

Implementing Regulations of the Unified Industrial Regulation Law

The Cooperation Council for the Arab States of the Gulf
Secretariat General



Common Industrial Regulatory Law of the GCC Countries
Economic Affairs
Commerce and Industry Department

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Chapter one

Definitions

Article (1)

In the application of the rules of this Regulation, each of the words and phrases contained therein shall have the same meaning as stipulated in Article (1) of the Common Industrial Regulation Law of the Cooperation Council for the Arab States of the Gulf "GCC Common Industrial Law" unless the context requires a different meaning. The following words and phrases shall have the meanings assigned to each, unless the context requires a different meaning.

1	Law	Common Industrial Regulation Law of the Cooperation Council for the Arab States of the Gulf.
2	Industries based on knowledge	Industries based on ideas, information, software, innovations, experiments, studies and investable scientific research.
3	Environmental Industries	Industries that aim to protect the environment, preserve it from pollution, and apply the concept of clean production.
4	Basic Materials	Materials of strategic importance, where stopping or reducing them will harm national interests.
5	Initial Approval	No objection from the Department that the industrial project owner completes the procedures related to approvals from the concerned authorities in the country in preparation for issuing the industrial license.

Chapter two

Scope of Application

Article (2)

In addition to the industrial projects exempted in Article (2) of the rules of the Law, the following industrial projects are excluded:

1. Projects working in the field of oil exploration and extraction.
2. Projects working in the field of extracting mineral ores without changing its content or shape.

Chapter three

The Technical Committee for Industry Affairs

Article (3)

A committee or technical committees shall be formed by a resolution of the minister or the competent authority to organize, develop and improve the industry, headed by the Department official or his delegate, a member of the ministries and other government agencies, bodies and authorities concerned with industry affairs and representatives of the owners of industrial projects nominated by the concerned authority.

The term of membership of the committees shall be three years, renewable for one or more terms.

The Secretariat of each committee shall be responsible for one or more of the Ministry's employees, who shall be delegated, and their functions and competencies determined by a resolution from the Minister.

Article (4)

The Committee or Committees shall have the following competences:

1. Study proposals related to the organization, development and improvement of industrial performance.
2. Study the problems and difficulties facing industrial projects and propose appropriate solutions.
3. Discuss methods of exporting industrial products.
4. Study the issues related to industry affairs referred to it by the Minister.

Article (5)

The Committee (s) shall meet at the Ministry's headquarters upon the invitation of its president and whenever necessary. The vice-president shall replace the president

during his absence, provided that the number of meetings shall not be less than two meetings per year.

The meetings of the Committee shall be valid only in the presence of the majority of its members, provided that the president or the vice-president shall be present. The recommendations of the Committee (s) shall be made by a majority vote of the present members. When the votes are equal, the side of the president shall prevail.

The Committee (s) shall develop its own system and procedures. This system shall be issued by a resolution from the Minister.

Article (6)

The Committee (s) may use such competent and experienced experts as it deems necessary. Those experts have no right to vote recommendations of the Committee (s).

Such committees may also address all competent authorities in the State to provide them with the information and data necessary to perform their work.

Article (7)

The Committee (s) shall maintain a record indicating the subjects referred to it and the recommendations made thereon. A record of each meeting shall be issued, indicating the date and time of the start and end of the meeting, its place, the names of the members present and absent, and all the topics on the agenda and recommendations thereof. The minutes shall be signed by the president and the secretary.

Article (8)

The Committee (s) shall submit its recommendations to the Minister for taking appropriate action as he may deem.

Chapter four

Industrial license

Article (9)

Submit an application for a license to set up an industrial project, expanding its size, developing, changing production, integrating in another industrial project, splitting for more than one industrial project, changing location, or disposing in part or wholly by the owner of the industrial project on the forms prepared for this purpose.

Article (10)

The license application must include the following data:

1. Name and nationality of the project owner.

2. The established industry, and a statement about the industrial product and production method.
3. Project Capital.
4. A statement of the main machines to be used in the industrial project and its annual production capacity.
5. The number of employees and workers to be employed in the industrial project.
6. Any other data requested by the Department.

Article (11)

The application for the license shall be accompanied by the following documents:

1. Proof of identity for the industrial project owner.
2. The company's Memorandum of Association in case the applicant is an existing company.
3. Any other documents requested by the Department.

The Department may request the industrial project owner to submit an economic and technical feasibility study for the industrial project, provided that the study includes the following elements:

1. Sources of funding
2. Paid-up capital, total invested capital.
3. Annual production costs of the industrial project.
4. Means and policies of internal and external marketing.
5. The size of the Man power (national and expatriate) with the percentage of each according to the nature of work.
6. Projected annual revenues of the industrial project.

Article (12)

The Department shall prepare a special register to entry the license applications in serial numbers according to the priority of their receipt. The application submission date, date of its entry into the registry, name of the industrial project owner, its address, and industrial activity type are set out in conjunction with each application.

Article (13)

The Department shall give the applicant a receipt to receive the application, provided that the application meets all the required conditions, stating the number and date of application entry in the register referred to in the previous article.

Article (14)

The Department shall open a file for each license application, in which the application, all correspondence, papers and documents related thereto, implementation reports of the industrial project after the license, and any amendments thereto shall be kept.

Article (15)

The Department shall issue the initial approval, after completing all the data and documents and completing the examination of the application for obtaining the license, within a maximum period of thirty days from the date of its submission. The expiry of this period without respond shall be considered a rejection of the application. In the event of a resolution accepting or rejecting the application, the applicant shall be notified within fifteen days from the issue date.

The applicant whose license has been rejected shall appeal to the Minister within sixty days from the date of being notified in writing of the resolution or expiry of the period stipulated in preceding paragraph without deciding on the application.

The grievance shall be filed by a letter stating the name and address of appellant, the grievance decision and date, and attached all supporting documents for the grievance. The grievance shall be decided within sixty days from its filing date.

Article (16)

The industrial license shall be issued in accordance with the standard form attached to these Regulations.

Chapter five

Industrial Register

Article (17)

A special industrial register shall be established in the Department called the "Industrial Register" in which all licensed industrial projects that have been implemented and operated shall be registered. Industrial projects that have been licensed before the Law (Regulation) shall also be registered therein.

Article (18)

The entry application in the industrial register shall be submitted to the Department within sixty days from date of commencement of the actual production, on the entry application form prepared by the Department for this purpose. The application must include the following information:

1. The industrial project name and its legal entity.
2. The project owner name.
3. The industrial project address and its management center.

4. Products and services provided by the industrial project.
5. The actual production capacity, maximum production capacity and design of the industrial project.
6. The total investment in the industrial project, the financing sources, subsidies and loans provided to them and their agencies.
7. The size of manpower in the industrial project.
8. Raw materials, semi-finished materials, and a list of equipment and machinery for the industrial project.
9. Production start date.
10. Any other data.

Article (19)

The entry application in the industrial register shall be accompanied by a copy of the following documents:

1. The licensing for establish industrial project and any other licenses issued to the industrial project.
2. Commercial register, extract of entry certificate.
3. The company's Memorandum and Articles of Association (in case the industrial project is owned by a company).
4. Any other documents required by the Department

Article (20)

After verifying that the industrial project fulfills all the required data and documents, the Department shall issue an entry certificate in the industrial register of the project, including all the data set forth in Articles (18) and (19) of these Regulations. The certificate shall be handed over to the industrial project owner for retention in his establishment, and to be presented at each request and when dealing with the State administrations and institutions in all matters relating to the industrial project.

In case of loss or damage of the entry certificate in the industrial register, the industrial project owner may obtain a replacement certificate from the Department.

Article (21)

The industrial project owner, his heirs or the disposer of the industrial project, by any kind of actions, may obtain an official extract from the industrial project data recorded in the industrial register, in accordance with a request submitted to the Department, attached thereto by the following documents:

1. Proof identity of the applicant or his representative.

2. The industrial license copy, if the applicant is the owner of the industrial project.
3. Official certified copy of the heirs' notification, if the applicant is one of the heirs of the industrial project owner.
4. Approved copy proving the disposal of the industrial project, if the applicant is the disposer.
5. Any other data or documents deemed necessary by the Department.

The Department shall issue the extracted data within ten days from the application submitting date to fulfill all required documents.

Article (22)

Without prejudice to the provisions of Article (15) of the Law (Regulation), the Department shall issue every six months a periodical publication, in which advert the basic information and data of the industrial projects that have been entered in the industrial register and any amendments that may occur to the industrial project.

The advert shall include the following data:

1. Name and type of industrial project.
2. Date of issuing the industrial license for the project.
3. Date and number of entry in the industrial register.
4. The legal form of the industrial project.
5. Industrial project purposes
6. Products of the industrial project, and its production capacity.

Article (23)

Owners of industrial projects entered in the industrial register must update their data periodically at least every two years. The Department shall continue to do so.

The industrial project owner shall also submit a request to the Department to amend the data set forth in Articles (18) and (19) of these regulations, and any other data of the industrial project, within a maximum of sixty days from the date of any change in these data.

Article (24)

The industrial project owner shall provide the Department annually, on the form prepared by the Department for this purpose, with the following data:

1. The design production capacity of the industrial project.
2. The actual production capacity of the industrial project.

3. Industrial project sales volume.
4. Number of man power (national and expatriate)
5. How the industrial project can benefit from the incentives granted to it.
6. The balance sheets and the final accounts of the industrial project for each fiscal year, certified by an auditor accredited in the State if the Department deems it.
7. Any other data.

Article (25)

The industrial project owner shall notify the Department before sale of the project in whole or in part, mortgage, lease, assign or dispose of any kind of disposal. He shall submit the following documents:

1. An application that includes a desire to act in the industrial project, indicating the type of disposal.
2. Application form for the license to dispose in the industrial project, according to the type of disposal.
3. A copy of the project owner identification and the disposer
4. Entry certificate in the industrial register, when the industrial project is entered in this register.
5. A letter from the mortgagor in case of mortgaging the industrial project stating the approval of the disposal.
6. Any other documents deemed necessary by the Department.

The Department shall amend the industrial project data in the industrial register according to the required approved amendments.

Chapter six

Administrative Sanctions

Article (27)

In case the industrial project violates any of the provisions of the Law (Regulation), the Minister or his representative may impose one of the following administrative penalties, depending on the type, nature and gravity of the violation:

1. Administrative warning to end the violation within the period specified by the Minister or his authorized representative.
2. Closing the industrial project administratively until the violation and its consequences are removed.
3. Cancellation of industrial license and registration.

Chapter seven

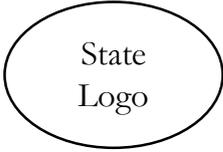
General and Final Provisions

Article (27)

Subject to the provisions stipulated in the Law (Regulation), grievances submitted by the concerned parties shall be recorded in a special register of the Department. Such grievances shall be transmitted immediately to the Department for consideration and recommendation. In order to examine the grievance, the Department may complete all the necessary data and documents. The Department shall submit the grievance together with its recommendation to the Minister to decide the grievance. In all cases, the grievance shall be decided within sixty days from the filing date.

Article (28)

Subject to the provisions of Article (2) of this Regulation, every industrial project owner who has obtained an industrial license before applying the Law (Regulation) shall submit an application for the entry of the industrial project in the industrial register within one year from date of entry into force of this regulation.



State:
Ministry:
Authority:
Department:
Area:

License No.:
License Date:

Industrial project License (industrial establishment)

license owner (s) name	Nationality	Contribution ratio %
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Industrial P

roject Name:

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Activity:

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Products:

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Expiry date:/...../.....

Department Director

Note: The licensee shall abide by the conditions stated behind this license.

The Licensee shall abide by the following: