



INVESTMENT INCENTIVES IN EQUATORIAL GUINEA

Presented by: ALOGO LAW FIRM S.L

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INVESTMENT INCENTIVES IN EQUATORIAL GUINEA	
INCENTIVES	BENEFIT
FOR THE CREATION OF NEW JOBS	A reduction in the calculation of its annual taxable income by an amount equal to 50% of the total amount attributable to the project of the salaries paid by the company to its national employees during the corresponding tax year.
FOR THE TRAINING OF NATIONAL STAFF	A reduction in the calculation of annual taxable income by an amount equivalent to 200% of the non-wage cost of training of national employees borne by them during the relevant tax year.
FOR THE PROMOTION OF NON-TRADITIONAL EXPORTS	The company will receive a Credit Certificate for the payment of any tax or customs obligations in an amount equivalent to 15% of the foreign exchange received for its non-traditional exports in the Commercial Banks of Equatorial Guinea.
FOR REGIONAL OR LOCAL DEVELOPMENT, I.E. COMPANIES IMPLEMENTING APPROVED PROJECTS IN AREAS OR LOCALITIES FAR FROM LARGE URBAN CENTRES.	<ul style="list-style-type: none"> ➤ Full depreciation as a deductible cost in the tax year in which it was incurred, with the right to defer indefinitely into the future all infrastructure costs paid by the company in the execution of the project, provided that the works are for public or social use. ➤ Exemption from all kinds of tax obligations with the exception of income tax, sales tax, customs duties and other levies applicable to their operation in remote areas.
FOR THE PARTICIPATION OF EQUATOGUINEANS IN THE CAPITAL OF THE COMPANY	Percentage deduction in the income tax rate.
BENEFITS WITH REGARD TO THE MINIMUM TAX PAYMENT (only for agriculture sector)	<ul style="list-style-type: none"> ➤ Artisanal Production Cooperatives benefit from a deduction of 50% of the Minimum Tax Quota. ➤ Likewise, exempted from the payment of the minimum tax quota are exporters of agricultural products, companies in the agricultural and livestock sectors.

PRIVILEGES AND GUARANTEES FOR INVESTORS IN EQUATORIAL GUINEA		
PRIVILEGES	GUARANTEES	
	GENERAL GUARANTEES GRANTED TO UNDERTAKINGS	SPECIFIC GUARANTEES GIVEN TO INVESTORS
<p>Companies whose projects are approved in Equatorial Guinea will be exempt from:</p> <ul style="list-style-type: none"> ✓ Any prior import or export license registration, and ✓ Any "ad hoc" levy on imports or exports ✓ Enacted by provisions without the force of law. ✓ The right to receive the necessary permits for both national and foreign employees required to carry out such projects. 	<ul style="list-style-type: none"> • The establishment of companies is free in the territory of Equatorial Guinea with the exception of those whose attitudes are subject to special controls. • Free transfer of capital, profits acquired by regulation, and free transfer of the proceeds of the session to the liquidation of the company's assets. • Foreign workers may not be subjected on a personal basis to obligations, fees and contributions different from those applied to nationals. • In the exercise of their professional activities, foreign workers are assimilated to nationals of the Republic of Equatorial Guinea. 	<ul style="list-style-type: none"> ➤ In accordance with the obligations of public international law, the Equatoguinean State is committed to fair and equitable treatment for all investors in its national territory, therefore, it will not expropriate, interfere in the enjoyment of their rights or breach contractual obligations contracted with such investors. ➤ Foreign employees of the investing companies shall enjoy all the rights and protections accorded by public international law. ➤ Foreign investors shall be entitled to convert into foreign currency and transfer abroad the net profits of the enterprise paid to them in the form of dividends. ➤ Once the corresponding taxes have been paid, foreign investors may convert into foreign currency and transfer abroad the proceeds from the liquidation of the company, sale or other total or partial disposal of their investment. ➤ The companies shall be free to transfer abroad the sums necessary to pay their debts and other project-related obligations in foreign currency.

SPECIAL INVESTMENT REGIME FOR SMALL AND MEDIUM-SIZED ENTERPRISES

BENEFITS AND ADVANTAGES:

Any SME wishing to set up a pre-existing activity, excluding commercial activities, may benefit from a special resolution of acceptance into the privileged SME scheme, the acceptance of which entails the following advantages:

CUSTOMS BENEFITS	ECONOMIC-ADMINISTRATIVE ADVANTAGES	TAX BENEFITS
<ul style="list-style-type: none"> ✓ Exemption for a maximum of duties and taxes levied on the importation of materials, machines and tools necessary for the production and processing of products. ✓ Total exemption for a maximum of five years from import duties and taxes, as well as fees and taxes levied in the previous year. 	<ol style="list-style-type: none"> 1. Preferential access to public tenders in the branches of their activity. 2. Bids for works for an amount of less than 50 million F.Cfa. will be preferentially accessible to companies under the Special SME Investment Scheme. 3. Tenders from public administrations, official bodies, companies and public authorities should be broken down in such a way that they are accessible to SMEs. 4. Products manufactured by SMEs and sold in Equatorial Guinea will be exempt from 50% of the turnover tax for the duration of the concession. 	<ul style="list-style-type: none"> ➤ Exemption from tax on industrial profits (corporate income tax or personal income tax in the category of industrial and commercial profits) for the first five years. ➤ Exemption from the Minimum Tax Quota for the first five financial years. ➤ Exemption for a maximum of three years from the tax on constructed properties. ➤ Exemption from patent tax for a maximum of three years. Possibility of applying exemptions from duties and taxes for longer periods whenever the social importance of the company or the nature of the activity so advises.



We look
forward to
working
with you



Thank You

Next steps?

Lets talk.

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