

26 September 2019

Legislative developments in Egypt

This is to advise that Egypt has lately seen a legislative development which will have an impact on the Admiralty claims & the claims related to the Aviation civil law concerning the transport of goods and passengers filed before the Egyptian Courts. This involves the Economic Courts which will have jurisdiction over commercial disputes aforesaid.

Since the aim of establishing the economic courts is to speed up the handling of lawsuits now under their jurisdiction. In a new amendment to the law establishing the Economic Courts, the said courts will be applying different litigation process, differing from the ordinary litigation system, mainly in following points:

- 1) The first instance circuits of the Economic Courts will have jurisdiction over lawsuits not exceeding Egyptian pounds 10 million (Approximately to USD 612000-) (case value jurisdiction), the judgments of which are appealable before appeal circuits. However, the judgments delivered in cases not exceeding five hundred thousand Egyptian pounds (EGP 500000-) (Approximately to USD 31000-) are final.
NB. The above-mentioned rates are calculated according to today's EGP/USD exchange rate.
- 2) The appeal circuits will have jurisdiction over cases exceeding 10 million Egyptian pounds (Approximately to USD 610000-), the judgments of which are subject to further appeals before the supreme court, provided the application of the normal rules of filing further appeals to try the judgments of the courts below in cases of miscarriage of law.
- 3) The economic courts have a Preparation and Mediation Department, formed under the presidency of a judge amongst the appeal circuit judges and with the membership of judges at the level of courts presidents or first instance judges, which is in charge of preparation and mediation in possible amicable offers in the court cases of commercial claims under the litigation of the economic court and to verify the existence of supporting documents and is entitled to notify the litigants to attend to hearings and to mediate in disputes and cases. The Department will also be preparing a note of opinion which is presented to the competent court circuit within thirty days from the date of the filing of the lawsuit. Whereas, no court proceedings shall be initiated if the said court department succeeded as mediators to solve matters between the parties in dispute amicably.

The law allowed the possibility of electronically filing lawsuits before economic courts and shall be coming into force as of the first of October 2019.

It is further expected that all lawsuits concerning the above-mentioned laws which are presently being prosecuted before commercial courts will be referred to the Economic Courts as of the first of October 2019. On the other hand, any new lawsuit in this respect should be filed before the said court.

Furthermore, we must add that all supported documents shall be submitted before the said court at the time of filing a court case in order to be checked /validated by the preparation and mediation department.

Please be guided accordingly.

Kind regards,

Eldib Advocates