

*The Supreme Commission for Tourism*

***Rules and Regulations Program***

**The Policy of the Chambers of Commerce and Industry**

By Royal Decree number ( 6/م ) issued on 30/4/1400 H, the policy of the Chambers of Commerce and Industry has been approved upon the resolution of the Council of Ministers number (14) dated 22/4/1400H.

**Chapter One:**

**Formation:**

**Article 1:**

The Chambers of Commerce and Industry is a non profitable organization for the purpose of representing commercial and industrial affairs to the official bodies and working on protecting and developing these affairs, all in accordance to its field of expertise.

**Article 2:**

The Chambers of Commerce and Industry shall have a legal entity with the head of its board of directors as its representative at a court of law or any other such authority.

**Article 3:**

The Chambers of Commerce and Industry shall be formed by the Minister of Commerce resolution in agreement with the Minister of Industry and Electricity, to thereon state the head office, jurisdictions and the minimum number of members.

The number of members may not be less than thirty individuals or figurative bodies working in commerce or industry and registered at the commercial register. The Chambers of Commerce and Industry may also form branch offices upon the approval of the Minister of Commerce, in accordance to its field of expertise.

**Article 4:**

All business and industry men registered at the commercial register shall be required to request the membership of the chamber which his main base falls under. He may also be a member of more than chamber where there are available branches.

The membership shall be cancelled if the member terminates his commercial register or if he did not pay the annual membership fee even if the member was given a notification. The membership may be renewed when deemed appropriate.

## **Chapter Two:**

### **Jurisdiction:**

#### **Article 5:**

The Chambers of Commerce and Industry shall specialize in the following:

- A. To gather and publish all information and statistics relevant to commerce and industry.
- B. To conduct studies and researches relevant to commerce and industry.
- C. To supply governmental bodies with information and data relevant to commerce and industry affairs.
- D. To present proposals concerning the protection of the national commerce and industry against rival foreign competition.
- E. To notify business and industry men with the all relevant rules and regulations concerning commerce and industry affairs.
- F. To inform business and industry men about the most important countries and areas for the import or export of their products and to further guide them to develop commerce and industry.
- G. To identify and discuss problematic issues pertaining to industry and business men to pave the way to present the said issues to the relevant governmental bodies.
- H. To dispute any arising conflicts pertaining to industry and commerce issues by reaching a judgment if the matter is passed on, and that is upon the agreement of relevant parties.
- I. To notify industry and business men with new investment opportunities pertaining to industrial and commercial ventures through coordinating with the concerned bodies.
- J. To encourage industry and business men to benefit from local and foreign expertise institutes; and to further encourage the aforementioned to invest in joint projects to participate in the development of commerce and industry.

**Article 6:**

Upon the approval of the Minister of Commerce , the Chambers of Commerce and Industry may hold exhibitions and markets, and may also build technical training centers; this moreover includes all matters that assist in the development of commerce and industry.

**Article 7:**

Upon the approval of the Minister of Commerce , the Chambers of Commerce and Industry may participate at relevant conferences, and may furthermore organize, receive and greet commercial and industrial delegations.

**Article 8:**

The Chambers of Commerce and Industry shall approve and issue certificates, documents and publications specified by a resolution from the Minister of Commerce in exchange for a fee set by the aforementioned person.

**Article 9**

- A. Chambers of Commerce and Industry are to do the following in order to meet their goals:
- B. Issue journals and leaflets which serve commerce or industry.
- C. Contact other chambers or governmental bodies to gather data and information related to commerce or industry.
- D. Form specialized committees among their members or others to prepare studies, researches, and reports which will help in the development of commerce or industry.
- E. own and construct properties needed to meet their goals.

**Article 10**

Chambers of Commerce and Industry shall not work on their own, or indirectly in commercial or industrial affairs.

**Chapter three****Administration**

### **Article 11**

Each chamber shall have its own general assembly and board of directors.

## **General Assembly**

### **Article 12**

The general assembly consists of all participants in the chamber.

### **Article 13**

The general assembly specializes in the following:

- A. To elect  $\frac{2}{3}$  of the members of the board of directors with 50% businessmen, and 50% industrial men if a sufficient number is available.
- B. To discuss the report of the board of directors regarding the role and fiscal position of the chambers.
- C. To discuss the closing account of the previous fiscal year and the draft budget of the coming one.
- D. To discuss the issues of the chamber as well as the issues that shall be approved according to the board of directors.
- E. The assembly shall send the draft budget and closing account to the minister of commerce for approval.

### **Article 14**

Minister of commerce in agreement with the minister of industry and electricity shall issue a resolution stating the procedures to be followed to hold the general assembly, start its duties, and identify the election methodology.

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## **Board of Directors**

### **Article 16**

Board of directors shall have the minimum of six members and the maximum of eighteen. The minister of commerce shall appoint 1/3 of the members upon the agreement with the minister of industry and electricity. The general assembly shall select the rest through conducting elections taking into consideration that businessmen and industry men are to be represented without bias.

### **Article 17**

Both the minister of commerce and minister of industry and electricity have the right to appoint an agent at the chamber. His task shall be to monitor the execution of rules and regulations, and he has the right to attend the meetings of the general assembly, board of directors and committees. He also has the right to view the minutes, drafts, and accounts, but his voice is not counted in the discussions.

### **Article 18**

The board of directors chooses the director and his deputies in its first meeting.

### **Article 19**

The membership of the board of directors lasts for four years. Those with expired memberships can be reappointed.

### **Article 20**

In case of a vacancy due to the death or resignation of the member or due to breaking one of the membership conditions, the person gaining the most voices of the elected members replaces him. If this person is not available or if the vacancy belongs to a certain member, the minister of commerce shall be allowed to appoint a substitute, and the membership in these cases is the same as that of the previous employee.

### **Article 21**

The member of the board of directors is required to satisfy the following:

- A- To be a Saudi National by birth and descent.
- B- A member of the chamber of commerce.

C- At least 30 years old. This period shall be reduced to 25 years in case of holding a college degree related to commercial and industrial affairs.

D- To have previously worked in the field of commerce or industry for 3 years in a row. The minister of commerce has the right to minimize this period to one year for those holding a college degree related to commercial and industrial affairs.

E- To be literate.

### **Article 22**

The member of the board of directors is not allowed to participate in the discussion of some issues concerning personal interests.

### **Article 23**

The member of board of directors is not allowed to receive a salary for his job in the council, but shall receive transportation, travel, and attending council sessions compensations. This is according to the conditions resulting in the resolution of the minister of commerce according to the suggestion of the council.

### **Article 24**

The board of directors carries out the issues of the chamber and has the authority to accomplish its goals and issue what is necessary according to the financial and administrative regulations and instructions. It has the right to form committees and set authorities to guarantee the progress of work in the chamber.

### **Article 25**

The board of directors prepares an annual report of the activity of the Chamber of Commerce, closing account, and draft budget to present them to the general assembly. A copy shall be sent to each of the minister of commerce and minister of industry and electricity enclosed with his suggestions.

### **Article 26:**

the board meets once every two months, and the chair calls for the meeting. The chairman calls for a meeting upon a written request from one third of board members. A meeting shall not be considered valid unless attended by two thirds of the board members . If the number is not complete the second

meeting will be considered valid given that one third of the members attend the meeting in addition to the chairman or one of his deputies.

**Article 27:**

board resolutions are issued upon absolute majority of members present. In case of a tie in voting, the casting vote shall be that of the chairman.

**Article 28:**

any member did not attend three consecutive meeting with no acceptable leave, is considered resigned.

**Article 29:**

the board shall appoint a legal accountant who has the right to look into books, and documents and express his views and comments. The accountant is also responsible for reviewing the closing (account) and write a report and present it to the general assembly.

**Article 30:**

the board shall appoint a secretary general for the chamber, who will be responsible for financial and administrative affairs. He also has the right to attend board meetings with no voting right.

**Article 31:**

the secretary general will be responsible for:

- A. Implement all board resolutions
- B. Perform all duties assigned by the chairman.
- C. Monitor the chamber staff and users, and present a report on each one at the end of every fiscal year.
- D. Prepare the draft budget and the closing account.
- E. Take necessary procedures to hold a meeting for the general assembly and the board.

**Chapter four**

Chambers of Commerce & Industry Budget

**Article 32:**

financial resources of the Chamber consist of the following:

- A. Membership according to business and industry men identified by the Minister of industry.
- B. Fees of issuing and crediting certificates and documents.
- C. Revenues of its capital investments
- D. Donations, support from public or private sectors.

**Article 33:**

in accordance to the rules and regulation of the system the Chamber reserve the right to invest its capital in accordance to the goals and objectives for which the Chamber was established, in a way identified by the board.

**Article 34:**

the fiscal year starts from the beginning of the month of Rajab, and it ends by the end of the month of Jumada the second of every year.

**Article 35:**

the secretary general present the draft budget to the board two months prior to the end of the fiscal year. The closing account is also presented to the board during the month of Rajab.

**Article 36:**

the general assembly approves the budget and the closing account. The previous budget estimations are applied until approving the general assembly's resolutions by the Minister of Commerce.



## **Chapter five**

### Council of Chambers of Commerce & Industry

#### **Article 37:**

a council for Saudi Chambers of commerce & industry is established to care for shared interests. The council has a legal entity based in Riyadh. The council has the following responsibilities:

1. conducting studies and researches which develop business and improve industrial and animal production, publish a periodical magazine to publish studies, with any other study that deal with the best opportunities for commercial, industrial and agricultural investment.
2. representing the Chambers of commerce and Industry in every aspect relevant to its local and international activities.
3. Dispute any arising conflict pertaining to industry and commerce issues by reaching a judgment if the matter is presented to council upon the agreement of relevant party, and if the dispute arise between parties from different Chambers or one of the parties is local and the other is foreign.
4. performing and managing different types of activities that may benefit the national economy such as exhibitions, markets, and commercial institutions.

#### **Article 38:**

the council is composed of the chairman of the Chamber or his deputies ( in his absence) and one member from the board of each Chamber selected by election. During the first meeting for the council the chairman and his deputies are elected. The membership in the council lasts for three years. The chairman can not be elected twice consecutively.

#### **Article 39:**

a resolution on the formation of the council is issued by the Minister of Commerce after agreement with the Ministry of Industry and Electricity. The resolution regulates the work affairs in the council and its relation to other Chambers.

## **Chapter six**

### **General Provisions**

#### **Article 40:**

the Minister of Commerce in agreement with the Ministry of Industry and Electricity issue the rules and regulations necessary to implement the system.

#### **Article 41:**

this system deletes the Chambers of commerce and Industry procedures, it also cancels any other regulations that may contradict its decisions or instructions.

#### **Article 42:**

these rules and regulations are in effect within three months from publishing date in the official newspaper.