



وزارة التجارة والاستثمار
Ministry of Commerce and Investment

Chamber of Commerce and Industry Law

1400AH



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Chamber of Commerce and Industry Law
In the Name of Allah the Most Compassionate, the Most Merciful
Royal Decree NO: M/6
Passed on: 30/04/1400AH

With the blessing of Allah

We, Khalid bin Abdul Aziz Al Saud,

King of Saudi Arabia,

After reviewing Articles (19) and (20) of the Law of Council of Ministers, enacted under the Royal Decree NO (38) on 22/10/1377AH;

After reviewing the Chamber of Commerce and Industry Law issued by the Lofty Order NO 2829 dated 13/08/1368AH; and

After reviewing the Ministerial Decree NO (64) issued on 22/04/1400AH.

Do hereby decree the following:

First: Approve the Chamber of Commerce and Industry Law as per the draft annexed hereto.

Second: Assign His Highness, Prime Minister and the ministers, in their respective competencies, to enforce the present decree.

Ministerial Decree NO (64) issued on 22/04/1400AH

The Council of Ministers,

After reviewing the transaction attached hereto submitted by the Minister of Commerce letter NO 322/K, dated 04/04/1398AH, indicating that the Ministry has prepared the draft Chamber of Commerce and Industry Law (attached), as the currently applicable law issued several years ago is not appropriate for KSA commercial and industrial renaissance which requires the chambers to play an active role to achieve KSA development agenda goals. The attached draft law was prepared for your kind review and adoption.

Does hereby

First: Approve and adopt the Chamber of Commerce and Industry Law annexed hereto.

Second: For the same purpose, a Royal Decree (annexed hereto) has been passed.

Vice Prime Minister



Chamber of Commerce and Industry Law

Part One: Formation of Chambers of Commerce and Industry

Article (1):

The Chamber of Commerce and Industry is a non-profit organization which represents, protects and develops the commercial and industrial interests of the public authorities, within its jurisdiction.

Article (2):

The Chamber of Commerce and Industry shall have a legal personality and shall be represented by the Chairman of its Board of Directors before the courts and third parties.

Article (3):

The Chamber of Commerce and Industry shall be established under a resolution by the Minister of Commerce in agreement with the Minister of Industry and Electricity, specifying the Chamber's headquarters, competencies and minimum number of participants, which shall not be less than thirty natural or legal persons who are engaged in commerce or industry registered in the Commercial Register. The Chamber may establish sub-offices within its jurisdiction after the approval of the Minister of Commerce.

Article (4):

Every merchant or manufacturer registered in the Commercial Register shall apply for subscribing in the Chamber where his principal place is located. A merchant or manufacturer may subscribe in more than one chamber in case of having branches. Subscription shall be canceled due to striking off the Commercial Registration or the non-payment of the annual subscription fees, notwithstanding the notification of the subscriber.

Part Two: Chamber of Commerce and Industry Terms of Reference

Article (5):

The Chamber of Commerce and Industry shall be concerned with the following:

Collect and disseminate all information and statistics related to commerce (a
and industry.

Conduct researches and studies related to commerce and industry. (b



- Provide the government entities with information and data related to the (c) commercial and industrial matters.
- Provide suggestions to protect the national commerce and industry from (d) foreign competition.
- Inform merchants and manufacturers of regulations, decisions and (e) instructions related to the commercial and industrial matters.
- Introduce merchants and manufacturers to the main countries and regions to (f) import or export their goods, and inform them of how to develop commerce and industry.
- Make a list of the merchants and manufacturers' problems and discuss them (g) to be submitted to the competent government entities.
- Commercial and industrial disputes shall by settled through arbitration, if the (h) parties mutually agree upon that.
- Sensitize merchants and manufacturers to new investment opportunities in (i) the commercial and industrial fields through coordination with the competent authorities.
- Urge merchants and manufacturers to use local and foreign expertise and (j) encourage investments in joint ventures to contribute to development.

Article (6):

The Chambers of Commerce and Industry may, after the Minister of Commerce approval, hold exhibitions, markets, technical training centers and anything that may contribute to the progress and development of commerce and industry.

Article (7):

The Chambers of Commerce and Industry may, after the Minister of Commerce approval, participate in conferences related to the nature of its activities and organize sending and receiving commercial and industrial delegations.

Article (8):

The Chambers of Commerce and Industry shall issue and certify the certificates, submissions and documents specified by resolution from the Minister of Commerce, in return for a fee to be determined by the Minister of Commerce.

Article (9):

In order to achieve its objectives, the Chambers of Commerce and Industry shall:
Issue magazines and publications that serve commerce or industry. (a)



- Contact other chambers or government entities to obtain data and (b) information related to commerce or industry
- Establish specialized committees consisting of its participants or others to (c) prepare studies, researches and reports that help to develop commerce and industry.
- Own and establish the necessary properties to achieve its objectives. (d)

Article (10):

The Chambers of Commerce and Industry shall not engage in business alone or through business or industrial business.

Part Three: Chambers of Commerce and Industry Management

Article (11):

Every chamber shall have a general assembly and a board of directors.

General Assembly

Article (12):

The General Assembly shall consist of all participants in the Chamber.

Article (13):

The General Assembly (GA) shall be concerned with the following:

- Elect two-thirds of the Board of Directors members, 50% of the commercial (a) activity and 50% of the industrial activity, if sufficient number is available.
- Deliberate over the Board of Directors report about the chamber's business (b) and its financial position.
- Deliberate over the final account of the closed fiscal year and the draft budget (c) of the following year.
- Examine the chamber affairs and the issues to be considered by the Board of (d) Directors.

GA shall submit the draft budget and the final account to the Minister of Commerce for approval.

Article (14):

GA shall convene at least once a year during the three months following the end of the fiscal year. It may convene at the request of the Board of Directors or (20%) of the participants in the Chamber.



Article (15):

The Minister of Commerce shall issue, in agreement with the Minister of Industry and Electricity, a resolution on the procedures to be adopted for convening GA and performing its mandates and method of election.

Board of Directors

Article (16):

The Board of Directors shall be composed of no less than six and not more than eighteen members. The Minister of Commerce shall appoint one third of the members in agreement with the Minister of Industry and Electricity. GA shall elect the remaining members by election, provided that merchants and manufacturers shall be represented on equal basis.

Article (17):

The Minister of Commerce and the Minister of Industry and Electricity may appoint a delegate to the Chamber to observe the implementation of the regulations and decisions and shall have the right to attend the meetings of GA, Board of Directors and the Committees and to review the minutes, registers and accounts. He has no valid voice in the deliberations.

Article (18):

The Board of Directors shall elect its chairman and his vices in the first meeting.

Article (19):

The Board of Directors term shall be four years, and the members whose appointment term is expired may appointed for one or more terms.

Article (20):

In case of death, resignation or loss of one of the membership terms of aboard member, he shall be replaced by a member who obtains the most votes by the number eligible to elect. Failure to do so, the Minister of Commerce may appoint another substitute. Membership in such cases shall last until the end of the predecessor's term of membership.

Article (21):

A board member shall meet the following requirements:
Saudi national. (a



- Enrolled in the Chamber. (b)
Not younger than thirty years old, however this may be reduced to twenty (c)
five years old for holders of a university degree in commercial and industrial
business.
Have an experience of at least three years in commercial or industrial fields. (d)
The Minister of Commerce may reduce this period to one year for holders of a
university degree in commercial and industrial business.
Good command of reading and writing. (e)

Article (22):

A Board of Directors member shall not participate in the deliberation on issues in
which he has a direct personal interest.

Article (23):

A member of the Board of Directors may not be paid for his work, however he may
be paid allowances for travelling or attending the Board meetings in accordance
with the conditions identified by a resolution from the Minister of Commerce as
proposed by the Board.

Article (24):

The Board of Directors shall conduct the Chamber business and shall have all
powers for this purpose. It shall issue the necessary financial and administrative
regulations and instructions and may establish committees and delegate powers to
ensure the proper functioning of the Chamber.

Article (25):

The Board of Directors shall prepare the annual report on the Chamber activities,
the final account and the draft budget for submission to GA, and shall send a copy
thereof to the Minister of Commerce and the Minister of Industry and Electricity,
together with any proposals.

Article (26):

The Board of Directors shall meet at least once every two months, upon the
Chairman call which shall occur upon two thirds of the member request this in
writing. The meeting shall be valid when attended by more than half of the
members, otherwise a second meeting shall be held and deemed valid when



attended by more than one third of the Board members, including the Chairman or one of his deputies.

Article (27):

Decisions shall be passed by majority of attending votes, and in case of a tie, the Chairman shall have the casting vote.

Article (28):

Any member who fails to attend three consecutive meetings without an acceptable excuse shall be deemed to have resigned.

Article (29):

The Board of Directors shall appoint a legal accountant who shall have the right to inspect registers and documents and to make observations. He shall audit the final account and submit related report to GA.

Article (30):

The Board of Directors shall appoint a General Secretariat to conduct the Chamber financial and administrative works. He may attend the Board meetings without having the right to vote in deliberations. He shall in particular:

Article (31):

The General Secretariat shall:

- Implement the Board of Directors decisions. (a)
- Perform the tasks entrusted by the Board Chairman. (b)
- Monitor the Chamber employees in performing their work and submit related reports at the end of each fiscal year. (c)
- Prepare the draft budget and the final account. (d)
- Take the necessary measures for holding GA and Board of Directors meetings. (e)

Part Four: Chamber of Commerce and Industry Budget

Article (32):

Revenues of the Chamber

- Membership fees based on the merchants and manufacturers categories specified by a resolution from the Minister of Commerce. (a)
- Fees of issuing and certifying certificates, submissions and documents. (b)
- Interests degenerated from investing its funds. (c)
- Gifts, donations, and civil and government subsidies. (d)



Article (33):

Subject to the provisions of this Law, the Chamber shall invest its funds in accordance with the objectives for which it was established, as determined by the Board of Directors.

Article (34):

The fiscal year of the Chamber starts on the 1st of Rajab and ends on the last day of Jumada II.

Article (35):

The Secretary General shall submit the draft budget to the Board of Directors at least two months before the end of the fiscal year and the final account during the month of Rajab.

Article (36):

GA approves the budget and final accounts, the previous budget estimates shall be considered until approving the GA resolutions by the Minister of Commerce.

Part Five: Council of Chambers of Commerce and Industry

Article (37):

A Council of Saudi Chambers of Commerce and Industry shall be established to preserve the common interests between them and shall enjoy the moral personality.

This Council shall be based in Riyadh and shall be concerned with the following:

Prepare research and studies that will develop commerce, increase and (a improve industrial, agricultural and animal production, and issue a periodical to publish these researches, along with any other researches that address the most suitable investment opportunities in commercial, industrial and agricultural fields.

Represent the chambers of commerce and industry in all aspects related to (b their activities at the national and international levels.

Conduct arbitration and settlement of commercial and industrial disputes in (c case the parties in dispute belong to more than one chamber or in case a party is national and the other is foreigner.

Establish and manage the types of activity that serves the public economy (d such as permanent exhibitions, markets and commercial institutes, after the approval of the competent authorities.



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Article (38):

The Council shall be composed of the Chairman of each Chamber or his vice (in his absence) and one elected member of the Board of Directors of each chamber. At the first meeting, the Council shall elect its Chairman and two Vice-Chairmen. The term of office of the Council shall be three years and the Chairman may not be elected for two consecutive terms.

Article (39):

The Council shall be established under a resolution by the Minister of Commerce, in agreement with the Minister of Industry and Electricity, to regulate its work, finances and its relationship with the chambers participating to it.

Part Six: General Provisions

Article (40):

The Minister of Commerce shall, in agreement with the Minister of Industry and Electricity, issue the executive regulations and decisions required for enforcing this Law.

Article (41):

This law shall repeal the Law current chamber of commerce and industry law and any other conflicting provisions, decrees or directives.

Article (42):

This Law shall enter into force three months after the date of its publication.