

INVESTMENT IN SUDAN

FREE ZONE & DUTY FREE SHOPS

Among the efforts which aim at promoting foreign investment, the government has established free zones which include:

- 1- Suakin Free Zone
- 2- Aljaily Free Zone.

The Free Zones and Free Markets Law 1994

This law represents the legislative framework for the establishment and operation of free zones and markets in Sudan. The rules resultant from this law represent the organizational framework for operating and managing free zones in Sudan.

Advantages of investment in free zones:

Industrial, commercial or service investments which are licensed to be established in the free zones enjoy the following advantages:

- a- Exemption of the projects from profits tax for a period of 15 years, renewable for an extra period dependant on the decision made by the concerned minister commencing from the 1 year period of grace which follows the year of commencement of production.
- b- Salaries of expatriates working in projects within the free zones will be exempted from the personal income tax
- c- Exemption of products imported into the free zone or exported abroad from all customs fees and taxes except service fees and any other fee imposed by the board of the Sudan Free Zones Company.
- d- Real estate establishment inside the free zones area are exempted from all taxes and fees
- e- Invested capital and profits are transferable from Sudan to abroad through any bank licensed to operate in the free zone.
- f- Exemption of products of industrial projects established in the free zones from customs fees; depending on materials used and local costs incurred in production, provided that the value be estimated by a committee assigned for this purpose by the board of the Sudanese Free Zones Company.

• **Guarantees (rule 10)**

Money invested in the free zones may not be frozen, confiscated, or arrested

• **Transiting (rule 15)**

With respect to agreements binding on the government of Sudan, goods transiting, waiting to be transferred to other countries may be stored in the free zones under the supervision of the customs police available at the inlets and outlets of the free zones.

- **Rent (rule 16)**

The company has the right to rent its land and buildings according to the terms it agrees upon and without being bound by any other law