## **Employment Insight**

## **Global Mobility: Talent has no borders**

Seconding employees to the Arab Republic of Egypt

By Lauren Salt and David Goldberg

In continuation of our discussion on immigration considerations when seconding employees to key African jurisdictions, in this edition, we consider the Arab Republic of Egypt (**Egypt**).

#### Egypt's corporate immigration framework

The regulation of the employment of foreign nationals in Egypt is primarily governed by:

- Law 89 of 1960 as amended by Law 88 of 2005 and Law 77 of 2016 on the entry, stay and exit of foreigners on Egyptian soil;
- Ministry of Interior decree no. 12798 of 2005;
- Ministry of Manpower and Immigration decree no. 485 of 2010; and
- Ministry of Manpower and Immigration decree no 305 of 2015.

#### Which visa / permit is required?

Importantly, in order to work in Egypt, a foreign employee requires an entry visa, a residence permit and a work permit. The requirements for obtaining each of these are provided below.

	Entry visa	Residence permit	Work permit
Application requirements	<ul> <li>A completed and signed application form.</li> <li>A passport that is valid for at least six months and has at least one blank visa page.</li> <li>1 colour passport photo.</li> <li>A copy of the employee's airline ticket.</li> <li>Proof of the employee's hotel reservation.</li> <li>Three months' worth of bank statements or proof of sufficient funds.</li> <li>A letter of</li> </ul>	<ul> <li>Special residence permit:</li> <li>A special residence permit may be granted to foreigner nationals who:         <ul> <li>were born in Egypt prior to the promulgation of Law no 74 of 1952 and have lived there since it came into effect;</li> <li>have legally entered into and lived in Egypt for 20 years prior to the publication of Law no 74 of 1952 and have lived there since it came into effect;</li> <li>have been residing in Egypt for five years prior to the promulgation of Law no 89 of 1960 and are contributing to the development of the Egyptian economy and / or contributing in Egypt's intellectual and artistic sectors; are scientists, writers, artists,</li> </ul> </li> </ul>	<ul> <li>Once the approval of the Ministry of Manpower is obtained, the employer must present the following documents to the Egyptian authorities:         <ul> <li>a copy of the approval obtained from the Ministry of Manpower and Immigration granting a work permit to the foreign employee;</li> <li>a copy of the foreign employee's passport;</li> <li>a certified copy of the foreign employees' qualifications and expertise;</li> <li>two completed application forms for work permits;</li> <li>passport size photos</li> </ul> </li> </ul>

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	invitation from the employer in Egypt.  • A letter from the employer in the employee's home country.  • Importantly, the above requirements may vary from one consulate to another.	inventors or economists who conduct significant work and important labour for the country pursuant to a decree issued by the Minister of Interior.  Ordinary residence permit:  An ordinary residence permit is granted to foreigners who have lived in Egypt for 15 years prior to the promulgation of Law no. 74 of 1952 and have lived there since the said law came into effect.	<ul> <li>(6x4) of the foreign employee;</li> <li>proof of a clean bill of health including confirmation of a negative HIV test;</li> <li>a valid certified copy of the employer's commercial register and tax card;</li> <li>approval from Egypt's State Security Service showing that the employee is not a threat to national security or public safety;</li> <li>a postal money order addressed to the Ministry of Manpower and Immigration in the amount of EGP 104.10; and</li> <li>a certified copy from the employer regarding its foreign work force and the related social insurance form.</li> </ul>
Prescribed fee	Pursuant to Law no. 77 of 2016, the Minister of Interior sets the fees pertaining to each visa. In all cases, the fees related to the visa may not exceed EGP 500.	Pursuant to decree no. 77 of 2016, the fees pertaining to residence permits are EGP 500 to EGP 5000.	<ul> <li>First year until the third year: an annual fee of EGP 3000;</li> <li>fourth year until the sixth year; an annual fee of EGP 5000; and</li> <li>from the sixth year, the annual fee is subject to an annual increase of EGP 1000 (limited to a maximum amount of EGP 12000).</li> <li>Finally, regarding employers where the foreign employee ratio exceeds 10% of its workforce, the annual fee for the work permit is EGP 5000, increased annually by EGP 1000 (limited to a maximum amount of EGP 15000).</li> </ul>
Issued by	Various Egyptian diplomatic missions and Egyptian authorities at any port of entry.	Passport, Immigration and Nationality Authority within the Ministry of Interior or from the Egyptian consulate / embassy at the county of origin.	Ministry of Manpower and Immigration.
Duration	1 month from the date of arrival in Egypt.	<ul> <li>Special permit: 10 years, renewable upon demand; and</li> <li>Ordinary permit: 3 to 5 years, renewable upon demand.</li> </ul>	Valid for up to 1 year (renewable).

### **Work permits**

Pursuant to decree no. 485 of 2010, an employer who wishes to hire a foreign employee must submit a formal request to the Ministry of Manpower and Immigration along with the following documentation:

- a copy of the foreign employee's passport;
- a certified copy of the foreigner's qualifications and expertise, which must be adequate for the prospective position; or have expertise of a minimum of three years in the prospective position;
- any other required approvals that must be obtained by the foreign national to work in Egypt;
- documentation in the employer's possession relating to the employee, including, but not limited to the employee's tax card, the employer's commercial register and the employee's insurance card;
- confirming the real need of the employer for the foreigner's expertise:
- confirming the country's economic status; and
- confirming the commitment of the employer hiring the foreign employee.

Decree no 485 of 2010 also states that foreigners are prohibited from working as tour guides, exporters, importers and customer officers. Furthermore, certain professions require a specific authorization from the relevant authority. For instance, football players must obtain the approval of the Minister of Youth and Sports.

#### Grounds for terminating a work permit

The Minister of Interior may terminate a work permit for the following reasons:

- if the foreign employee is indicted for a crime or a felony related to moral turpitude, fiduciary or public order:
- if it is proven that the employer or the employee provided false information in any of the documents presented to the relevant authorities;
- if the work permit was used for purposes other than those for which the permit was issued; and
- for any reason that threatens national security or Egypt's political and/or economic interests.

#### Grounds for refusing an application for a residency permit

An employee will not be granted a residency permit in Egypt if such employee:

- has a criminal record in any country;
- fails the medical exam;
- has insufficient financial means;
- fails to present any information or documentation requested by an Immigration officer during the application process; or
- does not possess sufficient language skills.

#### Spouses and children

As mentioned above, there are two types of residence permits in Egypt: special residence permits and ordinary residence permits.

Importantly, a three year ordinary residence permit may be granted to a spouse of an individual in Egypt where such individual is entitled to a 3 to 5 year residence permit. Furthermore, the five year ordinary residence permit may be granted to a spouse of an individual in Egypt where such individual is entitled to an ordinary residence permit of five years.

#### **Practical Considerations**

In addition to obtaining immigration approval for the employee's assignment, employers should ensure that the requisite employment and secondment agreements are in place. Where there will be an employment agreement in existence in both the home country and in the foreign country, the employer should be careful to avoid conflict between the two agreements. Thought should also be given to the action plan should either one of the employment

agreements be terminated, for whatever reason.

It is also worth mentioning that the Decree states that the maximum percentage of foreigners that may be employed by corporate entities in Egypt is 10%. However, this percentage can be varied upon approval by the competent Minister.

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