

**Substantial Suggestions to Consider Inserting
Within the Executive Rule of Law Number 141 for the Year
2004
For the Activation of the Role of Small Enterprises in
Developing**

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Baab One

The Steering Committee for the Development of Small Enterprises

Article (1)

A steering Committee is to be established within the Social Fund for Development, for the developed of Small Enterprises.

The committee is to be chaired by the Chairman of he Board of directors of the Social Fund for Development, and membership of the following:

- Director of the department for the development of small enterprises within the Social Fund for Development
- Representative of the Ministry of Finance
- Representative of the Ministry of Planning
- Representative of the Ministry of Labor
- Representative of the Ministry of Local Development

- Representative of the Ministry of Social Insurance
- Representative of the Ministry of International cooperation
- Representative of the Ministry of Foreign Trade
- Representative of the Ministry of Industry and Technology
- Representative of the Ministry of Land Reclamation
- Representative of the Ministry of Supply and Internal Trade
- Representative of the ministry of Housing and Public Utilities
- Representative of the Ministry of Interior
- Representative of the Ministry of Health and Population
- Representative of the General Authority of Investment and Free Zones
- Representative of Egyptian Federation of industries
- Representative of Federation of Chambers of Commerce
- Representative of the Egyptian federation foe construction and

(Article 2)

The committee is to convene on a periodic basis, for one meeting every two months, or by invitation of its chairman.

The committee is to study and decide the means necessary for development of small and micro enterprises, and to Promote their dissemination, and provide the necessary finance and services.

To draw up the necessary plans for attaining said requirements.

To study the obstacles facing these projects, to coordinate between the pertinent authorities so as to overcome these obstacles.

The committee preserves the right to contact the various entities , and to request the necessary information.

The Committee should as well undertake the study of whatsoever is referred to it by the Chairman of the Fund to this effect.

(Article 3)

Committee members may submit suggestions to the committee for studying and taking necessary decision. It is to study as well any Suggestions that may be forwarded to it from other outside sources.

(Article 4)

Decisions of the Committee are to be unanimous as per votes of present members, in the event of equal votes , the Chairman's side is to reign .

(Article 5)

The Department for the development of small enterprises in the Fund is to undertake the post of Secretariat of said committee.

Baab Two

Enterprises Subject to the Rules and regulations of Law 141 for the Year 2002

(Article6)

Subjected to the rules and regulations of law 141 for the year 2004 are small or micro enterprises which submit a request to the Social Fund for Development via its offices or the office of the enterprise to the branches of the general Authority for Investment in Governorates for registration accordingly.

(Article 7)

It is meant by, "small or micro enterprise" in the application of the rules of these executive rules , every company , or individual enterprise who deals in economic activities , or production activities or service activities or commercial activity , its paid capital and number of employees are within the limits stated in article 8 of these executive rules. Not subjected to this definition are activities of non production nature such as export activities,

tourism, entertainment , professional bureaus , and the like,
unless dealing in the products of small enterprises.

(Article 8)

Meant by Small Enterprise is an enterprise which complies to the regulations of article 7 of these executive rules, its working capital is to be not less than Fifty Thousand Pounds , and does not exceed One Million Pounds, and wherein employees do not exceed 50.

Meant by a Micro Enterprise is an enterprise that complies with the regulations of these executive rules , and whose working capital is less than Fifty thousand Pounds.

Baab Three
Registration of Small and Micro Enterprises

Registration of Presently functioning Enterprises:

(Article9)

The presently functioning enterprise is to submit a request to the relevant office in the Social Fund for Development or to any relevant office in the branches of the general Authority for Investment in governorates expressing its wish to be registered as a small or micro enterprise.

The request should include the location of the enterprise, type of activity, working capital, number of employees in the enterprise, including an avowal by the requestor that all information is correct , the following are to be attached :

- 1- rental or ownership document of the office in question
- 2- copy of the Tax Card
- 3- Copy of the registration card to the Commercial Register Or thIndustrial Register, or the Register for Construction Contractors, or professional union according to the activity of the enterprise.
- 4- The company's establishment contract, applicable to enterprises

subject to the regulations of law 159 for the year 1981

5- Copy of work license

6- ID of the requestor

7- Receipt denoting payment of 5 pounds for checking

(Article 10)

The Micro Enterprise is exempted from providing above given documents in the event its activity is in the form of a family business in the family home. Not exempted is the provision of the copy of the tax card, copy of id, and the receipt for payment of 5 pound as a fee for checking.

(Article 11)

The enterprise is to be registered after insuring from the small and micro enterprises register that the information presented is true. This is to take place within a period that does not exceed fifteen days from the date the request has been submitted.

The enterprise is to be given a national number to that effect, valid for use with all concerned parties.

Registration of New Enterprises

(Article 12)

The rules of articles 13-14-15 of these executive rules are applicable to new enterprises which have not yet been issued a license to practice , as well as projects that have not yet been implemented , and whose owners would like to benefit from the regulations of Baab Three and Baab Four of the law for the development of small and micro enterprises , and issued by law number 141 for the year 2004

(Article 13)

A request is to be submitted by the owner of the new enterprise that wishes to be registered as a small or micro enterprise, be it a company or an individually owned enterprise, be it in its planning phase , or is on its way to be implemented , the request is to include the type of activity, working capita, and attached to it to be the following :

- 1- A study of the project that includes the basic elements , its targets, volume of expected number of manpower , potential sources of funding , names of founding partners, their professional attributes including an avowal and a commitment by the requestor about the truth of the given information,
- 2- ID of requestor

- 3- Any one of the attachments mentioned in article 9 of these executive rules, if available.
- 4- receipt for the payment of the checking. procedure fee.

Article (14)

The project is to be registered on a primary basis in the register for Small and micro Enterprises , following the insurance of the seriousness of the project , and the truthfulness of the given information , within fifteen days from the date of the submittal of the request, the project is to be given national initial number for the purpose using in dealings with any concerned party.

Article(15)

The final registration of the small or micro enterprise which has been initially registered , following obtaining the license to practice in accordance with article 20 of these executive rules. on condition of completing the conditions stipulated in Baab Two, and the completion of the avowal , and stated documents as per article 9 of these executive rules.

Baab Four

Liscences

(Article 16)

The rules of articles 17-18-19-20 of these executive rules are applicable on enterprises already functioning and which are registered as having a national number in the registry for small and micro enterprises. In the event they undergo any expansions it is necessary to obtain a license. This is applicable to new enterprises that have not yet obtained a license and which are initially registered in the small and micro enterprises registry.

Article (17)

The request for a license is to be submitted to the relevant office of the Social Development Fund, or to any other pertinent office in the branches of the Investment Authority in the Governorates, attached to it is to be the required documents for licensing in accordance with the type of activity.

Article (18)

The previously given offices in the above article are to undertake to check the request, and the attached documents within the same day they have been submitted or within the following work day maximum. After ensuring the completion of the documents it issues a temporary

license to practice against a signed avowal by the requestor on the relevant form and which includes an affirmation of the correctness of all information and documents included, and at his personal responsibility.

Another commitment stipulating that the functioning of the enterprise by means of this temporary license is to be under his full personal responsibility without any liability on the administrative party in the event of the occurrence of any danger resulting from work.

His commitment to forward to the administrative party any documents or papers once they are requested within the period of the following thirty days.

His commitment to stop his activity immediately upon being notified to do so as per the demand of the civil defense guards,

and against the payment of a fee of one per cent of the working capital , at a maximum of five hundred pounds for the small enterprise and two hundred pounds for the micro enterprise.

(Article 19)

If it comes to the notice of the office, as a result of the above mentioned check in the previous article that the fees have not been paid, the office notifies the person concerned in writing or face to face , and to have him sign a document acknowledging being informed or to hand in the required documents on sight.

He is to be given a temporary license as stated in the previous item ,once all documentation is completed , as well as conditions given in the previous article.

If it comes to the attention of the office following checking as previously mentioned that the documents are not complete, said office notifies the concerned person in writing or face to face.

The person is to sign for the document or documents that have not yet been delivered. He is to be given the temporary license as stipulated in the previous article. Once all documentation is completed he is to be given the license.

Article (20)

The parties issuing the license are to issue a license for the small and micro enterprises within thirty days from the date of the issuance of the temporary license .in the event the license is refused, the office is obligated to give the reasons for refusal within that same period of time. If during this period the office issuing the temporary license does not reply, then the temporary license becomes officially permanent.