

Your gatewaY to east africa

DJIBOUTI FREE ZONE – INVESTMENT GUIDE

Version Updated – INVESTMENT GUIDE Date 17 March 2010



Table of Content

- 1. Djibouti Free Zone Facilities (Specifications)
 - ✤ Office
 - ✤ Warehouse / LIU
 - ✤ Land
- 2. Licenses Types
 - ✤ Trading
 - Industrial
 - ✤ Service
 - ✤ General Trading
 - Third Party Logistics
- 3. Registration Procedures & Checklist of required documents
 - Branch Company
 - Free Zone Establishment (FZE / Individual & Non Individual Applicant)
 - Free Zone Company (FZCO / Individual & Non Individual Applicant)
- 4. Lease, License & Registration Process

ANNEXES:

- ✤ Annex 1: Categories of products for Trading Licence
- Annex 2: Application forms for License
- ♦ Annex 3: Application forms for the registration of a Branch/ FZE/ FZCO.
- Annex 4: Standard Lease Agreement

1) DJIBOUTI FREE ZONE FACILITIES

a) Office (LOB)

Djibouti Free Zone provides standard and operational office units. Details are as follow:

SPECIFICATIONS			
TITLE	DETAILS	FEATURES	
Area	By square meter	Lease Term- 1 years renewable	
Size	26 m ²	Payment Terms- Annually in advance	
Rent	9,576 USD per year	Maintenance- Common areas (corridor, toilet facilities, pantries) are undertaken by DFZ	
Utilities ¹	Electricity consumption paid by tenant.	Access and Security - 24 Hours	
Common Service		Parking- Parking facilities are provided	
areas		Pantry/Toilet Facilities- Common facilities available for clients leasing space in these buildings	
Electricity rate	0.42USD per Kwh	Telecommunications- Telephone, fax and high speed internet ADSL available. Connection upon signature of lease. Fees payable by client.	

¹ Utilities are already connected with power. There are no power connection fees. The tenant has to pay only his consummation and the maintenance fee.

b) <u>Warehouse / Light Industrial Units (LIU)</u>

There are 3 sizes of warehouses provided by DFZ, at the rate of 72 USD per sq.m annum. They are fully operational and comprise office space.

	SPECIFICATIONS			
Area Details	510 m ²	614 m ²	1,340 m ²	FEATURES
Storage Area of each Unit	460 m ²	558 m ²	1,116 m ²	Electricity- The warehouse/LIU unit has a standard electrical capacity of 35 KVA. Additional power available on demand. Conditions apply.
Area of Office/ Reception	50 m ²	56 m ²	224 m²	Lease Term- 3 years renewable Payment Terms- Annually in advance
Unit Height/ Dimension	7.5m at the ridge to 6m at the valley	9m at the ridge to 7.5m at the valley	9m at the ridge to 7.5m at the valley	Maintenance- Tenants responsible for general cleaning and maintenance of the units (structural maintenance excluded)
Rent, plus 10% deposit	36,720 USD\$ per year	44,208 USD per year	96,480 USD per year	Storage- No storage outside the building is permitted. <u>Utilities</u> : Already connected with power, water, and telecommunication. Connection fee and consumption at the cost of tenant.
Electricity rate	0.42USD per Kwh	0.42USD per Kwh	0.42USD per Kwh	Parking- Ample space available in front or close to each LIU, offering covered parking for two cars.
Water rate	1.41USD per m ³	1.41USD per m ³	1.41USD per m ³	No connection fee. Consumption paid by tenant.
Garbage disposal	85USD per month	85USD per month	85USD per month	Service charge to be paid annually for collection to DFZ.

c) Land

DFZ provides serviced lands for all purpose of constructions by all tenants. Constructions have to be made according to the guidelines issued by DFZ.

TITLE	SPECIFICATIONS DETAILS	FEATURES	
Area of plots	Min 2000 m² / Max 15,000 m²	Utilities- The client is required to apply to the Djibouti Electricity and Water Authorities (EDD & ONED) for connection through the DFZ.	
Rental Rate	13.5 USD per m2	Payment Terms- Annually in advance.	
Electricity rate	0.42USD per Kwh	Lease Term - 5 years renewable.	
Water rate	1.41USD per m ³	Tenant has to complete the construction within 18 months after signature of lease.	

For the lease of land plot, it is mandatory to fence and build the land as per the free zone construction guidelines. The client has to submit, within two months delay from lease starting, to the FZ engineering department all the required documents, plans and drawings concerning its constructions in order to obtain the building permit.

2) <u>LICENSE TYPES</u>

Companies accepted for operation in a Djibouti Free Zone will be granted a Trading Licence, General Trading Licence, Logistics Licence, Industrial Licence, or Services Licence by the Djibouti Ports & Free Zones Authority. These Licences will remain valid whilst a company maintains a current lease agreement for the Free Zone and are renewable annually so long as the lease agreement is in force.

DPFZA License Types	Benefits	Annual Fees / Rate
General Trading	Allows the holder to import, export, re-export, distribute and store all items (unlimited group of products) as per the DFZ Rules & Regulations	4000USD
Trading	Allows the holder to import, export, distribute and store specific and related items (5 groups of products) Annex	1500USD
Logistics	Allows the holder to import, export and store third party goods.	4000USD
Industrial	Allows the holder to import raw materials, carry out the manufacturing process of specified products and export the finished products to any country	1500USD
Service	Allows the holder to carry out the services specified in the license within the Free Zone	1500USD
Bunkering	Supply of petroleum products, gases and water to vessels	15,000USD
International Transport	Transport of goods trough international corridors (Djibouti – Addis; Djibouti – Jubbah; Djibouti – Harguessa.)	4000USD

All types of activities are allowed in the free zone as the import, storage and re-export, the repackaging and re-labeling consolidation and deconsolidation of cargo, minor transformation, light assembly or manufacturing, finishing of semi finished products, blending, sorting and grading of products and any others kinds of activities subject to the Approval of Djibouti Ports and Free Zones Authority.

3) <u>REGISTRATION PROCEDURES</u>

To qualify for establishing a company, you merely need to have a company already registered either in Djibouti or Overseas- including offshore companies.

Alternatively, you could form a legal entity right in a Djibouti Free Zone – called the Free Zone Establishment (FZE) or Free Zone Company (FZCO).

BRANCH COMPANY		
Company Requirements	List of Legal Documents Required	
Branch company applications are available for any country having a valid registration and license outside of Djibouti, as well as a branch of a local company. Although no initial share capital & no registration fee are required for a branch company	 Certificate of Registration of the company or Original Certificate of Good Standing of the company, notarized by a notary and attested by Djibouti Consulate. Memorandum and Article of Association of the company notarized by a notary and attested by Djibouti Consulate. A company's Board Resolution calling for the establishment of a branch in Djibouti Free Zone and guaranteeing full financial commitment and appointment of the following, notarized by a notary and attested by Djibouti Consulate. Appointed Manager / Legal Representative Appointed Negotiator / Legal Representative Power of Attorney for Manger. Passport copies and specimen of Manager / Negotiator 	

Free Zone Establishment – FZE		
Company Requirements	List of Legal Documents Required	
This type of company can be formed only	A. Individual Applicant	
by one shareholder, either Individual (a person) or a Non-Individual (a company)	 a. Applicant personal profile (e.g.business background) b. Specimen of applicant signature (attested DFZ) + passport 	
The initial capital to form a Free Zone Establishment (FZE) is 140 000\$.	copy c. The original banker's reference	
A one-time registration fee of 2 700\$ is applicable.	 2. a. Owner declaration notarized by a notary and attested by Djibouti Consulate and appointment of the following: b. Negotiator or Legal Representative + Power Attorney c. Manager and specimen of signature + passport copy d. Directors and specimen of signature + passport copy e. Secretary and specimen of signature + passport copy 	
	B. Non Individual Applicant 1. a. Certificate of Registration of the company, or Original Certificate of Good Standing of the company notarized by a notary and attested by Djibouti Consulate	

	b. Memorandum and Article of Association notarized by a notary and attested by Djibouti Consulate
	 2. Board Resolution calling for the establishment of a FZE notarized by a notary and attested by Djibouti Consulate and appointment of the following: a. Appointment of the Negotiator or Legal Representative +
	Power of attorney
	c. Manager and specimen of signature + passport copy
	d. Director and specimen of signature + passport copy
	e. Secretary and specimen of signature + passport copy
Note:	

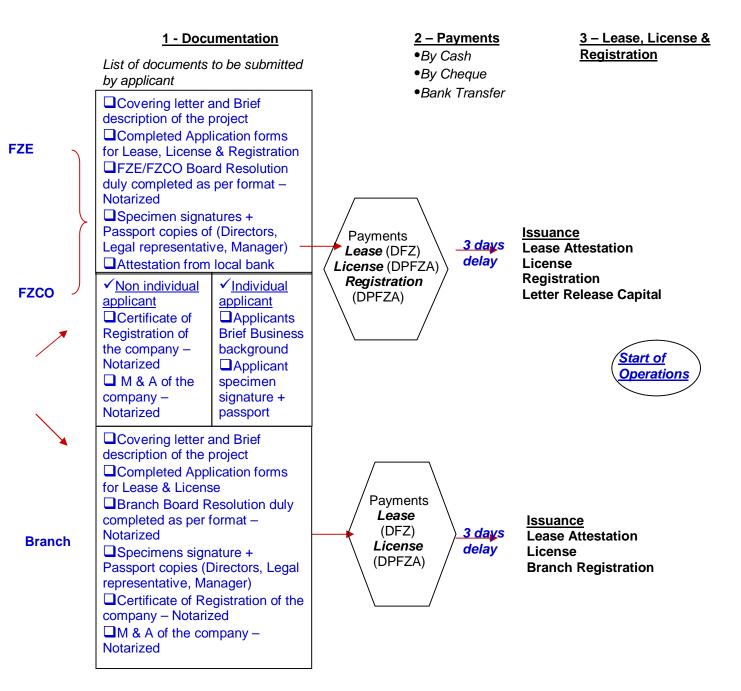
1. Documents have to be notarized by a Notary and attested Djibouti Consulate.

Free Zone Company – FZCO **Company Requirements** List of Legal Documents Required This type of company can be formed by a A. Individual Applicant minimum of two and a maximum of five 1 a. Applicant personal profile (e.g. business background) founders. The founders can be Individuals b. Specimen of applicant signature (attested by DFZ) + (people), Non-Individual (companies) or a passport copy combination of individuals and c. The original banker's reference companies. 2. Board Resolution notarized by a notary and attested by The initial capital to form a Free Zone Djibouti Consulate and appointment of the following: Company (FZCO) is 70,000 USD. a. Negotiator or Legal Representative + Power of Attorney b. Manager and specimen of signature + passport copy A one-time registration fee of 4 000 USD c. Directors and specimen of signature + passport copy d. Secretary and specimen of signature + passport copy is applicable. B. Non Individual Applicant 1 a. Certificate of Registration of the company or Original Certificate of Good Standing of the company notarized by a notary and attested by Djibouti Consulate b. Memorandum and Article of Association notarized by a notary and attested by Djibouti Consulate 2. Board Resolution calling for the establishment of a FZE / FZCO and appointment of the following, notarized by a notary and attested by Djibouti Consulate: a. Appointment of the Negotiator or Legal Representative + Power of attorney c. Manager and specimen of signature + passport copy d. Director and specimen of signature + passport copy e. Secretary and specimen of signature + passport copy Note:

1. Documents have to be notarized by a Notary and attested Djibouti Consulate.

4) LEASE, LICENSE AND REGISTRATION PROCESS

A – Mapping



B-Quick steps to start operations in DFZ

	Step to start the operations in DFZ	Fees and documents to submit
1	Fill in License Application Form and submit together with brief description on project and the necessary payment for the license. (as per tariff in Section 4)	Application forms for License 1 & 2 (cf to Annex2) Fees payable to DPFZA
2	Fill in Company Registration Form together with required documents and the necessary payment for the Registration procedures. (as per tariffs Section 5)	Application form for FZE or FZCO or Branch (cf to Annex3) Fees payable to DPFZA
3	DFZ will approve application within <u>3 working days</u>	
4	Once Application is approved, the share capital in the case of FZE or FZCO must be transferred to the one of the local bank	
5	Once the company is formed, the Lease Agreement has to be signed upon payment of the yearly lease.	Standard copy of Lease Agreement and General Conditions (cf to Annex4)

5) <u>ANNEXES</u>

ANNEX 1 - Categories of products for Trading Licence¹

CATEGORIE 1	CATEGORIE 2	CATEGORIE 3
1. Automobile & Related Spares	1. Household Products Electronics Electr	1. Pharmaceuticals
2. Machinery & Heavy Equipments	2. Recordable Media & Publications	2. Foodstuff & Beverages
3. Petroleum Products & Gases	3. Jewellery Products, Gold, Precious Stones	3. Tobacco and Its Products
4. Metals (Ferrous & Non Ferrous)	4. Gifts, Novelties, Toys and Stationery	4. Spirits
5. Construction Materials	5. Furniture and Office Equipment	5. Agricultural Products
6. Rubber & Plastic Products	6. Textiles and Garments	6. Live Animals and Products
7. Chemicals	7. Footwear & Other Leather Products	7. Animal Feed
8. Woods & Paper	8. Consumer Goods	
9. Minerals	9. Hardware Equipment & Tools	
	10. IT Information Systems &	
10. Aircraft & Spares	Software	
11. Ships, Boats & Spares	11. Liaison & Rep Offices	
	12. Cosmetics & Perfumes	
	13. Medical Equipment	
	14. Spare Parts	

¹ You can only select 5 products per category for your Trading Licence.

ANNEX 2 – Application Form for License 1&2

2-

FORM 1 APPLICATION FOR LICENCE

Notes & Guidelines for completing the Application Form

- Please complete FORM 1 if you are applying for pre-built office or warehouse facility. Kindly note that if your project has to do with manufacturing activity, require land facility or involved in storage & distribution of chemicals with restricted items you would need to fill out FORM 2 and may also need to hold technical meetings with our Environment, Health, Safety & Security Division.
- 2. Please complete all sections and assess your facility, and your requirements. An incomplete application form could result in delays in approving your project. If more space is required for any of the sections, please attach extra sheets. All information provided by you in the application will be dealt in strict confidence.
- 3. Please follow the Metric System for all units of measurement, US Dollars (\$) for currency details and the HS (Harmonised System) for product codes related to import/export/re-export.
- 4. Completed applications forms with one page summary of proposed business activity should be submitted to the Djibouti Ports & Free Zones Authority, Commercial Department, P.O. BOX 198, Djibouti, Republic of Djibouti or Fax to +253 35 90 39.
- 5. For individual applicants, serial numbers 2 to 4 below are not applicable.

TELL US MORE ABOUT YOURSELVES

1- Your company's registered name & address (For individuals Please list your Name).

Name:	
Address in full (P.O.Box)	
City/	Country:
Telephone:	Fax:
E-mail/Website:	
Your Parent Company's name & address (if diff	erent from '1' above)

City/	Country:
-	
Telephone:	Fax:
E-mail/Website:	

TELL US ABOUT YOUR PROPOSED PROJECT IN THE DJIBOUTI FREE ZONE

3-Registration type:

Applying as (please tick as appropriate)

(a) a BRANCH of a:

- Djibouti based company.
- □ Company registered overseas (including offshore).

OR

*(b) Establishing a NEW company in the Djibouti Free Zone - DFZ by registering as a

- □ Free Zone Company (FZCO).
- □ Free Zone Establishment (FZE).

*Separate application for the new company registration shall be submitted.

4-Proposed business activity:

- □ Trading
- Manufacturing
- □ Service

Please give a brief outline of the main operation of the proposed activity (for trading, activity, list the commodities/products to be included in your license).

5-Proposed company's name in DFZ:

First choice:
Second Choice:

NOTE: YOU CANNOT USE THE NAME OF YOUR PROPOSED COMPANY, UNTIL YOU HAVE RECEIVED APPROVAL FROM THE DJIBOUTI PORTS & FREE ZONES AUTHORITY.

6- Facilities & services:

What Free Zone Facility would you need to lease and when?

Note: DPFZA cannot guarantee availability at the time of approval.

FACILITY REQUIRED:	No. of Units	Area in Sq. Mts.	Date Required
OFFICE UNIT			
WAREHOUSE: Type 1 (Each unit is of 558 Sq. Mts. including an office of 56 Sq. Mts.)			
WAREHOUSE: Type 2 (Each unit is of 1,116 Sq. Mts. including an office of 224 Sq. Mts.			
LIGHT INDUSTRIAL UNIT (L.I.U.)			
PLOT OF LAND			

7- Workforce

What would be the proposed number of your workforce in DFZ?

	Manager	Supervisor	Skilled	Unskilled
Male (No's.)				
Female (No's)				

8- Cargo movement & capital investment

A) Please indicate the projected cargo movement for your project:

	1 st Year				2 nd Year			3 rd Year				
	Tons		Cont	ainer	Т	ons	Container		Tons		Container	
	Imp	Exp	Imp	Exp	Imp	Exp	Imp	Exp	Imp	Exp	Imp	Exp
Through the Djibouti Port												
By Air Cargo												
By Road												

B) What would be the levels of capital investment in your project, in terms of:

Description	US\$
Premises (building – if constructed at your cost)	
Equipment/Machinery	
Working Capital	
Other	
Total	

9- Power & utility requirements Please indicate your Utility Requirements in terms of:

Electricity MD (Maximum Demand):	KVA
Water:	Cubic meters / day
Fuel:	Cubic meters /day

10- Environment, health & safety issuesA) Details of Items to be traded/handled

Name Of Item	Rate (Ton/day or cubic meter/day)	Type of Hazard	Class
1. 2.		 	
3. 4. 5.			

B) Please tick relevant boxes. If any of the boxes are ticked, you will be required to complete attached Form 2, and submit the same along with the Application Form 1.

- Does your project have any anticipated Environment, Health or Safety concerns?
- Does your project involve any manufacturing/assembling/or service operations?
- Does your project involve the import/export/storage of any type of chemicals/gases/radioactive material?
- Does your project involve any internationally/locally prohibited/controlled items?
- Does your project involve storage of any flammable items (paper, pulp, garments, cotton etc.) in the leased premise
- □ Will there be generation of any industrial/trade wastes from your operations?
- □ Will there be any requirement of fuel (Oil/Gas) utilization for the project?
- □ Will there be any requirement for Industrial Process/Cooling/Wash Waters?

11- Feedback

How did you hear about the Djibouti Free Zone?

Please tick more than one if applicable, give details of names/Dates as asked below:

- **D** Exhibitions
- Direct contact
- □ Seminar
- Description Business Visit By DPFZA/other delegation
- □ Free Zone Representative / JAFZI (overseas) offices
- Dewspaper/ Magazine Advertising/ Editorial or Press Release
- □ Word of mouth
- □ Video, CD Rom, and brochures.
- □ Internet / website
- Direct mail campaign

Name/Dates:

Have you already met any DPFZA (Commercial) Staff? If yes, name (S):.....

12- Application completed by

Name:
Company:
Position:
Date:
SIGNATURE:

FORM 2 APPLICATION FOR LICENCE

13 - Details on Power Supply (Please indicate the additional requirement apart from the standard lighting and power provided by DPFZA)

Equipment to be supplied with power	Voltage "V"	Single 3-Phase	Load in "KW"			
1. Offices:a) Lightingb) General suppliesc) Air conditioning						
 2. Facility: a) Lighting b) General supplies c) Air conditioning d) Motor drives e) Other equipment (including spare circuits) 						
Total Connected Load (TCL)KW						

Power is generally supplied at () Volt. 3-Phase + neutral, () Hz, or () KV, 3--Phase, ()Hz, depending on Total Connected Load (TCL, (Djibouti Electricity Authority) shall be consulted for the incoming supply arrangements, Volt levels, OF correction requirements etc. in case of large installations. In all cases, a direct application has to be made to EDD for power and ONED for Water connections after the tenant obtains a building permit from Djibouti Ports & Free Zones Authority.

Power connection will be energized only after completion of construction of the facility and a building completion certification is issued by DPFZA (Applicable only to companies leasing plot of land).

14 - ENVIRONMENT, HEALTH, SAFETY & SECURITY ISSUES A) PRODUCTS:

Name of product	Rate	Type of storage	Method of	Hazard
		And/or packing	delivery	classification
Please list the products	Tons/day or	Bulk, tanker,	Ship, road or air	Flammable,
	Cubic mts./day	drums etc		Toxic etc.

B) PROCESSED RAW MATERIALS:

	NAMI	ES OF RAW	MATERIAL	'S
PROCESS				
Rate (Tons or m3/day)				
Method of receipt				
(e.g. ship, road, conveyor)				
Handling & Storage details				
(e.g.racking, palletised, indoor,				
outdoor)				
Precautions to prevent pollution				
(e.g. spillage, emissions)				
Hazardous Classification				
(e.g. flammable, toxic etc.)				

Fuel type:

□ Gas

□ Fuel

Other (Please Specify) (Please note that Fuels of less than 1% Sulphur content only are permissible)

C) WASTES AIRBORNE:

Source (Point Sources & Fugitive)	Volume rate of Emission (m³/hr)	Polluant content (ug/m ³ or mg/m ³ or g/m ³)	Proposed Treatment/Migitation Systems	Chimney Height (m) (Proposed)

LIQUID:

Source (From process, washings, laboratory cooling etc.)	Rate of Generation (lpd or gpd)	Type and chemical content include. Total heavy metal content etc.	Quality (Attach typical analysis report				Proposed Treatment And/or Disposal Method
			COD	BOD	S.S	PH	
1.							
2.							
3.							

Note : It should be noted that all waste streams apart from sanitary are considered as Industrial/Trade wastes. Requirement for Cooling water discharges should be clearly mentioned.

SOLID:

Source	Type and composition	Rate of generation (kg/day)	Proposed treatment and/or method of disposal	Hazard or classificationn
1.				
2.				
3.				

15 - Other H, S & E related information

A) Do you have any H, S &E control/ management systems in place? If so, please specify the certification body and standard in the space provided below:

.....

B) Please attach the proposed machinery list /machinery layout for our review. (Use separate Sheets if required)

16 - DESCRIPTION OF PRODUCTION PROCESS:

Brief flow details with diagram or process flow chart with emphasis on environmental impacts (Use separate sheets if required). Any special precautions or hazards and how they are dealt with. The following should also be included:

- A) Activity details (including process details with temperature and pressure conditions, warehousing etc.).
- B) Proposed plan layout of proposed activity and facility (if available).

17 - ENVIRONMENT, HEALTH & SAFETY PROTECTION AND WELFARE:

State the company policy to meet the requirements laid down in the booklet, "Planning and Construction Regulations for Control of Commercial Developments in the Djibouti Industrial Zone" Environmental Control Requirements & Standards for prevention of Pollution latest edition. A special attention to be paid to "Risk Assessment" And or Environment Impact Assessment recommendation for the proposed facility if it is required by DPFZA.

Kindly nominate and state the Name, Title & Tel No. of a technical Person in charge of EHSS aspects in your company :

Name :	
Title :	 Tel

18 - NOISE LEVEL:

Give an indication of the expected noise level of the proposed facility operation in DFZ. Need to provide scale.

19 – MISCELLANEOUS

Describe any special problems of the process and means to be taken to deal with them, such as pollution control equipment.

20 - Application completed by:

NAME:	DESIGNATION:
SIGNATURE:	DATE:

	LIST OF LEGAL DOCUMENTS REQUIRED FOR ESTABLISHING A BRANCH COMPANY				
1	Certificate of Registration of the company or Original certificate of Good Standing of the company	Attested/Notarised			
2	Memorandum & Article of Association.	Attested/Notarised			
3	Company's Board Resolution calling for the Establishment of a branch in DFZ and guaranteeing full financial commitment and appointment of the following:	Attested/Notarised			
4	Negotiator or Legal Representative + Power of Attorney + Specimen of his signature + Passport Copy	Notarised			
5	Manager or Representative + Specimen of signature + passport copy	Notarised			

ANNEX 3 – Application Form for Registration of the company (Branch, FZE, and FZCO)

1- BRANCH

Branch Board Resolution Or Owner declaration

This is to state that, we the undersigned and Board of (company name) ______ have met on -----/-------- /200... and have agreed and resolved the following:

- 1- To establish a *Branch* Company in **D**jibouti Free Zone. We further guarantee full financial commitment to the *Branch* that we intend to set up in **D**jibouti Free Zone.
- 2- Agreed to appoint Mr./Mrs. ------ As Legal Representative and Negotiator for our *Branch* Company in the Djibouti Free Zone.
- 3- Agreed to appoint Mr./Mrs. ----- As Manager and Representative in-charge (will be the Licence holder) for our *Branch* Company in the Djibouti Free Zone.

Power of Attorney

4- Agreed to grant power of attorney to Mr./Mrs.----- As our attorney. He/she shall have full powers of authority to do and undertake all acts on the company's behalf that we could do personally including but not limited to the right to sell, buy, lease, mortgage, assign, rent of dispose of any real property; the right to execute, accept, undertake and perform all contacts in the company's name; the right to deposit, endorse, or withdraw funds to or from any of the company's bank accounts or safe deposit box; the right to initiate, defend commence or settle legal actions on the company's behalf; and the right to retain any accountant, attorney, of other adviser deemed necessary to protect the company's interests relative to any foregoing unlimited power.

Signed (by Board Members) on this/2005				
Name of Board Member	Signature			
Mr./Mrs				
Mr. /Mrs				
Mr. /Mrs				
Mr. /Mrs				

Note: Please attach specimen signature and passport photocopy of the following:

- Legal Representative/Negotiator (as per item 2 above)
- Manager/Representative of the Branch Company in Djibouti Free Zone (as per item 3 above)
- Power of Attorney (as per item 4 above)

Notice: * This Resolution has to be Attested or Notarised by Djibouti Ports & Free Zones Authority in Djibouti, Jebel Ali Free Zone International in Dubai, or Djibouti or France Embassy or Consulate abroad. **Branch-Resolution**



Specimen Signature

I, the undersigned Mr./Mrs./Ms
Nationality
Holding Passport Number
Issue Date
Position / Designation
Company Nama
Company Name

Kindly attest my signature that appears below

Specimen of Signature:

2- FREE ZONE ESTABLISHMENT



APPLICATION FOR REGISTRATION: FREE ZONE ESTABLISHMENT

*Application should be typed in CAPITAL LETTERS. If any correction or alteration application is void.

Before completing this Application Form please read the Implementing Regulations of the Djibouti Ports & Free Zones Authority, Pursuant to Decree No.2002-0098/PRE and its amendments.

I/We here apply for registration by the Djibouti Ports & Free Zones Authority as a Free Zone Establishment

Individual Applicant

Non-Individual Applicant

1. DETAILS CONCERNING THE APPLICANT

Name:						
Address:						
Nationality/Place of Registrat	ion:					
Contact Name:						
Tel:	Fel: Fax: Mobile:					
Negotiator / Legal Representative's Name:						
Negotiator / Legal Representative's Address:						
Tel:	Fax:	Mobile:				

2. DETAILS CONCERNING THE FREE ZONE ESTABLISHMENT

Establishment's Name:
Share Capital:
Number of Shares:
*Amount of each share
*(Amount of each share must be US\$140,000 or Multiples thereof)

(Amount of each share must be US\$140,000 or Multiples thereof)

FZE Banker's Name & Address	FZE Auditor's Name & Address
(must be in Djibouti)	(must be in Djibouti)

3. FZE BOARD OF DIRECTORS

	Director		Director	
Name:				
Address:				
Nationality:				
Resident in Djibouti:	□ Yes	No	□ Yes	No
Occupation:				

	Director (must be in Djibouti)			Director be in Djibouti)
Name:				
Address:				
Nationality:				
Resident in Djibouti:	🛛 Yes	□ No	• Yes	No
Occupation:				

NOTE: If you require additional space for the names and details of the Directors, a separate sheet should be attached to this application.

At least one Director and the Secretary must be residents of Djibouti (address to be provided above)

4. LIST OF LEGAL DOCUMENTS REQUIRED FOR FZE'S

INDIVIDUAL APPLICANT

1	 (a) Applicant's personal details e.g Business Background (b) Specimen of applicant's signature + passport copy (c) Original Banker's reference 	Notarised Notarised
2	 Owner Declaration and appointment of the following: (a) Negotiator or Legal Representative + Power of Attorney (b) Manager & specimen of signature + passport copy (c) Directors & specimen of signature + passport copy (d) Secretary & specimen of signature + passport copy 	Notarised Notarised Notarised Notarised

NON-INDIVIDUAL APPLICANT

1	 (a) Certificate of Registration of the company or Original certificate of Good Standing of the company (b) Memorandum & Article of Association. (c) Board Resolution calling for the Establishment of the FZE in DFZ 	Attested/Notarised Attested/Notarised Attested/Notarised
2	 Appointment of the following: (d) Negotiator or Legal Representative + Power of Attorney (e) Manager & specimen of signature + passport copy (f) Directors & specimen of signature + passport copy (g) Secretary & specimen of signature + passport copy 	Notarised Notarised Notarised Notarised

5. UNDERTAKING

I/We hereby declare that Implementing Regulation have been carefully reviewed and the information given in this application is accurate in all respects. I/We here irrevocable undertake and agree to comply fully with all Implementing Regulations and other conditions issued from time to time by the Djibouti Ports & Free Zones Authority and with the terms and conditions of lease and license which the said Authority may issue to the proposed Free Zone Establishment.

Name:			
Authorised signatory:	Date:	/	_/

FOR OFFICIAL USE				
Application/Documentation Approval:	Registration Approval:			
Name: Sign:	Name:			
Date://	Date://			

FZE Board Resolution Or Owner declaration

This is to state that, we the undersigned and Board of (company name) ______ have met on -----/-------- /2005 and have agreed and resolved the following:

- 4- To establish a *FZE* in Djibouti Free Zone. We further guarantee full financial commitment to the *FZE* that we intend to set up in Djibouti Free Zone.
- 5- Agreed to appoint Mr./Mrs. ------ As Legal Representative and Negotiator for our FZE in Djibouti Free Zone.

6- Agreed to appoint Mr./Mrs. ------ As Manager and Representative in-charge for our *FZE* in Djibouti Free Zone.

Power of Attorney

5- Agreed to grant power of attorney to Mr./Mrs.----- As our attorney. He/she shall have full powers of authority to do and undertake all acts on the company's behalf that we could do personally including but not limited to the right to sell, buy, lease, mortgage, assign, rent of dispose of any real property; the right to execute, accept, undertake and perform all contacts in the company's name; the right to deposit, endorse, or withdraw funds to or from any of the company's bank accounts or safe deposit box; the right to initiate, defend commence or settle legal actions on the company's behalf; and the right to retain any accountant, attorney, of other adviser deemed necessary to protect the company's interests relative to any foregoing unlimited power.

Signed (by Board Members) on this -----/2005

Name of Board Member

Signature

Mr./Mrs. -----

Mr. /Mrs. -----

Mr. /Mrs. -----

Mr. /Mrs. -----

Note: Please attach specimen signature and passport photocopy of the following:

- Legal Representative/Negotiator (as per item 2 above)
- Manager/Representative of the FZE in Djibouti Free Zone (as per item 3 above)
- Power of Attorney (as per item 4 above)

Notice: * This Resolution has to be Attested or Notarised by Djibouti Ports & Free Zones Authority in Djibouti, Jebel Ali Free Zone International in Dubai, or Djibouti or France Embassy or Consulate abroad. **FZE-Resolution**



Specimen Signature

I, the undersigned Mr./Mrs./Ms
Nationality
Holding Passport Number
Issue Date
Position / Designation
Company Name

Kindly attest my signature that appears below

Specimen of Signature:

2- FREE ZONE COMPANY



APPLICATION FOR REGISTRATION: FREE ZONE COMPANY

*Application should be typed in CAPITAL LETTERS. If any correction or alteration application is void.

Before completing this Application Form please read the Implementing Regulations of the Djibouti Ports & Free Zones Authority, Pursuant to Decree No.2002-0098/PRE and its amendments.

I/We	here apply for registration by the Djibouti I	Ports a	& Free Zones Authority as a Free Zone Company
	Individual Applicant		Non-Individual Applicant

1. DETAILS CONCERNING THE APPLICANT

	# OF SHARE	AMOUNT OF SHARE (1)		
4. Name:				
Negotiator / Legal Representative's Name & Address:				
Fax:		Mobile:		
	1	tive's Name & Address:		

2. DETAILS CONCERNING THE FREE ZONE COMPANY

PROPOSED

Company's Name:
Share Capital:
Banker's Name & Address: (must be in Djibouti)

(1) (The amount of each share must be US\$14,000 or Multiples thereof. Total required share capital must be US\$70,000)

3. FZ COMPANY'S BOARD OF DIRECTORS

	Director		Director	
Name:				
Address:				
Nationality:				
Resident in Djibouti:	□ Yes	No	□ Yes	□ No
Occupation:				

	Director (must be resident in Djibouti)) Director (must be resident in Djibouti)	
Name:				
Address:				
Nationality:				
Resident in Djibouti:	□ Yes	□ No	□ Yes	No
Occupation:				

NOTE: If you require additional space for the names and details of the Directors, a separate sheet should be attached to this application.

At least one Director and the Secretary must be residents of Djibouti (address to be provided above)

4. LIST OF LEGAL DOCUMENTS REQUIRED FOR FZCO'S

INDIVIDUAL APPLICANT

1	 (d) Applicant's personal details e.g Business Background (e) Specimen of applicant's signature + passport copy (f) Original Banker's reference 	Notarised Notarised
2	 Owner Declaration and appointment of the following: (e) Negotiator or Legal Representative + Power of Attorney (f) Manager & specimen of signature + passport copy (g) Directors & specimen of signature + passport copy (h) Secretary & specimen of signature + passport copy 	Notarised Notarised Notarised Notarised

NON-INDIVIDUAL APPLICANT

1	 (h) Certificate of Registration of the company or Original certificate of Good Standing of the company (i) Memorandum & Article of Association. (j) Board Resolution calling for the Establishment of the FZCO in DFZ 	Attested/Notarised Attested/Notarised Attested/Notarised
2	 Appointment of the following: (k) Negotiator or Legal Representative + Power of Attorney (l) Manager & specimen of signature + passport copy (m) Directors & specimen of signature + passport copy (n) Secretary & specimen of signature + passport copy 	Notarised Notarised Notarised Notarised

5. UNDERTAKING

I the under signed and on behalf the above Founders hereby declare that the Implementing Regulation have been carefully reviewed and the information given in this application is accurate in all respects. We here irrevocably undertake and agree to comply fully with all Implementing Regulations and other conditions issued from time by the Djibouti Ports & Free Zones Authority and with the terms and conditions of lease and license which the said Authority may issue to the proposed Free Zone Company.

Name & Signature of Authorised Signatory on Behalf of the Founders:	Date: / /

FOR OFFICIAL USE		
Application/Documentation Approval:	Registration Approval:	
Name: Sign:	Name:	
~	Sign:	
Date://	Date://	

FZCO Board Resolution Or Owner declaration

This is to state that, we the undersigned have met on ------/200... and have agreed and resolved the following:

7- To establish a Company in Djibouti Free Zone. We further guarantee full financial commitment that we intend to set up _______FZCO and the founders/partners/owners will

be as following :

Name of owner/Partner/ Shareholder	Number of Share *	Nationality	Address

8- The board of directors as following:

Name & Signature	Position Director /Manager/ Secretary	Nationality	Address
Mr/ Mrs. Signature			

3-Agreed to appoint Mr./Mrs. ------ As Legal Representative,
Negotiator, for our company in the Djibouti Free Zone.
4-Agreed to appoint Mr./Mrs. ------ As Manager --in-charge (will be Licence holder) for our company in the Djibouti Free Zone.

Power of Attorney

6- Agreed to grant power of attorney to **Mr**./**Mrs**.------- as our attorney. He shall have full powers of authority to do and undertake all acts on the company's behalf that we could do personally including but not limited to the right to sell, buy, lease, mortgage, assign, rent of dispose of any real property; the right to execute, accept, undertake and perform all contacts in the company's name; the right to deposit, endorse, or withdraw funds to or from any of the company's bank accounts or safe deposit box; the right to initiate, defend commence or settle legal actions on the company's behalf; and the right to retain any accountant, attorney, of other adviser deemed necessary to protect the company's interests relative to any foregoing unlimited power.

Signed (by founders) on this/2005
Name of the company shareholder/Owner
Mr

Signature



Specimen Signature

I, the undersigned Mr./Mrs./Ms
Nationality
Holding Passport Number
Issue Date
Position / Designation
Company Name
Kindly attest my signature that appears below

Specimen of Signature:

ANNEX4 - Standard copy of Lease Agreement and General Conditions

DATED

CONTRACT

CONTRAT DE LOCATION

DATE

made between

établi entre

DJIBOUTI DRY PORT FZCO Certificate of Formation N°040

Company with a Capital of USD 21,430,000

DJIBOUTI DRY PORT FZCO

Certificat de Formation N°040 Société au Capital de 21, 430,000 USD

and

Company Name

et

Nom de l'Entreprise

This present lease made this date

Le présent contrat est conclu ce jour le date

BETWEEN

The Djibouti Dry Port FZCO

(hereinafter called "the Landlord", based in route de venise – Po Box 198 – Rep. of Djibouti Tel : 00253.35.90.49 – Fax : 00253.35.90.39

Entre

ET

La Société Djibouti Dry Port FZCO

(ci- après dénommé "le Bailleur") sise route de venise – BP : 198 – Rep. de Djibouti Tel : 00253.35.90.49 – Fax : 00253.35.90.39

AND

Company Name

Company Address

(hereinafter called "the Tenant" which expression shall, where the context so admits include its successors and permitted assigns)

WHEREAS

The Landlord has agreed with the Tenant to grant to the Tenant a lease of the Premises (as hereinafter defined) for the term and subject to the terms and conditions hereinafter contained and the General

Conditions listed in the booklet (Second Edition)

Nom de l'Entreprise

Adresse de l'entreprise

(ci-après dénommé "le Preneur" laquelle expression, selon les circonstances, englobe ses successeurs et cessionnaires autorisés)

EXPOSE PREALABLE

Le Bailleur a convenu avec le Preneur la location des lieux ci-après définis selon les termes et conditions du présent contrat ainsi que sous les conditions générales énumérées dans le livret joint en annexe (Seconde Edition)

Article 1: Location

In consideration of the rent and of the covenants and conditions hereinafter reserved and contained the Landlord hereby lets to the Tenant :

Facility forming part of the Landlord's Facility type (hereinafter referred to as "the Landlord's Premises") situated at Djibouti Dry Port (hereinafter called "the zone") and having a floor area of area measure including the Landlord's infrastructures fixtures and fittings.

Article 2: Term

This Lease shall, subject as hereinafter provided, be for a term of Period (hereinafter called "The Term") from Start date (hereinafter called "the Commencement Date")

Article 3: Rent

The Tenant shall pay to the Landlord a rent at the amount agreed hereunder and, proportionately for any period of less than the terms, without any deduction, in US Dollars.

Price written Price (number)

Payable in advance with effect from start date

The landlord reserves the right to increase the rent at the end of the term from the start date by an amount not exceeding percentage of increase of the current rent.

Article 4: Renewal of lease

If at least one month before the expiry of the Term the Tenant shall give to the Landlord written notice requesting a renewal of this lease, the Landlord shall grant to the Tenant a further lease of the Premises on new terms and conditions to be discussed and agreed between the Landlord and the Tenant.

In the event of the parties failing to agree the terms and conditions of the new lease contract before the expiry of the Term, the Tenant shall vacate the Premises at the expiry of the Term. Article 1: Objet du contrat

Le Bailleur loue au Preneur qui accepte : Objet du bail appartenant au Type d'infrastructure du Bailleur (ci-après désigné sous le vocable les Lieux Loués), situé à Djibouti Dry Port (ci-après appelée "la Zone") et ayant une surface au sol de dimension ainsi que les installations du Bailleur qui y sont attachées.

Article 2: Durée du contrat

Cette location est consentie conformément aux dispositions du présent contrat pour une durée de période (ci-après appelée "la Durée") laquelle court pour compter du date de début (ci-après appelée la "Date d'Effet").

Article 3: Loyer

Le Preneur doit s'acquitter auprès du bailleur d'un loyer du montant ci-après convenu en US dollars et proportionnellement pour toute période des termes, sans aucune déduction.

Prix en lettre Prix en chiffre

Payable d'avance au date de début

Le Bailleur se réserve le droit de majorer le loyer après la période du présent bail à partir de la date du date de début d'un montant n'excédant pas pourcentage de l'augmentation du présent loyer.

Article 4: Renouvellement du contrat

Si dans un délai d'un mois au moins avant l'échéance du bail, le Preneur notifie par écrit son intention de proroger la location, le Bailleur consentira à celui-ci une nouvelle location des lieux, acceptée selon des nouveaux termes et conditions du contrat qui devront être acceptés par les deux parties à compter de la date d'échéance du présent contrat.

En cas de désaccord des parties sur les termes et conditions du nouveau contrat de location, le Preneur est tenu d'évacuer les lieux à l'expiration du terme de celle-ci.

Article 5:

All correspondence pursuant to this lease shall be sent to the parties at the addresses set out below or such addresses as may be notified by the parties;

DJIBOUTI DRY PORT FZCO

P O BOX 198 DJIBOUTI Telephone : (253) 35 90 49 Fax : (253) 35 90 39

Company name

Company address

Article 5: Domiciliation

Toute correspondance relative au présent bail, entre les parties, doit être envoyée aux adresses mentionnées pour la domiciliation au présent contrat ou toute autre adresse notifiée ultérieurement par elles.

DJIBOUTI DRY PORT FZCO

BP : 198 DJIBOUTI Téléphone: (253) 35 90 49 Fax: (253) 35 90 39

Nom de l'Entreprise

Adresse de l'Entreprise

Any such notice, communication or demand given shall be deemed to have been received at the time of confirmed delivery.

Article 6:

This lease shall be governed by and construed in accordance with the free zone laws in force from time to time in Djibouti.

Article 7: Arbitration Clause

Any conflict between the parties will be submitted has the arbitrage in accordance with the procedure of the Djiboutian code of international arbitration.

Article 8: Language of Interpretation

The present lease is made in two versions English and French. In the case of divergence of interpretation between the two versions, the English version shall prevail Toute correspondance portant notification, communication ou requête sera considérée reçue dès sa réception effective confirmée par accusé de réception.

Article 6:

Le présent bail est établi conformément à la législation djiboutienne applicable en zone franche et sera régi par cette même législation.

Article 7: Clause d'arbritage

Tout conflit entre les parties sera soumis à l'arbitrage conformément à la procédure du code Djiboutien de l'arbitrage Internationale.

Article 8: Langue d'interprétation

Le présent bail est établi en deux versions anglaise et française. Dans le cas d'une divergence d'interprétation entre les deux versions, la version anglaise sera retenue.

IN WITNESS WHEREOF the parties hereto have agreed this Lease to be duly executed the day of signature.	EN FOI DE QUOI les parties conviennent d'exécuter le présent contrat le jour et l'année de sa conclusion.
SIGNED	SIGNÉ
for and on behalf of	Pour et au nom de
THE DJIBOUTI DRY PORT FZCO	DJIBOUTI DRY PORT FZCO
Name:	Nom:
Position:	Fonction :
Signature:	Signature:
Date:	Date:
SIGNED	SIGNÉ
for and on behalf of	Pour et au nom de
Company Name	Nom de l'Entreprise
by	par
Name:	Nom:
Position:	Fonction:
Signature:	Signature:
Date:	Date:

THE ATTACHED SCHEDULE

Rights Granted to the Tenant

- 1 The full and free right of access to and egress from the Demised Premises, subject to any regulations which the Djibouti Dry Port FZCO may from time to time impose for the security of the Free Zone.
- 2 The use of all pipes and cables which connect the Demised Premises with main supplies of water, electricity, drainage either exclusively or jointly with other parts of the Landlord's Premises.
- 3 The use of common hallways and toilet facilities.

Rights Reserved by the Landlord

- 1 The free and uninterrupted passage and running of water, soil, gas, effluent, drainage, electricity, telephone and any other service or supply through any pipes or cables now or hereafter existing under or upon the Landlord's Premises.
- 2 The Tenant shall give a three-month written notice to the Landlord of its intention to vacate the Demised Premises. Should the tenant vacate the premises before the end of the 3 month notice period, the rent concerning the notice period is payable in full.

ANNEXE JOINTE Droits garantis au Preneur

- 1- Liberté d'accès et de sortie des lieux loués sous réserve de la réglementation édictée par Djibouti Dry Port FZCO pour la sécurité de la Zone Franche.
- 2- Usage des canalisations et câbles qui relient les lieux loués aux principales voies d'approvisionnement en eau, en énergie électrique et d'assainissement qu'elles soient exclusives ou communes avec d'autres parties des biens du Bailleur.
- 3- Usage des parties communes et des toilettes.

Droits réservés au Bailleur

- 1- Le passage et l'écoulement libres sans interruption de l'eau, du gaz, de tout effluent, des eaux usées, de l'électricité, du téléphone et de tout autre service ou approvisionnement par les canalisations ou câbles existants ou à venir sous ou sur les lieux loués.
- 2- Le Locataire notifiera par écrit un préavis de trois (3) mois son intention de quitter les lieux loués. Si le locataire souhaite quitter les lieux avant le préavis, le loyer concernant le préavis reste du dans sa totalité.