

IFRS APPLICATION AROUND THE WORLD

JURISDICTIONAL PROFILE: **Egypt**



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This Profile provides information about the application of IFRS Standards in Egypt. IFRS Standards are developed and issued in the public interest by the International Accounting Standards Board (the Board). The Board is the standard-setting body of the IFRS® Foundation, an independent, private sector, not-for-profit organisation.

This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the Foundation conducted on the application of IFRS Standards around the world. The Foundation drafted the profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

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PARTICIPANT IN THE IFRS FOUNDATION SURVEY ON APPLICATION OF IFRS STANDARDS

Organisation	Ministry of Investment (for private sector companies) and The Central Audit Organization (for public sector companies) Egyptian Society of Accountants & Auditors (ESAA)
Role of the organisation	The Ministry of Investment has authority to issue accounting standards. The ESAA advises the Ministry in this regard.
Websites	Ministry of Investment: http://www.investment.gov.eg/en/Investment/Pages/default.aspx ESAA: http://www.esaaegypt.com/esaa/indexen.asp Egypt Financial Supervisory Authority: http://www.efsa.gov.eg/jtags/efsa2_en/index_en.jsp
Email contact	ESAA: http://www.esaaegypt.com/esaa/contact-us.asp Ministry of Investment: investorcare@gafinet.org

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards?	No.
Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards?	No.
What is the jurisdiction's status of adoption?	Egypt has not adopted IFRS Standards.
Additional comments provided on the adoption status?	<p>By Decree No. 243/2006 of the Minister of Investment, in 2006 Egypt adopted 35 national accounting standards known as Egyptian Accounting Standards or EAS. The EAS were developed taking into consideration the IAS Standards and IFRS Standards that existed in 2005. The numbers and titles of the 35 EAS are available in English on the website of the Egypt Financial Supervisory Authority (EFSA):</p> <p>http://www.efsa.gov.eg/content/efsa2_en/efsa2_merge_account_en/efsa2_merge_account_en.htm</p> <p>The standards themselves are available in Arabic on the EFSA website:</p> <p>http://www.efsa.gov.eg/content/efsa2_ar/efsa2_merge_account/efsa2_merge_account.htm</p> <p>Decree No. 243/2006 requires companies to look to IFRS Standards if there is no comparable EAS.</p>
If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction.	Not applicable.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements?	No.
If YES, are IFRS Standards REQUIRED or PERMITTED?	Not applicable.
Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?	Not applicable.

Are IFRS Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?	Not applicable.
For instance, are IFRS Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?	Not applicable.
For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market?	Not applicable.
If the jurisdiction currently does NOT require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Standards for such companies in the future?	No.
<i>For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:</i>	
Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Standards in their consolidated financial statements?	Yes. Foreign companies can be listed on The Egyptian Exchange after getting approval from Egyptian Financial Supervisory Authority (EFSA).
If YES, are IFRS Standards REQUIRED or PERMITTED in such cases?	Permitted.
Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?	All.
IFRS ENDORSEMENT	
Which IFRS Standards are required or permitted for domestic companies?	Not applicable.
The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:	Egyptian Accounting Standards.
Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?	Not applicable.
Are IFRS Standards incorporated into law or regulations?	Not applicable.
If yes, how does that process work?	Not applicable.
If no, how do IFRS Standards become a requirement in the jurisdiction?	Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Standards (including Interpretations) in place?	Not applicable.
If yes, what is the process?	Not applicable.
If no, how do new or amended IFRS Standards become a requirement in the jurisdiction?	Not applicable.
Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards?	Not applicable.
If yes, what are the changes?	Not applicable.
Other comments regarding the use of IFRS Standards in the jurisdiction?	None.

TRANSLATION OF IFRS STANDARDS

Are IFRS Standards translated into the local language?	The IFRS Foundation coordinates the publication of an annual bound volume of IFRS Standards in Arabic.
If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards?	The translation follows the official IFRS Foundation translation process.

APPLICATION OF THE IFRS FOR SMEs STANDARD

Has the jurisdiction adopted the IFRS for SMEs Standard for at least some SMEs?	No.
If no, is the adoption of the IFRS for SMEs Standard under consideration?	Adoption of an Egyptian Accounting Standard for SMEs is under consideration by government.
Did the jurisdiction make any modifications to the IFRS for SMEs?	Not applicable.
If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the IFRS for SMEs Standard in the jurisdiction, and are they required or permitted to do so?	Not applicable.
For those SMEs that are not required to use the IFRS for SMEs Standard, what other accounting framework do they use?	Egyptian Accounting Standards (EAS).
Other comments regarding use of the IFRS for SMEs Standard?	None.