

PANORAMIC

FINTECH

Egypt

LEXOLOGY

Fintech

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FINTECH LANDSCAPE AND INITIATIVES

General innovation climate

What is the general state of fintech innovation in your jurisdiction?

Fintech is governed by several Egyptian laws and regulations, including the following main laws and regulations (as amended):

- the Non-cash Payment Methods Law No. 18 of 2019;
- the E-signature Law No. 15 of 2004 and its Executive Regulation;
- the Non-Financial Markets and Instruments Law No. 10 of 2009;
- the Microfinance Law No. 141 of 2014;
- the Trade Code No. 17 of 1999;
- the Consumer Finance Law No. 18 of 2020;
- the Cybercrime Law No. 175 of 2018;
- the Investment Law No. 72 of 2017 and its Executive Regulation;
- the Consumer Protection Law No. 181 of 2018 and its Executive Regulation;
- the Small and Microenterprises Law No. 141 of 2004 and its Executive Regulation;
- the Telecoms Law No. 10 of 2003;
- the Media Law No. 180 of 2018;
- the Capital Market Law No. 95 of 1992 and its Executive Regulation;
- the Movable Securities Law No. 115 of 2015 and its Executive Regulation;
- the Anti-Money Laundering Law No. 80 of 2002 and its Executive Regulation;
- the Public Entities Contracts Law No. 182 of 2018 and its Executive Regulation;
- Presidential Decree No. 89 of 2017, founding the National Payments Council;
- the Banking Law No. 194 of 2020 (the Banking Law);
- the Data Protection Law No. 151 of 2020 (the Data Protection Law); and
- the Non-Banking Financial Services Law No. 5 of 2022 (the Fintech Law).

Fintech was not regulated in Egypt until the issuance of the Banking Law, which addresses the regulation of several fintech sectors, including digital banks, cryptocurrency and e-payments. The current government of Egypt has promoted and continues to promote financial inclusion and the digitalisation of the financial sector in Egypt. In February 2022, the new Fintech Law came into force under Law No. 5 of 2022, which aimed to facilitate the integration of technologies into financial services and formulate a regulatory framework for fintech businesses to support non-banking financial services. It covers multiple services such as robo-advisory, microfinance, insurtech, artificial intelligence, mobile applications and digital platforms. The Executive Regulation of the Fintech Law came into force in April 2022, applying the procedures and conditions for a Fintech licence under the Fintech Law.

Law stated - 22 May 2025

Government and regulatory support

Do government bodies or regulators provide any support specific to financial innovation? If so, what are the key benefits of such support?

In May 2019, the Central Bank of Egypt (CBE) launched a regulatory sandbox to offer fintech players with a virtual space within which they can experiment with their solutions for a limited period of time on a small scale, under a well-defined regulatory framework. In November 2024, the Financial Regulatory Authority (FRA) issued Decree No. 163 of 2024, establishing the aforementioned sandbox aimed at enabling startups to engage in non-banking financial activities. This initiative is designed to facilitate the entry of smart startups into the market and support development of innovative fintech solutions.

Furthermore, a number of funding initiatives have been made available to fintech start-ups in Egypt. For example, in March 2019, the CBE launched the Fintech Innovation Fund with a value of 1 billion Egyptian pounds. In April 2019, the International Finance Corporation launched, in collaboration with two local partners in Egypt, a two-year programme to support the fintech space in Egypt, and the World Bank Group set aside US\$200 million for small and medium-sized enterprises in Egypt, which can also be used by small and medium-sized fintech players.

In response to the covid-19 pandemic, the CBE organised the distribution of free point-of-sale terminals, eased fees and charges and increased contactless payment limits. In November 2020, the [e-invoicing system was launched](#).

Law stated - 22 May 2025

FINANCIAL REGULATION

Regulatory bodies

Which bodies regulate the provision of fintech products and services?

Several bodies are responsible for enforcing fintech-related laws and regulations, including:

- the Central Bank of Egypt (CBE), which is empowered by Law No. 88 of 2003 on the Central Bank of Egypt and the Banking Sector (Banking Law No. 194 of 2020) to, among other things, regulate bank accounts and banking transactions;
- the Information Technology Industry Development Agency, which is empowered by the E-signature Law No. 15 of 2004 to, among other things, promote and develop the information technology and communications industry, support small and medium-sized enterprises in using e-transactions and regulate e-signature services activities;
- the Financial Regulatory Authority (FRA), which is empowered by the Non-Financial Markets and Instruments Law No. 10 of 2009 to, among other things, license the carrying out of non-banking financial activities and the protection of stakeholders within the non-banking financial market; it is also empowered by the new Non-Banking Financial Services Law No. 5 of 2022 (the Fintech Law) to issue licences to non-banking financial services who use fintech;
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the National Payments Council, which is empowered by Presidential Decree No. 89 of 2017 to, among other things, reduce the use of cash outside the banking sector, support and encourage the use of electronic methods and channels instead of cash, and protect the consumers of any payment systems and services; and

- the National Telecommunications Regulatory Authority, which is generally empowered by Telecoms Law No. 10 of 2003 to regulate and enhance telecommunication services.

Law stated - 22 May 2025

Regulated activities

Which activities trigger a licensing requirement in your jurisdiction?

In general, according to the Banking Law and several judgments issued by the economic courts, neither natural nor juristic persons may practise any banking activity in Egypt without being licensed by and registered with the CBE except for public legal persons who carry out any such work within the limits of their establishment.

'Banking activities' are defined under the Banking Law, as 'banking business'. It is every activity that mainly and habitually deals with accepting deposits, obtaining financing and investing these funds in providing financing and credit facilities or contributing to the capital of companies' funds and all that takes place in banking custom. This definition is also adopted by the Trade Code No. 17 of 1999.

Any person that violates these provisions is subject to imprisonment or a fine of not less than 1 million Egyptian pounds and not more than 10 million Egyptian pounds, in accordance with the Banking Law. There are two main prerequisites that must be satisfied to apply such penalties with respect to any banking activity, namely carrying out the banking activity on a regular basis and having the banking activity as the main activities of any person, including individuals and juristic persons.

Other than the aforementioned general rule, each of the following activities are also regulated and subject to licensing requirements in Egypt:

- microfinancing;
- investment banking;
- brokerage;
- factoring;
- foreign exchange trading;
- payment services;
- e-commerce;
- financial leasing;
- mortgage finance; and
- consumer lending.

Law stated - 22 May 2025

Consumer lending

Is consumer lending regulated in your jurisdiction?

Consumer Finance Law No. 18 of 2020 (the Consumer Finance Law), issued on 16 March 2020, governs any activity aimed at financing the purchase of products or services for consumption purposes as long as the activity will be carried out on a regular basis. Among these activities is financing through payment cards or any other means decided by the CBE.

The aforementioned consumer finance-related activities may not be carried out in Egypt unless a licence is obtained from the FRA. The licence requires, among other things, carrying out of activities by a joint-stock company with an issued capital of at least 10 million Egyptian pounds.

The Consumer Finance Law (including the licensing requirement) does not apply to all banks registered with the CBE nor any entity licensed to carry out mortgage financing, financial leasing, factoring, microfinancing or the purchasing of properties from real estate developers.

The Consumer Finance Law applies only to vehicles, durable products, educational services, medical services, travel and leisure services as well as any other products and services that are determined by the FRA.

Law stated - 22 May 2025

Secondary market loan trading

Are there restrictions on trading loans in the secondary market in your jurisdiction?

In general, there are no restrictions on trading loans in Egypt. However, if the trading is being carried out on a regular basis, then it may be deemed as carrying out banking activities, in which case licensing by and registration with the CBE is required.

The assignment of debts in Egypt is subject to a specific legal framework to be effective in respect of debtor and surety (if any).

Law stated - 22 May 2025

Collective investment schemes

Describe the regulatory regime for collective investment schemes and whether fintech companies providing alternative finance products or services would fall within its scope.

As a general rule, no activity related to investment funds may be carried out unless a licence is obtained from the FRA. Banks registered with the CBE may carry out such activity, provided that the relevant approval is obtained from the CBE.

Investment funds may, in general, be established in the form of a joint-stock company with a minimum issued capital of 5 million Egyptian pounds or its equivalent in any currency.

Licensed investment funds must deposit any securities that they are investing in one of the banks that are registered with the CBE, provided that the bank (and its related parties) does not control or hold more than 10 per cent of the total shares of the investment fund company. One of the licensing requirements to be qualified for the investment fund underwriting is having the minimum required infrastructure and technology to do so. Investment funds may take the form of an open-end fund, closed-end fund, private equity fund, exchange-traded fund, money market fund, debt fund, real estate fund, donor-advised fund or related fund.

Generally, promoting investment funds is not allowed prior to establishing them except for in the case of private equity funds and provided that, among other things, a notification is sent to the FRA and that no underwriting is made as part of the promotion.

Most of the alternative financial products and services that are provided by fintech companies generally fall within the scope of either collective investment schemes or banking activities.

Law stated - 22 May 2025

Alternative investment funds

Are managers of alternative investment funds regulated?

Managers of alternative investment funds are regulated, including board members.

Law stated - 22 May 2025

Peer-to-peer and marketplace lending

Describe any specific regulation of peer-to-peer or marketplace lending in your jurisdiction.

Peer-to-peer and marketplace lending can be deemed as banking activities, in which case licensing by and registration with the CBE is required in accordance with the Banking Law.

Law stated - 22 May 2025

Crowdfunding

Describe any specific regulation of crowdfunding in your jurisdiction.

Crowdfunding falls within the definition of banking activities; however, it may also be a form of a donor-advised fund.

In practice, a number of donor-advised funds have been established by a special presidential decree rather than a licence from the FRA. For example, Presidential Decree No. 139 of 2014 established a fund of a private nature called the Tahya Misr Fund for the purpose of assisting the government in, among other things, establishing development and service projects as well as developing slums and micro and small projects.

The government has used the crowdfunding approach to fund a number of public utility projects, such as the the development of the New Suez Canal in 2014, with an approximate cost of 30 billion Egyptian pounds.

Law stated - 22 May 2025

Invoice trading

Describe any specific regulation of invoice trading in your jurisdiction.

Invoice trading may be characterised under Egyptian law as a banking activity (if providing credit), and may also be characterised as factoring. However, this can be assessed on a case-by-case basis.

Licensed factors are allowed to provide, among other things, guarantee, collection and account management services.

The following three main conditions are required in the subject of any factoring transaction:

1. it must be created from a commercial transaction related to the relevant buyer and debtor but not through cash financing;
2. it must not be associated with any third party's existing or future right; and
3. it must not be limited or restricted unless otherwise agreed by the relevant factor and buyer.

The subject may also be fully depreciated, provided that points (2) and (3) are satisfied.

The provisions of the Banking Law and several judgments issued by the economic courts also apply to factoring.

Law stated - 22 May 2025

Payment services

Are payment services regulated in your jurisdiction?

A dedicated regulation governs the provisions of payment services by technical payment aggregators or payment facilitators. Service agreements are subject to specific know-your-customer and anti-money laundering checks, and must incorporate specific terms and conditions for those services, including a restriction on subcontracting unless certain conditions are met.

Under the Banking Law, no activity concerning the operation of a payment system or the provision of a payment system may be carried out unless a licence is obtained by the CBE. This new restriction applies to all persons, whether natural or juristic, engaging in such activities within Egypt or providing the services from abroad to any residents in Egypt. Exemptions are granted to stock exchanges, futures exchanges, securities settlement systems, licensed central clearing, depository and registry systems, custodian banks and internal systems operated by the Egyptian Ministry of Finance, provided that these systems do not include payment, collection, setting-off or clearance of payment.

Law stated - 22 May 2025

Open banking

Are there any laws or regulations introduced to promote competition that require financial institutions to make customer or product data available to third parties?

The CBE recently introduced a set of regulations regarding open banking, which govern instant payment network services in Egypt. This new regulation allows people to make electronic payments between bank accounts using their mobile phones via application programming interfaces. However, a licence must be obtained from the CBE by banks wishing to provide such services.

Law stated - 22 May 2025

Robo-advice

Describe any specific regulation of robo-advisers or other companies that provide retail customers with automated access to investment products in your jurisdiction.

The new Fintech Law and its Executive Regulation introduced regulations on robo-advisers, which are subject to licensing by the FRA. In 2024, the FRA issued Decree No. 57 of 2024, establishing the rules and regulations for the operation of robo-advisers for Investment. A robo-adviser is defined as an electronic system that provides financial advice to clients for the purpose of creating, managing, and rebalancing an investment portfolio using artificial intelligence algorithms. The FRA highlighted that portfolio management companies are now authorised to provide automated investment advice via said robo-advisers.

Law stated - 22 May 2025

Insurance products

Do fintech companies that sell or market insurance products in your jurisdiction need to be regulated?

According to Insurance Law No. 10 of 1981, no one is permitted – in person or through an intermediary – to carry out any activity related to insurance or reinsurance in Egypt without obtaining a licence from the FRA. Fintech companies that sell or market insurance products fall within the scope of this restriction and are regulated in Egypt.

Furthermore, the new Fintech Law and its Executive Regulation also regulates insurtech, which is subject to licensing by the FRA.

Law stated - 22 May 2025

Credit references

Are there any restrictions on providing credit references or credit information services in your jurisdiction?

All services relating to the provision of credit rating and indebtedness references are regulated. Such services require a licence from the CBE. Currently, there is only one licensed company, namely the Egyptian Credit Bureau, that is subject to a specific legal framework governing the provisions of those references. In general, disclosing credit ratings and indebtedness references related to any person is not allowed unless approval is obtained from the relevant person.

Law stated - 22 May 2025

CROSS-BORDER REGULATION

Passporting

Can regulated activities be passported into your jurisdiction?

Not applicable.

Law stated - 22 May 2025

Requirement for a local presence

Can fintech companies obtain a licence to provide financial services in your jurisdiction without establishing a local presence?

Fintech companies cannot obtain a licence to provide financial services in Egypt without first establishing a local presence.

Law stated - 22 May 2025

SALES AND MARKETING

Restrictions

What restrictions apply to the sales and marketing of financial services and products in your jurisdiction?

In general, the sales and marketing of financial services and products in Egypt are regulated and subject to prior licensing and approval.

Law stated - 22 May 2025

CRYPTOASSETS AND TOKENS

Distributed ledger technology

Are there rules or regulations governing the use of distributed ledger technology or blockchains?

There are no specific regulations or rules applied to distributed ledger technology or blockchains. However, Banking Law No. 194 of 2020 (the Banking Law) prohibits the issuance or trade of cryptocurrencies or electronic money and the creation or operation of platforms for their trading without obtaining a licence from the Central Bank of Egypt (CBE) in accordance with the rules and procedures it specifies.

Law stated - 22 May 2025

Cryptoassets

Are there rules or regulations governing the promotion or use of cryptoassets, including digital currencies, stablecoins, utility tokens and non-fungible tokens (NFTs)?

The Banking Law prohibits the issuance or trade of cryptocurrencies or electronic money and the creation or operation of platforms for their trading without obtaining a licence from the CBE in accordance with the rules and procedures it specifies.

Law stated - 22 May 2025

Token issuance

Are there rules or regulations governing the issuance of tokens, including security token offerings (STOs), initial coin offerings (ICOs) and other token generation events?

There is no specific regulation governing STOs or ICOs in Egypt.

Law stated - 22 May 2025

ARTIFICIAL INTELLIGENCE

Artificial intelligence

Are there rules or regulations governing the use of artificial intelligence, including in relation to robo-advice?

There is no special regulation in Egypt governing artificial intelligence (AI). However, in accordance with Prime Ministerial Decree No. 2889 of 2019, a new national council was established called the National Council for Artificial Intelligence (NCAI) chaired by the Minister of Communications and Information Technology. The NCAI is empowered to determine, supervise, and follow up on Egypt's national strategy for AI in light of international developments. In 2023, the NCAI published the Egyptian Charter for Responsible AI, whereby it outlined guidelines and implementations for safe AI in Egypt.

In addition, the Minister of Higher Education has begun adding special AI departments to several engineering universities in Egypt since 2019. Moreover, the government has created

an enabling legal environment to govern the uses of AI. This involves the issuance of the Data Protection Law No. 151 of 2020, in July 2020, which regulates the relationship between data owners and users.

With regards to robo-advice, it is still newly regulated under the Non-Banking Financial Services Law No. 5 of 2022 and is subject to licensing from the Financial Regulatory Authority.

Law stated - 22 May 2025

CHANGE OF CONTROL

Notification and consent

Describe any rules relating to notification or consent requirements if a regulated business changes control.

Notification and consent requirements depend on several elements, such as the type and location of business, subject of the change of control. For instance, no one is allowed to acquire between 5 and 10 per cent of the issued capital of any bank registered with the Central Bank of Egypt (CBE) unless a notification is sent to the CBE. Prior approval from the CBE is required to acquire more than 10 per cent of the issued capital. A similar restriction applies to insurance companies.

In April 2024, the Egyptian Prime Minister issued Decree No. 1120 of 2024, enacting the Executive Regulations of the Antitrust Law No. 3 of 2005 as amended and its Executive Regulations, which came into force 1 June 2024, whereby the newly introduced pre-approval scheme replaced the post-notification requirement. This new pre-approval scheme requires that any transaction constituting economic concentration (namely, a change in control or material influence of a person resulting from a merger, acquisition or joint venture) and fulfilling the notification thresholds shall obtain the Egyptian Competition Authority's pre-approval.

Furthermore, the Financial Regulatory Authority (FRA)'s notification and pre-approval is required for any potential "economic concentration" that fulfils the financial thresholds, provided that the concerned persons with the economic concentration exercise one of the activities under FRA's supervision. These activities include securities and capital markets, insurance, reinsurance or insurance brokerage activities, mortgage finance activities, financial leasing activities, securitisation and factoring activities, and microfinance.

Law stated - 22 May 2025

FINANCIAL CRIME

Anti-bribery and anti-money laundering procedures

Are fintech companies required by law or regulation to have procedures to combat bribery or money laundering?

Money laundering is mainly governed by the Anti-Money Laundering Law No. 80 of 2002 (the AML) and its Executive Regulation.

The AML names 15 entities that must comply with its provisions and its Executive Regulation, including all banks, branches of foreign banks in Egypt and money transfer entities.

Those entities are also subject to several obligations under other laws governing their specific activities. Violating these obligations will result in imposing different penalties including fines or imprisonment, or both.

Law stated - 22 May 2025

Guidance

Is there regulatory or industry anti-financial crime guidance for fintech companies?

All available guides can be found on the [anti-money laundering page](#) of the Central Bank of Egypt's website.

Law stated - 22 May 2025

DATA PROTECTION AND CYBERSECURITY

Data protection

What rules and regulations govern the processing and transfer (domestic and cross-border) of data relating to fintech products and services?

Data Protection Law No. 151 of 2020 (the Data Protection Law) applies to any personal data that is subject to electronic processing, whether partially or entirely.

The Data Protection Law generally prohibits the transfer of personal data to a foreign country without first obtaining a licence from the new regulatory authority for personal data protection – typically referred to as the Data Protection Centre – and where the level of protection is less than what is provided for by the Data Protection Law. The policies and regulations for cross-border transfer shall be specified by the Executive Regulations, which have not yet been issued. Upon the date of its issuance, any entity – subject to the Data Protection Law – shall be required to legitimise its position within one year.

Law stated - 22 May 2025

Cybersecurity

What cybersecurity regulations or standards apply to fintech businesses?

According to Cybercrime Law No. 175 of 2018, all providers of information technology and telecommunications services, including the processing or storing of data, must retain and store users' data for at least 180 continuous days, including identification, the content of the services' system, communication traffic, terminals and any other data required by the National Telecommunications Regulatory Authority.

The providers must also keep all stored and archived data (including personal data) confidential and not disclose the data unless there is a court order to do so.

Law stated - 22 May 2025

OUTSOURCING AND CLOUD COMPUTING

Outsourcing

Are there legal requirements or regulatory guidance with respect to the outsourcing by a financial services company of a material aspect of its business?

There are specific legal requirements and regulatory guidance for the outsourcing of specific services. For instance, online trading is subject to specific regulations that require brokerage companies to fulfil certain conditions and requirements ahead of providing any trading solutions online. These requirements include specific technical requirements and conditions on the information technology infrastructure of the brokerage companies. Another example, according to a circular issued by the Central Bank of Egypt (CBE) in 2014, is that no bank registered with the CBE may provide internet banking solutions, including online lending, unless prior authorisation is obtained from the CBE. This prior authorisation requires all banks registered with the CBE to meet specific legal requirements, including the provision of a penetration test report to the CBE.

According to Banking Law No. 194 of 2020 (the Banking Law), the board of directors determines the important services provided to banks such as outsourcing and technical services. It has the right to set the conditions and procedures for registering their providers with the CBE, provided that they determine, in particular, the minimum that must be met with regard to governance requirements, risk management, service performance standards and controls for maintaining confidentiality. Additionally, banks are prohibited from seeking assistance from such service providers who are not registered with the CBE. They shall be fully responsible for these actions.

Delegated services are defined by the Banking Law as the services delegated by licensed entities to third parties to perform certain functions and services on their behalf. Accordingly, these delegated service providers must be registered with the CBE.

Law stated - 22 May 2025

Cloud computing

Are there legal requirements or regulatory guidance with respect to the use of cloud computing in the financial services industry?

Cloud computing is subject to Cybercrime Law No. 175 of 2018, which applies to any person providing users, directly or indirectly, with any information technology and telecommunications service, including processing or data storage. Such providers must retain and store users' data for at least 180 consecutive days, including identification, the content of services' system, communication traffic, terminals and any other data required

by the National Telecommunications Regulatory Authority (NTRA). Furthermore, any cloud computing service provider in Egypt is required to obtain a license from NTRA.

According to Media Law No. 180 of 2018, a prior licence from the Supreme Council for Media Regulation is required to launch any website in Egypt if:

- the website will be created in Egypt;
- the website will be managed by any person in Egypt; or
- any of the website's subdomains will be managed by any person in Egypt.

Law stated - 22 May 2025

INTELLECTUAL PROPERTY RIGHTS

IP protection for software

Which intellectual property rights are available to protect software, and how do you obtain those rights?

Software is protected in Egypt in the form of copyright. This protection requires the registration of the software, including, among other things, the first and final 10 pages of the source code, with the Information Technology Industry Development Agency.

Law stated - 22 May 2025

IP developed by employees and contractors

Who owns new intellectual property developed by an employee during the course of employment? Do the same rules apply to new intellectual property developed by contractors or consultants?

According to Intellectual Property Rights Law No. 82 of 2002 (the IPR), only the person who provides the direction to create a joint work is entitled to exercise the author rights of the work. This rule applies to copyright created by employees during the course of their employment.

For contractors and consultants, it depends on the specific terms and conditions of the relevant development or service agreement.

Law stated - 22 May 2025

Joint ownership

Are there any restrictions on a joint owner of intellectual property's right to use, license, charge or assign its right in intellectual property?

According to the IPR, if there is more than one author of any work, all participants in the work are considered joint authors. None of them can individually exercise any right over the work unless otherwise agreed by the authors in writing.

Law stated - 22 May 2025

Trade secrets

How are trade secrets protected? Are trade secrets kept confidential during court proceedings?

Trade secrets (including confidential information) are protected by the IPR, provided that the secrets:

- are maintained as confidential and are not within the public domain;
- maintain their value as a result of their confidential status; and
- maintain their confidentiality status under the effective protection measures taken by their owner.

According to the IPR, the court will maintain the confidentiality of trade secrets.

Law stated - 22 May 2025

Branding

What intellectual property rights are available to protect branding and how do you obtain those rights? How can fintech businesses ensure they do not infringe existing brands?

Branding is generally protected as both copyright and trademark.

Law stated - 22 May 2025

Remedies for infringement of IP

What remedies are available to individuals or companies whose intellectual property rights have been infringed?

There are several remedies under Egyptian law for owners of intellectual property rights, including specific performance and the right to claim damages to cover all the losses incurred by the owner as well as all the profits of which the owner has been deprived as a result of the infringement.

Law stated - 22 May 2025

COMPETITION

Sector-specific issues

Are there any specific competition issues that exist with respect to fintech companies in your jurisdiction?

To assess whether there is an antitrust-related risk, it must first be determined whether the relevant fintech player is deemed to be in a dominant position in accordance with the meaning given under Antitrust Law No. 3 of 2005 as amended and its Executive Regulations (the Antitrust Law).

For a fintech player and its controlled affiliates in Egypt to be deemed to be in a dominant position under the Antitrust Law, the player must:

1. hold a market share exceeding 25 per cent of the market that is relevant to each service provided by the player (the relevant market), the percentage being calculated based on two elements, namely the relevant products (the relevant market products) and the geographic area during a certain period;
2. be able to make an impact on changing the prices or the quantity of the market products (the dominant ability); and
3. not be in a position to limit the dominant ability, noting that the competitors have the ability to carry out the same business as the fintech player in Egypt whether at present or in the future.

Points (2) and (3) are reviewed and assessed by the Egyptian Competition Authority (ECA) based on specific criteria.

If the fintech player is in a dominant position in the relevant market, then that player must be in a position to conduct certain practices, including entering into any agreement with any of its suppliers or customers that results in limiting competition.

The assessment of any violation under the Antitrust Law is made by the ECA on a case-by-case basis according to specific criteria, including, among other things, the benefits of customers and commercial customs. The assessment is subject to a judicial review by the economic courts.

Law stated - 22 May 2025

TAX

Incentives

Are there any tax incentives available for fintech companies and investors to encourage innovation and investment in the fintech sector in your jurisdiction?

Investment Law No. 72 of 2017 provides fintech companies, subject to the satisfaction of specific criteria, with several key guarantees and incentives, including:

- exemption from stamp duty and the notarisation fee imposed on articles of incorporation, facilities and loans agreements, security documents or plot of land purchase agreements for five years, starting from the date of registration with the Commercial Registry;
- application of a unified custom duty at a flat rate of two per cent of the value of any equipment, machinery and device that is necessary for establishment of the investment projects; and

- tax reduction for seven years, from the date of starting the investment projects in Egypt, subject to a specific formula.

Law stated - 22 May 2025

Increased tax burden

Are there any new or proposed tax laws or guidance that could significantly increase tax or administrative costs for fintech companies in your jurisdiction?

The ETA is currently in the process of proposing several amendments to the existing tax regimes in Egypt, whereby a new digital tax will be introduced. However, it is premature to determine the rates under the proposed digital tax regime.

On 26 March 2020, the Minister of Finance issued Decree No. 188 of 2020 introducing a mandatory clearance e-invoicing framework where all issued invoices must be digitally transmitted to the ETA in real time before being sent to the customer. The decree obliges all value added tax-registered businesses to issue an electronic invoice containing the issuer's electronic signature and a unified code for the goods or services.

On 2 August 2020, the ETA issued Decree No. 386 of 2020 listing 134 companies who are obliged to issue electronic tax invoices for their sold goods or rendered services as of 15 November 2020. This date is the first phase of a broader roll-out of the e-invoicing obligation. In addition, voluntary adoption of the e-invoicing system is permitted if certain conditions and controls are satisfied.

On 20 November 2020, the ETA issued Decree No. 518 of 2020 listing 347 companies, as a second phase, who are obliged to issue electronic tax invoices for their sold goods or rendered services as of 15 February 2021. It was announced through the media that, by the end of June 2021, the e-invoicing system would be mandatory for all companies.

Furthermore, Decree No. 125 of 2021 with regard to the e-invoicing implementation requires all companies registered with the ETA, regardless of their size, to issue their invoices electronically from 15 February 2022.

According to the Ministry of Finance, value added tax is no longer deductible from paper invoices as of January 2022.

According to Decree No. 188 of 2023, when determining the net commercial and industrial taxable profits of financiers registered in the electronic tax invoice system, only electronic invoices shall be considered in proving deductible costs and expenses as of 1 July 2023, with the exception of paper invoices previously issued by financiers and written before the date of their obligation to issue electronic tax invoices.

Law stated - 22 May 2025

IMMIGRATION

Sector-specific schemes

What immigration schemes are available for fintech businesses to recruit skilled staff from abroad? Are there any special regimes specific to the technology or financial sectors?

As a general rule, non-Egyptians are not allowed to work in Egypt without being permitted to do so by the Ministry of Manpower. In practice, the issuance of a work permit takes up to three months and is valid from one to three years.

The proportion of foreign employees must not exceed 10 per cent of the total number of employees and must not exceed 20 per cent of the company's payroll. The 10 per cent threshold may be increased to 20 per cent for fintech businesses subject to specific criteria.

Law stated - 22 May 2025

UPDATE AND TRENDS

Current developments

Are there any other current developments or emerging trends to note?

The issuance of the new Non-Banking Financial Services Law No. 5 of 2022 is the first set of regulations in Egypt governing the integration of technology into financial services such as robo-advisory, microfinance, insurtech, artificial intelligence, mobile applications and digital platforms.

In July 2023, the Central Bank of Egypt (CBE) issued regulations regarding the licensing and regulatory framework for digital banks in Egypt, which effectively allow for the establishment and operation of digital banks in an effort to support innovation and transformation of the digital economy, while representing an important step in aligning with global developments in the financial technology industry.

The CBE revealed that it is mulling the application of Central Bank Digital Currency (CBDC). As stipulated by the CBE, such CBDC is a safe and stable alternative to other types of cryptocurrencies and to mitigate the risks arising with regards to digital financial services. This constitutes part of the measures taken by CBE against the spread and circulation of cryptocurrencies.

In January 2024, the Financial Regulatory Authority (FRA) issued Decree No. 286 of 2023 (the Decree) regarding the rules and procedures for the establishment and licensing of emerging financial technology companies to engage in non-banking financing activities. The Decree applies to a variety of non-banking financing activities, including, inter alia, real estate financing, consumer financing and factoring. Moreover, it stipulates the conditions required to enable the incorporation of a non-banking financing company, as well as the procedures for obtaining the required licence to engage in their activities.

Furthermore, as reported by news websites in 2025, the FRA has approved the integration of financial technology into the operations of Telda Securities, Beltone Securities, and Thndr Securities brokerage firms. This comes within its strategy to digitise and modernise non-banking financial services. Additionally, it was also reported by news websites that the FRA renewed its warnings regarding cryptocurrency and engaging in entities offering cryptocurrency. Accordingly, the FRA website now provides a list of licensed non-banking

financial entities, in order to protect investors from engaging with entities soliciting investments and offering financing without proper licensing.

Law stated - 22 May 2025