

Bureau of Experts at the Council of Ministers Official Translation Department

Statute of the Saudi Center for Commercial Arbitration

Council of Ministers Resolution No. 488 April 30, 2019

Translation of Saudi Laws



NOTE:

The translation of Saudi laws takes the following into consideration:

- Words used in the singular form include the plural and vice versa.
- Words used in the masculine form include the feminine.
- Words used in the present tense include the present as well as the future.
- The word "person" or "persons" and their related pronouns (he, his, him, they, their, them) refer to a natural and legal person.



Statute of the Saudi Center for Commercial Arbitration

Chapter 1: Nature, Headquarters, and Powers

Article 1

In this Statute, the following words and phrases shall have the meanings assigned thereto, unless the context requires otherwise:

- 1. Statute: Statute of the Saudi Center for Commercial Arbitration.
- 2. **SCCA**: Saudi Center for Commercial Arbitration.
- 3. Council of Chambers: Council of Saudi Chambers.
- 4. Chambers: Saudi Chambers of Commerce and Industry.
- 5. **Board:** SCCA's board of directors.
- 6. **Arbitration Tribunal:** An individual arbitrator or panel of arbitrators who adjudicate disputes submitted to arbitration.
- 7. **Standing Committee:** The Committee referred to in Clause (First) of the Council of Ministers Resolution No.107, dated 8/4/1437H.

Article 2

The SCCA shall be a non-profit entity and shall have a legal personality and financial and administrative independence. The SCCA shall operate under the umbrella of the Council of Chambers. It shall be headquartered in the city of Riyadh and may establish branches within the Kingdom or abroad.

Article 3

The SCCA shall oversee arbitration proceedings of disputes the parties to which agree to settle within the SCCA and pursuant to its rules. It shall, in particular, undertake the following:

- 1. Managing arbitration proceedings.
- 2. Providing the parties with a list of arbitrators with relevant experience to choose from; however, the parties may not be restricted to such list.
- 3. Setting criteria for determining the fees and expenses of arbitrators registered with the SCCA.
- 4. Providing training in the field of arbitration.
- 5. Promoting arbitration and supporting relevant research.
- 6. Representing the Kingdom locally and internationally in the field of commercial arbitration.

Article 4

The Council of Chambers shall support and market the SCCA's services.

Article 5

1. Board members and the SCCA's employees shall operate independently from the chambers or the Council of Chambers and shall not receive



instructions therefrom in relation to their duties.

2. The arbitration tribunal shall carry out its duties independently from the Board and shall not receive instructions therefrom in relation to its duties.

Chapter 2: Management

Article 6

The formation of the SCCA's board of directors shall be pursuant to an order by the Prime Minister upon nomination by the Ministry of Commerce and the Ministry of Justice, in coordination with the Standing Committee. The membership term shall be three years, renewable once. The Board's Chairman, Vice Chairman, and members may not hold a government post or position while serving on the Board and shall have relevant work experience in the private sector; such experience shall not be less than 10 years for the Chairman and not less than five years for the members.

Article 7

The Board shall be the SCCA's highest authority. It shall be entrusted with the following:

- 1. Approving the SCCA's strategy, policies, plans, and programs.
- 2. Approving the SCCA's internal regulations, including the administrative and financial regulations.
- 3. Approving the SCCA's organizational structure.
- 4. Forming Board committees and determining their powers.
- 5. Approving arbitration rules and standards of ethical conduct.
- 6. Approving requirements for registration in the lists of arbitrators.
- 7. Approving fees for the services rendered by the SCCA.
- 8. Approving the establishment of branches for the SCCA.
- 9. Approving regulations for investing the SCCA's surplus funds and overseeing the implementation thereof.
- 10. Accepting gifts, donations, bequests, and endowments.
- 11. Appointing an auditor, or more, to audit the SCCA's accounts and determining his fees.
- 12. Approving the SCCA's budget, final accounts, and annual report, and providing the Council of Chambers with a copy thereof.

Article 8

The Chairman shall act as the Board's representative and shall supervise the Board's activities and chair its meetings. In his absence, the Vice-Chairman shall assume such duties.

Article 9

The Board shall convene quarterly and whenever the need arises upon a call by its Chairman. The call for a meeting shall include its agenda. The meeting



shall be deemed valid only if attended by the majority of members, including the Chairman or the Vice-Chairman. Decisions shall be passed by the majority vote of attending members; in case of a tie, the chairman of the meeting shall have the casting vote. The Board may invite non-members to attend its meetings in a non-voting capacity. Board deliberations shall be entered into minutes signed by the chairman of the meeting and attending members. A member may not engage in deliberations of matters he has interest in.

Article 10

Board activities shall be deemed confidential and any person who engages in said activities, in any capacity, shall maintain confidentiality even after his engagement ends.

Article 11

Board membership shall, pursuant to a decision issued by the Board, be terminated if:

- 1. the membership expires;
- 2. the member is appointed to a government post or position;
- 3. the member dies;
- 4. the member becomes legally incompetent or becomes unable to carry out his membership duties:
- 5. the member submits his resignation in writing; or
- 6. the member does not attend three consecutive meetings or five separate meetings in one term without acceptable justification.

Article 12

The SCCA shall have an executive director appointed pursuant to a decision by the Board. The appointment decision shall determine his remuneration and other financial benefits as well as his powers and duties. The Executive Director shall be in charge of the management of the SCCA in accordance with this Statute and Board decisions. He shall, in particular, assume the following powers and duties:

- 1. Proposing the SCCA's plans and programs and overseeing their implementation upon approval.
- 2. Proposing the SCCA's internal regulations, including the administrative and financial regulations.
- 3. Proposing the SCCA's organizational structure.
- 4. Proposing fees for the SCCA's services.
- 5. Managing the SCCA's activities.
- 6. Supervising the preparation of Board meetings.
- 7. Attending Board meetings in a non-voting capacity.
- 8. Following up on the implementation of Board decisions.
- 9. Appointing the SCCA's employees and supervising and evaluating the performance of their duties, and, if necessary, taking disciplinary action, in accordance with the SCCA's regulations and relevant laws.
- 10. Developing the SCCA's relations with local and international partners and



- concluding cooperation agreements and memoranda of understanding therewith.
- 11. Opening accounts for the SCCA with banks licensed to operate in the Kingdom and signing payment orders and money transfers, in accordance with the approved budget.
- 12. Concluding the SCCA's contracts.
- 13. Representing the SCCA before the judiciary, government agencies, and private entities.
- 14. Preparing the SCCA's draft budget, final accounts, and annual report and submitting the same to the Board.

The Executive Director may delegate certain powers to any person he deems fit.

Chapter 3: Budget

Article 13

The SCCA's financial resources shall be as follows:

- 1. Allocations from the chambers and the Council of Chambers.
- 2. Fees for services rendered by the SCCA.
- 3. Returns on its investments.
- 4. Gifts, donations, bequests, and proceeds of endowments.
- 5. Any other resource approved by the Board not inconsistent with the laws and instructions.

Article 14

The SCCA's employees shall be subject to the Labor Law and the Social Insurance Law.

Chapter 4: Final Provisions

Article 15

This Statute shall be published in the Official Gazette and shall enter into force on the date of its publication.