higher courts treat businesses as fairly as individuals and also they treat foreigners equally to local persons.

## Costs and delays of commercial litigation

**Q23** The costs and delays of commercial litigation in the higher courts in Egypt are not considered materially greater than in other comparable countries.

True



False



Can't  
say



**Comment:** The costs of litigation in Egypt, relative to other countries, are low. This has pros and cons:-

Pros: the availability of litigation to anyone having an issue under Egyptian law.

Cons: litigation becomes the first means to resolving disputes instead of being the final way, leading to overstocking of cases, including trivial ones.

As for the delays, they are long, as the average court's judgment or award is decided after three years.

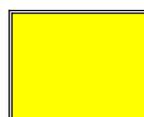
Therefore, the real costs are multiplied due to the need for lawyers to perform bureaucratic procedures. The losses occurring due to the delays may cost more than the benefits resulting from litigation, leading to obstruction of justice

## Overall ranking

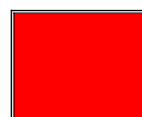
This overall ranking is achieved by a survey of all the rankings as shown in this table:

	Question	Rating
1.	Insolvency set-off	Yellow
2.	Security interest	Yellow
3.	Universal trusts	Yellow
4.	Director liability for deepening insolvency	Yellow
5.	Financial assistance to buy own shares	Yellow
6.	Public takeover regime	Yellow
7.	Exclusion of contract formation	Blue
8.	Termination clauses	Blue
9.	Exclusion clauses	Green
10.	Governing law clauses	Blue
11.	Foreign jurisdiction clauses	Yellow
12.	Arbitration recognition	Blue
13.	Class action	Blue
14.	Ownership of land	Green
15.	Security of land title and land registers	Yellow
16.	Land development restrictions	Yellow
17.	Employment law	Red
18.	Environmental restrictions	Yellow
19.	Foreign direct investment	Green
20.	Exchange controls	Green
21.	Alien ownership of land	Green
22.	Court treatment of foreign big business	Blue
23.	Costs and delays of commercial litigation	Yellow

**True**



**False**



**Can't say**



## **The University of Cairo**

Established in 1868 as the School of Management and Languages, it is the oldest faculty of law in Egypt. It later became the School of Management after separating from the Languages School. In 1925, it joined the University of Cairo (known then as the Egyptian University) and was named the Faculty of Law.

The Faculty's undergraduate section grants bachelors of law. It is divided into three sections: the General Section, English Section and French Section. The General Section offers curriculum of Egyptian law subjects. The courses are taught in Arabic. The English Section offers curriculum of Egyptian law subjects and English and American law subjects. The courses are taught in both Arabic and English depending on the subject. The French Section established according to an agreement between Cairo University and Paris 1 Panthéon-Sorbonne University, where courses are taught in French and Arabic depending on the subject.

The Faculty's graduate section offers masters of law and PhD degrees. The masters of law program offers eleven specialized diplomas as well as professional diplomas. The Faculty also has several research and training centres which provide training and other services to the students and the community: Research and Training Centre for Crime Combat; Research Centre for Legal Studies; Centre for Knowledge and Legal Advice; Centre for Human Rights; Centre for Administrative Development Studies; and Centre for Consumer Protection.

The Faculty of Law aims at graduating individuals who are qualified to understand, practice and develop the law with knowledge of economics and politics. It seeks to promote legal education, the rule of law, human rights, and justice. Since its establishment, the Faculty of Law staff and alumni have played an important role in the legal, political and economic development of Egypt, several of whom served as speakers of the parliament, prime-ministers, ministers, members of the parliament and judges. Staff and alumni have also contributed to the development of legal regimes in several countries in the region by assisting in drafting their constitutions and laws as well as teaching law in their universities and serving as judges. The Faculty also receives many students from abroad studying in the undergraduate and graduate sections.

## Profiles

The survey was carried out by the following students:

### Omar Mohamed Khattab



Omar's just finished his third year and passed to the fourth and final year of Faculty of Law English Section, Cairo University. His main fields of interest are corporate, M&A, banking and finance, commercial law, civil law, capital market (including investment law, central bank law, etc. ), and private and public international law.

Omar is known to be an active student, joining several extracurricular activities including Model of American Congress (Committee On Judiciary), Model of Egyptian Stock Exchange, and Model of United Nations ( Council of International Court of Justice “ranked as best judge” ). He also was on of the team who won the first prize of the Faculty competitions by a research titled "A comparison on cause in Egyptian civil code and consideration in English common law".

Omar has also undertaken internships in HSBC in Egypt as well as Shalakany law firm and, Sharkawy & Sarhan law firm. He looks forward to continuing his studies in one of the leading and top ranked law schools in the world.

Omar can be reached at [khattabyy@gmail.com](mailto:khattabyy@gmail.com)

### Engy Abo-Elhassan Abd-Elghani



Engy has graduated Faculty of Law English Section, Cairo University in 2014. Her main fields of interest are commercial, civil and Islamic Shari’a law.

She joined the students union, committee on community at the Faculty of Law, Cairo University. She also participated in several extracurricular activities.

Engy can be reached at [engy.aboelhassan@gmail.com](mailto:engy.aboelhassan@gmail.com)

## **Mohab Mustafa**



Mohab's just finished his third year and passed to the fourth and final year of Faculty of Law English Section, Cairo University.

Mohab is enrolled in many students activities (he is a secretariat at international model of Arab League, and a delegate in both the international model of European Union and the model of the American Congress). Mohab can be reached at [mohab\\_mostafe@yahoo.com](mailto:mohab_mostafe@yahoo.com)

## **Abdallah Mohamed El-baethy**



Abdallah has just finished his second year at Faculty of Law English section, Cairo University.

He was a delegate at the Arab League Model United Nations "ALMUN" for two years, as well as the Model of American Congress "MAC". He has been to India for a summer internship, after his first academic year. This was organized by AIESEC for the purpose of cultural exchange among universities students through three campuses established by Rayat and Bahraa Group of Institutes. Abdallah can be reached at [alexander\\_2022\\_th@yahoo.com](mailto:alexander_2022_th@yahoo.com).

## **Fagr Muhamed Muheb**



Fagr is a second-year law student at Faculty of Law English Section, Cairo University. Fagr's areas of interest are commercial, criminal law, as well as public and private international law.

She is a participant at an extracurricular activity, being a vice-chair lady of Committee On Foreign Relations and a former delegate of the same committee at Model of American Congress "MAC" at Cairo University.

She is starting two internships during this summer at Baker & Mckenzie law firm & Shalakany law firm at Cairo. Fagr can be reached at [fagrmuheb94@gmail.com](mailto:fagrmuheb94@gmail.com) Or [fikoko\\_180@hotmail.com](mailto:fikoko_180@hotmail.com)

## **Shaimaa Abdul Aty Alfahmy**



Shaimaa is a second-year student at Faculty of Law English Section, Cairo University. Shaimaa's main areas of interest are merges & acquisitions, capital market, corporate law, and arbitration. Shaimaa is an active student, who participates in many student activities , she has been involved in a student organization for nearly five years since 2009, as well as serving as an academic member for a certain project in 2013. She also worked as an organizer in many events.

She looks forward to studying abroad at a leading university, as well as studying Economics next to Law. Shaimaa can be reached at [shaimaa\\_moican@yahoo.com](mailto:shaimaa_moican@yahoo.com)

## **Muhammad Al-Qurashy Hassan**



Al-Qurashy is a second year student at Faculty of law English section, Cairo University. His main fields of interest are public and private international law, and economic legislations.

He also participated in extracurricular activities; most importantly he was a delegate at the Arab League Model United Nations (ALMUN), at The Faculty of Economics and Political Science.

Al-Qurashy can be reached at [mahmad.alqurashy@yahoo.com](mailto:mahmad.alqurashy@yahoo.com)

## **Susan Romana**



Susan Romana has completed her Bachelor's Degree in Law from Cairo University. She is currently doing an internship at Zaki Hashem Attorney Partners, one of the oldest firms in Egypt. Her areas of interest are corporate law, private international law and arbitration.

Susan has been known to be an active student throughout her four years in Law School having culminated her senior year by being the High Representative of the International Model of the European Union (imEU).

She is looking forward to completing her studies at a post-graduate level and can be reached at [susan.romana@gmail.com](mailto:susan.romana@gmail.com)

## **The faculty members managing the survey**

### **Dr. Ahmed Farouk Ali Weshahy**

Dr. Ahmed heads the English Section of the Faculty of Law. He is an assistant professor of commercial and corporate law at the University of Cairo Faculty of Law. He holds a PhD from the Faculty of Law Aix Marseille III University, Masters of Law and LLB from the University of Cairo Faculty of Law. He can be reached at the following email: [aweshahy@fles-cu.com](mailto:aweshahy@fles-cu.com)

### **Dr. Amr Abbas Mohamed Adel**

Amr is a lecturer of economic legislation and public finance at the Cairo University Faculty of Law. His research interests include banking, capital markets, Islamic finance and international investment law. Amr practices law and his practice includes finance, M&A, capital markets, international arbitration and oil & gas. He was recognized as a leading lawyer in Banking & Finance, Capital Markets and Mergers & Acquisitions in the International Financial Law Review 1000, 2014.

Amr holds a PhD from the University of London, Queen Mary College, Centre for Commercial Law Studies (Ibrahim Shihata Scholar), an LLM from George Washington University Law School (Thomas Burgenthal Scholar), an LLM from Cairo University Faculty of Law, and an LLB with distinguished honors from the University of Cairo Faculty of Law English Section (highest ranking graduate in the English Section). He can be reached at the following email: [Amr.abbas@cu.edu.eg](mailto:Amr.abbas@cu.edu.eg)

## **Members of the Practitioner Expert Panel**

### **Aly El Shalakany**

Aly El Shalakany is a partner with Shalakany Law Office who works across a number of different transactional areas, including Finance, Projects and M&A. Aly is also involved in a number of NGO initiatives and founded Sheraa, an NGO specialized in legislative and constitutional reform in connection with socio-economic issues.

In addition, Aly is very involved in the entrepreneurship ecosystem and is the Chairman of the Cairo Angels, an angel investing network that invests in startups throughout the MENA region.

### **Omar S. Bassiouny**

Omar S. Bassiouny is the co-founder and Executive Partner of Matouk Bassiouny. Omar heads the firm's Corporate/ M&A group and has been consistently ranked in the top tier by legal periodicals in the areas of corporate law and mergers and acquisitions. Omar focuses on all corporate matters including M&A, public takeovers, restructuring and cross-borders transactions. In addition to corporate, Omar has significant experience on all aspects of investing and doing business in Egypt.

Recognized for his negotiations skills and business sense, Omar has also considerable expertise in setting-up joint ventures and new projects in Egypt, as well as ensuring compliance with local laws and corporate governance. He holds a bachelors of art in Public and International Law from the American University in Cairo (1998) and Licence en Droit from the Faculty of Law, Cairo University: (1999).

## **Ahmed El Sharkawy**

Ahmed is a partner in Sharkawy & Sarhan. His practice focuses on M&As, capital market, finance, real estate and PPPs. Ahmed was selected by the International Who's Who of Public Procurement Lawyers 2009 as being one of the two leading Public Procurement lawyers in Egypt. He was also selected by the IFLR1000 as a leading lawyer.

Prior to co-founding Sharkawy & Sarhan, Ahmed has worked as an in-house counsel first with a major industrial group and subsequently as the Country Legal Counsel for Citigroup in Egypt.

After founding Sharkawy & Sarhan, Ahmed led a number of high profile matters and transactions, in particular in the fields of M&As, finance and public procurement. Ahmed holds an LLB from the Faculty of Law, English Section, Cairo University (1999) and an LLM in International Banking and Financial Law from the Faculty of Law, Boston University.

## **Mohamed Ghannam**

Mohamed Ghannam is a Principal in the Cairo office of Baker & McKenzie. He has practiced in the Chicago, Riyadh and Cairo offices of Baker & McKenzie. He is consistently ranked in the top tier in banking, project finance and M&A by Chambers Global, PLC, IFLR. He focuses on project finance, infrastructure, M&A, oil and gas, and transactional work.

Mohamed received his law degree with high honors from Cairo University Law School (1985) and graduated among the top 1%. He received a Master of Laws degree from Harvard Law School in 1987 and a second Master of Laws degree from Chicago-Kent Law School in 1993 (Dean's List).

## **Allen & Overy Global Law Intelligence Unit**

The Allen & Overy Global Law Intelligence Unit is part of the international firm of Allen & Overy and produces papers, surveys and other works on cross-border and international law within the field of its practice. Allen & Overy is one of the largest legal practices in the world with approximately 5,000 people, including some 512 partners, working in 40 offices worldwide. For further information, please contact Philip Wood, [philip.wood@allenoverly.com](mailto:philip.wood@allenoverly.com) or Melissa Hunt, [melissa.hunt@allenoverly.com](mailto:melissa.hunt@allenoverly.com).

Philip R Wood QC (Hon) BA (Cape Town), MA (Oxon) LLD (Lund, Hon)

Head, Allen & Overy Global Law Intelligence Unit

Special Global Counsel at Allen & Overy LLP

Visiting Professor in International Financial Law, University of Oxford

Yorke Distinguished Visiting Fellow, University of Cambridge

Visiting Professor, Queen Mary College, University of London

Philip Wood is one of the world's leading comparative lawyers and practitioners. He has written about 18 books on financial law. He was formerly a partner and head of the banking department of Allen & Overy. For many years he has been developing innovative and pioneering methodologies for assessing legal jurisdictions and has produced a book of maps of world financial law. His university textbook on the Law and Practice of International Finance has been translated into Chinese and a Japanese version is forthcoming.

Melissa Hunt is project director of the Intelligence Unit and is responsible for the management of the project. She carries out other work for the Intelligence Unit, including the preparation of tables covering rule of law and legal infrastructure risks in the jurisdictions of the world.

Allen & Overy LLP  
One Bishops Square  
London E1 6AD

T: 00 44 (0)20 3088 0000

D. 00 44 (0)20 3088 2552

M. 00 44 (0)7785 500831

[philip.wood@allenoverly.com](mailto:philip.wood@allenoverly.com)  
[intelligence.unit@allenoverly.com](mailto:intelligence.unit@allenoverly.com)

D. 00 44 (0)20 3088 2750

[melissa.hunt@allenoverly.com](mailto:melissa.hunt@allenoverly.com)



Allen & Overy LLP

One Bishops Square, London E1 6AD United Kingdom | Tel +44 (0)20 3088 0000 | Fax +44 (0)20 3088 0088 | [www.allenoverly.com](http://www.allenoverly.com)

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