

The experience of the Republic of Sudan in attracting and Encouraging investment 1956 - 2015

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Abstract:

This study aims to know Sudan's experience in attracting and encouraging investment, as Sudan is distinguished from other countries by a distinct geographical location, linking the Arab countries in the north of the African continent, the Arab countries across the Red Sea, and the countries of East, Central and West Africa, as Sudan is neighboring several Countries, which is considered as a commercial movement center for its geographical surroundings, as well as Sudan is characterized by a vast area, and enjoys multiple climates, environments and agricultural systems that create conditions for the production of various agricultural crops, where there are many agricultural and animal products in which Sudan has a preferential advantage, as it is considered The global demand for it is high, such as wheat, cotton, gum Arabic, and meat, so its potential qualifies it to attract investors and businessmen, and the importance of this study emerges from several aspects, from the scientific point of view, despite the existence of studies that dealt with the experiences of some countries in encouraging and attracting investments, but it is still There is a need for more studies in this field, especially in light of the countries 'competition to attract foreign capital for investment. Therefore, this study is expected to form an addition in this field. As for the practical aspect: this study is expected to be of beneficial results for readers. The economic in all countries.

Key words: Sudan, Investment

Introduction

Activating the investment movement with the aim of raising the rates of economic growth and social welfare is considered one of the most important ingredients for progress and development for any country. ⁽¹⁾ Investment is considered one of the most important variables that contribute to speeding up the development process, due to the basic constituents of local and foreign investments for this process, especially in the developing countries, where those countries are working hard to create the environment and conditions surrounding the investment and remove the obstacles that stand in front of it to attract more A measure of national and foreign capital. And Sudan, like those countries concerned with investments, and moved towards liberalizing its economy, Sudan has witnessed positive economic changes represented in allowing foreign investments to enter it, enacting laws that encourage that, and working to remove obstacles that hinder the investment, and adopted investment policies that are flexible. As a result, many foreign investments in various economic fields have entered it⁽²⁾ .

The problem of the study:

Sudan has for decades been seeking to attract and encourage national internal and external capital, as well as foreign capital to invest in it, and mechanisms and means were used in this framework that create an attractive investment climate, and entice national and foreign capitals to engage in investment activities that are reflected positively. On the national economy and affect its movement and flow towards achieving the objectives of macroeconomic policy. What are those mechanisms? How effective is it in attracting national capital on the one hand, and in attracting and attracting foreign investment on the other hand?

The importance of the study:

The importance of this study emerges from several aspects, from the scientific point of view, despite the existence of studies that dealt with the experiences of some countries in encouraging and attracting investments, but there is still a need for more studies in this field, especially in light of the countries 'competition to attract foreign capital for investment, Accordingly, it is expected that this study will constitute an addition in this field, but in practical terms: it is expected that this study and its results will be useful for economic decision-makers in all countries.

Second: In practical terms: this study and its results are expected to be useful for economic decision-makers in most countries.

¹ - Yaqoub Ali and Alam Al-Din Abd Allah, Evaluation of Sudan's Experience in Attracting Foreign Direct Investment (Khartoum, University of Khartoum Journal of Administrative Sciences, 2005), p. 39.

² - Al-Fateh Muhammad, "Foreign Direct Investment and a Course in Achieving Economic Development in Sudan, Amarabac, The American Arab Academy for Science and Technology, Volume 4, Issue 11, 2013, p. 16

Objectives of the study:

- 1 -Highlighting the importance of attracting national and foreign capitals for investment in the Republic of Sudan.
- 2 -Finding out the efforts exerted to attract national and foreign capitals for investment inside Sudan.
- 3 -Learn about the mechanisms used to attract domestic and foreign capital in Sudan.

Hypotheses of study:

- 1 -The instability of economic policies in Sudan has an impact on attracting investments.
- 2 -The instability of legislations for organizing the investment activity has an impact on attracting investments in Sudan.
- 3 -Attracting capital for investment in Sudan depends on developing the mechanisms used in this aspect.

Study Approach:

The study uses the descriptive and analytical historical method.

Previous studies:

- 1 -Abdul Hamid Bukhari study - 2012 - Title: The reality of the investment climate in the Arab countries, the study aims to identify the investment climate and the business environment in Arab countries, and the study found that the efforts made and the ingredients to improve the investment climate in the Arab countries are not sufficient.
- 2 -Sawsan Abdullah Ali Al-Safi study - 2000 - the title of the role of direct Arab agricultural investments in raising the efficiency of the agricultural sector in Sudan. The study aims to address the investment strategies and plans that accompanied the development that occurred in the investment climate in Sudan and its role in attracting Arab investments. The study reached That Arab investments possess large capital, but do not do what is hoped for.
- 3 -Samia Hassan study - 2006 - the title of the effect of the investment climate on attracting foreign investments to the industrial sector, a case study of Sudan 1993-2004, aimed at studying the investment climate and attracting foreign investments to the industrial sector in Sudan, and the study concluded that the investment climate affects attracting foreign investments.
- 4 -Buthaina Muhammad study - 2009 - The title of the impact of foreign direct investment on economic growth in Jordan, aims to identify the status of foreign direct investment in Jordan and its effect on economic growth, and the study concluded that foreign direct investment has a limited role in the Jordanian economy.

- 5 -Jenna Joseph 2010 study - Title: The effect of the investment climate on attracting foreign investors in Sudan 2000-2005, aims to know the impact of the investment climate on attracting foreign investors in Sudan in the private sector, whether national or foreign, and the study concluded that the amendment of investment laws works To encourage foreign investment.

What distinguishes this study from previous studies:

This study talks about experience and about all investments and did not specify a specific sector, while previous studies spoke about a specific sector in investment, as well as the period covered by this study is long compared to previous studies that covered shorter periods.

Efforts to attract and encourage national and foreign capitals to invest in Sudan:

All national governments that have successively assumed Sudan since independence in 1956 have paid great attention to the process of encouraging investment, especially foreign investment, especially since Sudan, after gaining independence, was in need of a comprehensive and rapid development process, and therefore was among the most important means to achieve development aid Foreigners in all their forms, including foreign investments, whether they are governments or individuals. In order to attract investments, the first Sudanese government enacted investment promotion laws in 1956 to create an attractive investment environment, and to create a favorable investment climate, and successive governments have followed Sudan on the same path, and have endeavored to provide an investment climate that is able to attract domestic and foreign capital. The law issued in 1956 was called the Granted Privileges Law, and several laws were followed after it with the intention of developing it during the sixties, seventies and eighties of the twentieth century. And granting them the guarantees, concessions and facilities granted to local investments⁽³⁾. This law was repealed in 1972 to be replaced by the Development and Industrial Investment Promotion Act, which was amended in 1973 with the aim of restoring confidence to both local and foreign investors, after the decisions of confiscation issued at the beginning of the reign of the government of President Jaafar Nimeiri.⁽⁴⁾

Then, the Investment Promotion Law of 1980 was issued, and one of its most prominent features is that it unified the entity with which the investor deals, and granted

³- Republic of Sudan, Ministry of Industry and Mining, University of Khartoum Press, Industrial Investment Promotion and Regulation Act 1967.

⁴ -Republic of Sudan, National Archives, Ministry of Industry, Development and Industrial Investment Promotion Act 1973, Volume 3

the law a customs exemption or reduction for imports of investment projects, according to the size of the project. ⁽⁵⁾

The Sudanese economy witnessed during the nineties of the twentieth century and the beginning of the twenty-first century radical and comprehensive developments, which led to major changes in the structure of the national economy and the level of economic performance according to known economic standards. And, providing an appropriate environment for the private sector to play its role in exploiting resources and stirring the stagnation of the economy.

In this context, the country adopted a package of policies that support the investment climate, as follows ⁽⁶⁾:

- 1 -Adopting full economic liberalization policies for the economy and supporting the role of the private sector.
- 2 -Setting a comprehensive strategy to upgrade the infrastructure and basic services.
- 3 -Implementing institutional structural reform programs for all organizational and administrative frameworks.
- 4 -Providing the elements of political and social stability.
- 5 -Legal and legislative reform that improves investment procedures.

In this context, a comprehensive economic program was adopted, based on a set of trends, the most prominent of which are ⁽⁷⁾:

Working to normalize relations with international organizations (the World Bank, the International Monetary Fund) and regional institutions (COMESA, the Arab Free Trade Zone, the Organization of the Islamic Conference, the Sahel-Sahara Community

-Reducing the state's role in economic work and productive activity by following the privatization policy, and making room for the private sector.

Activating participation in regional blocs.

-Entering into bilateral agreements to encourage investment and support economic relations.

Encouraging and nurturing strategic economic partnerships with allied and friendly countries at the level of governments and the private sector.

Implementing zero customs duties as of October 2000 in COMESA countries.

Entry into the Arab trade area, which led to the expansion of the external market.

Preparing to enter the World Trade Organization (WTO) to amend economic legislation and procedures, especially tax and customs.

-Editing prices and stopping government subsidies for goods and services.

Liberalizing foreign trade and encouraging exports.

⁵ - Republic of Sudan, National Archives, Ministry of Industry, Investment Promotion Law of 1980, Volume 3.

⁶ -Mahjoub Shawer, the Reality of Expatriate Investments and Future Prospects, Immigration Prospects, (Khartoum, Sudan Center for Migration Studies, 2012, p. 8.

⁷ - Mahjoub Shawer, the previous reference, p. 7-8

Increase exports, diversify its markets, and expand its base.

In the same context, the economic reform program aimed at improving the economic environment, through adopting the policy of economic liberalization, included the government privatizing many public institutions and bodies, including the Public Telecommunications Corporation, and many industrial, agricultural, service and commercial establishments, as well as establishing them. The dismantling of the monopoly granted to many public sector institutions, such as the monopoly of the trade in oilseeds and gum Arabic, and the monopoly of the marketing of livestock, among others. These measures coincided with an economic reform program that included taxes, the exchange rate, and banking services.

All of these changes led to a marked improvement in the level of economic performance, as economic growth rates increased from an average of 1% during the eighties of the twentieth century to an average of 6% during the period from 1992 to 2004, and inflation rates decreased from about 120% to less than 9%.⁽⁸⁾

In its endeavor to encourage and attract local, regional and international investment to Sudan, the government has adopted many legal and legislative reforms that have contributed greatly to creating the investment environment in the country. Among the most important of these reforms is the Investment Promotion Law of 1995, which has been replaced by another law ensuring more exemptions for investors, and that In 1996, it was also replaced by the Investment Encouragement Act of 1999,⁽⁹⁾ where it aimed to encourage investment in projects that serve development plans and investment initiatives by the local, non-local, and cooperative sector, as well as to encourage investment in In the fields of agricultural, animal and industrial activity, energy, mining and transportation, communications and tourism, storage, contracting and infrastructure, economic and administrative and consulting services, information technology, education and health and water services, technology and information, and rehabilitation projects. The most notable thing on this law is the lack of distinction between the money invested, whether it is local, Arab, or foreign, or because it is a public, private, cooperative, or mixed sector.

The Investment Promotion Act 1999 has the following advantages⁽¹⁰⁾ :

- Exemption from taxes for strategic projects, and for a period of ten years after the approval of the Federal Minister.

Exemption from customs duties.

- Granting the project the advantages of allocating the land and calculating depreciation.

⁸ - Jacob, Ali Alamuddin Abdullah, previous reference, p. 48

⁹ - Previous reference, p. 49.

¹⁰ - http://www.sudaninvest.org/Arabic/Sudan_Invest ,Republic of Sudan, Ministry of Investment, Investment Climate in Sudan, 2006.

-The Minister has the right to grant the strategic project the land necessary for the strategic project for free, and at the promotional price of the non-strategic project in coordination with the designated authorities.

-Not to impose taxes, or fees on federal projects, so that no state or local government may impose any taxes, fees, or state or local returns on any federal licensed investment project during the exemption period.

The strategic project means any project related to the following: ⁽¹¹⁾

1 -Infrastructure such as: roads, ports, electricity, dams, communications, energy, transportation, contracting works, education services, health, tourism, information technology services, and water projects.

2 -Extraction of the riches of the earth and seas.

3 -Agricultural, animal and industrial production.

4- Projects transiting more than one state.

The Investment Law of 1999 came in line with the requirements of foreign direct investment, which has become a prominent and influential role in the movement of regional and international capital transfers, as well as processions to encourage local capital, as the law was distinguished by flexibility, and one of the most important distinctions from the previous law was that it distinguished in granting The concessions between the strategic project and the non-strategic project, as well as exempting all investment projects from customs duties, whether they were strategic or non-strategic projects, as well as granting the states the power to amend in the state project.

The guarantees granted by the Investment Promotion Law of 1999 were as follows :

A- Non-nationalization, expropriation of the project, or expropriation of all or some of the project's properties or investments for the public benefit, except by law or in return for fair compensation.

B- Not to seize, confiscate, freeze, seize or seize project funds, or impose custody of them except through a judicial order.

C- Recovering the invested money in case the project was not implemented in the first place, or it was liquidated, or disposed of in any of the dispositions completely or partially, in the currency in which it was imported, provided that all the obligations legally due on it are fulfilled. Exporting machines and equipment, devices, means of transportation, and other requirements imported for the project, when all the obligations mentioned in this paragraph have been fulfilled.

D- Transferring profits and the cost of transferring it from foreign capital or loans in the currency in which the capital or loans were imported on the due date, after paying the obligations legally due on the project.

¹¹ -http://www.sudaninvest.org/Arabic/Sudan_Invest ,Republic of Sudan, Ministry of Investment, Investment Climate in Sudan, 2006.

E- Import the raw materials needed by the project, and export its products after the investment project is registered in the register of exporters and importers automatically.⁽¹²⁾

These guarantees are considered incentive and attractive to local and foreign investors, and make the investor invest while he is confident that his project will not be confiscated, and if it is confiscated, it will be compensated. He will also be reassured about his funds from the state's encroachment, seizure, or freezing, and project funds in the event of non-implementation will be returned to the investor in the currency in which he came, and other guarantees mentioned, which are all in the interest of the investor. However, one of the observations taken on that law is that he did not specify the entity that grants guarantees to the investment project. The Investment Promotion Act 1999 was subject to review and amendment in 2000, and was amended again in 2003. The law stipulated in the light of these amendments many of the advantages that were not present in the 1999 law, which guarantee the investor the integrity of his assets from confiscation, nationalization and transfer of his profits abroad at any time, in addition to the right to own the project's assets, including the plot of land on which the investment project is based, and the right to enjoy exemption Of business profits and customs taxes of up to ten years, and many reforms have been made to the judicial and judicial system that ensure the fairness of litigation in Sudanese courts when legal disputes break out.⁽¹³⁾ The Sudanese government also paid attention to the administrative aspects and procedures required for the establishment of investment projects to confirm its role in the promotion and development of the administrative environment for investment. The investment apparatus was raised to a ministry in accordance with Constitutional Decree No. 24 of 2002 establishing the Ministry of Investment.

Where the Ministry's powers are summarized in the following⁽¹⁴⁾:

- Set investment strategy, policies and priorities.
- Implementing the investment promotion law and the regulations issued pursuant thereto.
- Preparing federal and state investment maps.
- Seek to improve the investment climate and facilitate its procedures
- Development of investment promotion systems and methods.
- Monitor and evaluate the implementation of investment policies.
- Seek to attract local, regional and international investments.
- Directing investments towards basic infrastructure projects.
- Any tasks assigned to it by the Council of Ministers aimed at enhancing the investment climate.

¹² -Republic of Sudan, Ministry of Investment, Investment Climate in Sudan, Chapter Three, 2006, http://www.sudaninvest.org/Arabic/Sudan_Invest

¹³ - Ya`qub Ali, and Alam al-Din Abdullah, previous reference, p. 49.

¹⁴ -Republic of Sudan, Ministry of Investment, Constitutional Decree No. 24 of 2002. http://www.sudaninvest.org/Arabic/About_Ministry

The most important thing that the Ministry of Investment does through its various departments is to provide the following services to the investor:⁽¹⁵⁾

- Issuing the investment license through the standard window in a short time.
- Providing the investor with the information necessary to invest in Sudan in various fields.
- Providing the targeted entities with promotional materials on investing in Sudan.
- Promoting investment in Sudan and strengthening economic relations with other countries through exchanging visits and delegations and attending conferences, seminars and economic forums.
- Developing relations with international organizations, institutions, and governments of different countries for the purpose of developing investment and exchanging information.

Organizing and holding seminars and forums for investors to introduce them to the benefits of investing in Sudan.

As for the amended Investment Law of 2003, the most important basic concessions guaranteed by the law are summarized in the following⁽¹⁶⁾:

- 1 -The strategic project (infrastructure projects) has the advantage of exempting from business profits tax for a period not exceeding ten years, the enforcement of which starts from the date of commencement of commercial production or the practice of the activity.
- 2 -The non-strategic project has the advantage of exempting from business profits tax for a period not exceeding five years from the date of commencement of commercial production or activity.
- 3 -Amending the tax law to reduce business profits tax and rehabilitation for the industrial sector from 30% to 10%.
- 4 -Full exemption from customs duties for project imports.
- 5 -The project is granted preferential advantages if it has any of the following features:
 - A) Direct investment into the less developed regions.
 - B) Help in developing the country's export capabilities.
 - C) Contribute to achieving integrated rural development.
 - D) It creates great opportunities for work.
 - E) It develops scientific and technical research.
 - F) reinvest its profits.
- 6 -Guarantees and facilities for the movement of capital and the transfer of profits.
- 7 -Not to nationalize or confiscate the project completely or partially.
- 8-Allow opening an account in foreign currency.

Also, in order to facilitate the procedures and remove the administrative obstacles that prevent the flow of investments to Sudan, a single window system was adopted to facilitate

¹⁵ -Republic of Sudan, Ministry of Investment. http://www.sudaninvest.org/Arabic/Sudan_Invest

¹⁶ -Republic of Sudan, Ministry of Investment, Investment Law, 2003.

the completion of all necessary procedures as soon as possible, so that the investment license is issued within 72 hours after submitting the project study to the Ministry of Investment. These exemptions and concessions contributed to improving the investment climate in Sudan during that period, as Sudan ranked first among the Arab countries, according to the performance index of foreign direct investment flows during the period 2001-2003, while it came in the twenty-ninth globally out of one hundred and forty State, and this indicates that there are great efforts made by the state to attract foreign investment ⁽¹⁷⁾. The amended Investment Promotion Law of 2003 is an appropriate legislative framework for attracting foreign investments and stimulating local investments, as it competes with the benefits and incentives and guarantees it contains for investment laws at the regional level, as it provides customs and tax exemptions for investment projects within the sectors of industry, agriculture, infrastructure and other projects Developmental. There is no doubt that the concessions granted by the 2003 law aimed to increase the competitiveness of the investment environment in Sudan, by granting more exemptions and concessions, in addition to simplifying the investment procedures. The law also contained a number of incentives and amendments such as amending the business profits tax law, and gave tax incentives to some projects, in addition to preferential features and other concessions. Such concessions attract many investments in various fields that lead to development and growth, and thus improve the country's national economy.

As part of the efforts made to encourage the movement of foreign investment, the government established free zones in each of the Sawakin region in eastern Sudan and the Jail region in the state of Khartoum, where the law of those areas included the following exemptions and privileges ⁽¹⁸⁾ :

The right of full ownership of the investors.

Total freedom to transfer capital and profits.

-Lifting the restrictions imposed on foreign exchange trading.

Full exemption from income tax for foreigners.

Full tax exemption for companies operating for fifteen years, renewable.

Total freedom to employ local and foreign workers.

Facilitating the procedures for granting entry and residence visas.

- The right to benefit from the preferential advantages guaranteed by the international agreements concluded by the Sudanese government with the rest of the world.

These concessions would attract foreign capital and move the national capital, as they included some exemptions and privileges that did not exist in the previous laws, as investment laws in free zones usually differ from other investment laws, because free zones are inherently different from others. From the regions.

1- UNCTAD ,World Investment Report2004 .p14

¹⁸ -Republic of Sudan, Ministry of Investment, Zones and Free Markets.
http://www.sudaninvest.org/Arabic/Sudan_Invest

The government's efforts to enhance the investment climate also included the conclusion of several regional and international agreements that include the following:⁽¹⁹⁾

- 1 -The Unified Agreement for the Investment of Arab Capitals in the Arab Countries 1980, which was amended in 2013.
- 2 -The Agreement Establishing the African Economic Community - African Union Convention of the African Union 1991.
- 3 -The Agreement Establishing the Common Market for Eastern and Southern Africa, the COMESA Agreement, 1993.
- 4 -The Association Agreement between the members of the African, Caribbean and Pacific countries on the one hand, and the European Community and its member states on the other, the Cotonou Agreement, 2000
- 5 -COMESA and the United States of America Common Market Agreement for the Development of Trade and Investment Relations COMESA - USA, Teva, 2001.
- 6 - Investment Agreement for the Common Investment Area of the Common Market for Eastern and Southern Africa - COMESA Investment Agreement - 2007 AD.
- 7- The Temporary Economic Partnership Agreement between the European Union and Eastern and Southern Africa 2009. (ESA – EU EPA)

As of 3 November 2014, Sudan had signed 35 bilateral investment agreements, 21 of which entered into force. The first bilateral investment agreement signed with Germany was in 1963, and the most recent agreement signed by Sudan is the agreement concluded with Turkey in 2014⁽²⁰⁾ Sudan has also strengthened cooperation relations with regional and international organizations and institutions interested in investment affairs, such as (the International Investment Guarantee Agency, the World Bank, the Arab Investment Guarantee Organization, the World Food and Agriculture Organization, the Arab Organization for Development and Agriculture.)

The Investment Promotion and Free Zones Act of 2012 granted great advantages, facilities and guarantees to investors as the general features of this law are summarized as follows: ⁽²¹⁾

- Incorporating the Free Zones Law into the investment law.
- Establishing a more flexible and free investment agency.
- Adding a material that guarantees rehabilitation and reconstruction.
- Giving exemptions and privileges for strategic projects.
- Define criteria for strategic projects.
- Coordination between the Supreme Council for Investment and the states when imposing any state fees or taxes.

¹⁹ - United Nations Conference on Trade and Development, Division of Investment and Enterprise Development, Review of Investment Policy in Sudan, (New York and Geneva, United Nations, 2014) .UNCTAD, 2014.

²⁰-United Nations Conference on Trade and Development, op. Cit., UNCTAD, 2014a.

²¹ - Republic of Sudan, Ministry of Investment, document Investment Law, Free Zones, Khartoum http://www.sudaninvest.org/Arabic/Sudan_Invest

- Imposing the use of the standard window in the center and the states.
- Prohibition of distinguishing between invested money.
- Prohibition of distinguishing between similar projects.
- The right of full ownership of the foreign investor.
- Freedom to transfer profits.
- Freedom to transfer savings of foreign workers.
- The use of foreign labor and expertise that is not available in the country.

The most prominent note on this law is that it imposed the use of the unified window system in the center and the states, and therefore removed one of the most important negatives in the previous law, which is the multiplicity of decision-making centers related to investment, with regard to issuing licenses, as the multiplicity of decision-making centers on investment leads to Slow procedures and consequently the difficulties faced by local and foreign investors. It is also noted that the law is keen to coordinate between the center and the states when imposing any fees or taxes. Such items were not present in the previous laws, which caused many problems for investors in light of the number Coordination between the Center and States in this regard, as well as from the pros cited by the law, which were not present in previous laws, free transfer of savings of foreign workers.

The most important advantages and facilities granted by the Investment Promotion Act of 2012 are the following⁽²²⁾ :

- 1 -Complete customs exemptions on all of the project's needs for machinery, equipment and machinery, and production inputs are 97% exempt.
- 2 -The law permits granting the project the necessary land at an encouraging price.
- 3 -The law prohibits the imposition of any state taxes or fees on federal and state projects.
- 4 -Apply the system of fixed tax on business profits according to the categories below- :
- A- Full exemption from the tax on the agricultural sector.
- B- 10% for the industrial sector, and 15% for the service sector.

As for the guarantees granted by the Investment Promotion Law (2012), they are ⁽²³⁾:

- 1 -No nationalization, confiscation, or expropriation of real estate.
- 2 -Not seizing, confiscating, freezing or seizing project funds.
- 3 -Guarantee of transferring the invested money.
- 4 -Transferring profits and the financing cost resulting from the capital.
- 5 -It is permissible to re-export machines, equipment, devices, transportation means and supplies.
- 6 -It is prohibited for any administrative authority to refrain from implementing the privileges granted under the provisions of this law.

²² - What? Republic of Sudan, Ministry of Investment, Document on the Investment Promotion and Free Zones Law, Khartoum http://www.sudaninvest.org/Arabic/Sudan_Invest.

²³ - The previous reference.

7 -Sudan membership in the Arab Investment Guarantee Corporation.

8- Membership of the International Investment Guarantee Agency.

The Investment Law of 2012 grants more incentives and guarantees to foreign investors, and addresses the problem of owning Sudanese lands, as previous laws do not allow the ownership of land to foreigners, while this law allows ownership of it according to specific conditions related to the investor's seriousness, the size of the project and its time life, as it allows the ownership of project lands. The capital of which exceeds fifty million dollars and the period exceeds ten years, as it guarantees large guarantees and facilities for investors, as the establishment of companies does not require more than (24 hours), during which the investor obtains a temporary license until all of his project papers are completed. The Sudanese government does not impose any taxes or customs duties on some projects, such as land cultivation, for example, as well as with regard to exports of these projects.⁽²⁴⁾

On the other hand, and in the same context of improving the investment climate, the Sudanese government provides legal guarantees to protect foreign investment, as it has allocated special economic courts for investment in the presidency of states, far from civil courts, to avoid red tape and lengthy procedures. Economic courts are obligated to decide on complaints within a month, and in the event that they are delayed, the investor has the right to file a complaint with the President of the Republic. The Sudanese government has formed a ministerial committee headed by the Minister of Investment, which includes the Ministers of Industry, Finance, Justice and the Governor of the Central Bank, and it has a full mandate from the President of the Republic to end investment disputes, and its decisions are effective, in order to protect investments from various government authorities and bodies, whether ministries, security agencies or the armed forces . The law indicates that tax inspectors or prosecutors are not allowed to sue the investor except after submitting a complaint to the Minister of Justice, who in turn studies the problem and finds out its causes. In the event of the investor's intransigence, the minister issues a decision allowing the prosecution to initiate investigations, and in all cases it is forbidden to freeze the funds, assets and equipment of the foreign investor, as well as prohibit his travel abroad. The headquarters of the employers' union, the bar association and the Ministry of Justice, or resorting to economic courts⁽²⁵⁾

There are many problems and obstacles that prevent investors in general and Sudanese working abroad in particular, to invest in Sudan, as follows :⁽²⁶⁾

¹- Abdel Qader Ramadan, New Law to Provide Incentives and Facilities for Investment in Sudan, The Egyptian Stock Exchange Newspaper, Egypt. Electronic copy, <http://www.alborsanews.com/2013/01/27/>. 23/3/2015

¹- The previous reference .

2- The Ministry of Agriculture and Forestry, General Administration for Investment and International Cooperation, Foreign Investments in Sudan and Future Visions, Khartoum 24/03/2005. http://www.sudaneconomy.net/papers/inves_for.htm 30/05/2016

- 1- The length of procedures when investors want to invest.
- 2-Obstacles in the actual application of some provisions of investment laws and their related interpretations.
- 3 -Creating new laws that negatively affect investments, especially those related to customs and tax laws, and add new burdens to them, during the exemption period granted to investors.
- 4- The slow and lengthy customs procedures, and the complexity of procedures for implementing the privileges granted by investment laws, which leads to the investor being unable to benefit from them.
- 5 - Tax burdens imposed on agricultural production from local revenues and donations, are in essence taxes because transactions are not completed until after they are paid. The variation and multiplicity of fees imposed on the investor, multiple local taxes and contributions collected during the various stages of production processes constitute an additional financial burden on the investor (stamping the wounded, crop marketing fees, local production fees, port fees of 2% of the value of the goods, specification fees from 0.5% to 1% and customs on spare parts from the value of the goods.)
- 6- Lack of transparency in the application of investment laws, especially with regard to the allocation of agricultural land, where the investor pays fees for certifying and registering the land, and contract fees per acre, and in their entirety high value.
- 7 - Issuing special state legislations without regard to federal agencies. She notes that the states have been receiving foreign investors and granting them agricultural lands, without referring to the Federal Ministry for further technical advice for further coordination, noting that the Investment Law of 1999 AD amended 2003 necessitated the need to obtain initial approval from the competent ministry, according to what was mentioned in the two articles 29 Clause C.
- 8 -Weak infrastructure (basic infrastructures), especially in agricultural and livestock production areas necessary to encourage the investor, and it is represented in the weakness of irrigation networks, the high investment costs required by the construction, the lack of paved roads, electric power, auxiliary services, and marketing channels.
- 9 -The absence of lands planned and ready for investment (investment map).
- 10- Problems of agricultural tenure and registration, and problems of land ownership are one of the main determinants of agricultural investment in Sudan.
- 11- Failure of investors to send reports on project performance (semi-annual) in order to link them to tax exemptions and renew them annually.

Conclusion The saying is that Sudan has taken estimated steps in order to create an appropriate investment climate environment to attract and attract investments, especially foreign direct investments, and savings of Sudanese working abroad, as Sudan has adopted many reforms, economic, political, legal, legislative, and administrative, which were reflected in their entirety on the performance of The economy as a whole, Sudan has also

adopted reforms in investment laws and legislation, which included many concessions and exemptions in favor of attracting and attracting local and foreign investments and the savings of workers abroad.

Sudan also established a full ministry for investment that simplified investment procedures, and introduced the single window system, which brought together all parties concerned with investment in one place, and two free trade zones were established with many customs and tax exemptions. Sudan's efforts were not limited to these reforms only, but also to undertake appreciated efforts in order to promote investment opportunities in Sudan and introduce the available potentials through participation in foreign exhibitions, and the organization of investment conferences across Africa and the Arab world, and many businessmen forums and workshops were held. And the embassies abroad were provided with sufficient information about the available investment opportunities in Sudan.

The results:

- 1 -Economic policies in Sudan are unstable.
- 2 - Legislation regulating investment activity is unstable.
- 3 - Attracting capital to invest in Sudan depends on developing mechanisms.
- 4- The investment procedures are long and complex

Recommendations:

- 1-Working to stabilize economic policies in Sudan.
- 2 -Work to stabilize the legislation related to investment regulation.
- 3- Making a clear investment map in Sudan and presenting it to investors.
- 4- Working to simplify investment procedures.

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