



شعبة الترجمة الرسمية
Official Translation Department

Law of Municipal Licensing Procedures

Royal Decree No. M/59
July 20, 2014

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.



Law of Municipal Licensing Procedures

Article 1

The following terms and phrases shall have the meanings assigned thereto, unless the context requires otherwise:

Law: Law of Municipal Licensing Procedures.

Regulations: Implementing Regulations of the Law.

Ministry: Ministry of Municipal and Rural Affairs, municipalities or sub-municipalities, as the case may be.

Minister: Minister of Municipal and Rural Affairs.

Competent Government Agency: Any ministry, authority or public organization and the like which, under its law, is in charge of overseeing activities licensed by such agency.

Municipal License: A written approval from the Ministry to a natural or corporate person to establish or open a shop for any activity in a particular location, pursuant to the conditions set forth in the Municipalities and Villages Law and its related regulations.

Licensing by the Competent Government Agency: A written approval to a natural or corporate person to engage in a certain activity.

Article 2

No activity may be engaged in without a municipal license as well as a license from the competent government agency, as the case may be, in accordance with laws and regulations.

Article 3

The Ministry shall be in charge of issuing, amending, renewing, revoking and suspending municipal licenses for all kinds of activities.

Article 4

The competent government agency shall set conditions and requirements for engagement in activities within its oversight, and shall issue, amend, renew or revoke such licenses.

Article 5

A. The Ministry shall issue a municipal license upon completion of all procedures within a period not exceeding 10 business days from the date of filing the application. If the application is denied, the denial shall be reasoned and in writing. Correspondence with the applicant shall be on the address specified in the application.

B. In case a municipal license requires the applicant's compliance with certain



obligations, the Ministry shall issue a provisional license upon satisfying statutory conditions. Such provisional license may not be revoked unless the applicant fails to comply with such obligations. The Regulations shall set forth procedures for obtaining such license and its duration.

Article 6

The Ministry shall collect municipal fees and fines, and the competent government agency shall collect its own fees and fines in accordance with relevant laws and regulations.

Article 7

- A. The Regulations shall designate the authority in charge of issuing, suspending, revoking, renewing or amending municipal licenses in accordance with relevant laws, regulations and instructions.
- B. The regulations of the competent government agency shall designate the authority in charge of issuing, suspending, revoking, renewing or amending a license for engagement in an activity within its oversight, in accordance with relevant laws, regulations and instructions.

Article 8

The Ministry may, in accordance with applicable laws, facilitate the procedures for issuing municipal licenses by outsourcing services to engineering consulting houses and private firms.

Article 9

The Regulations shall set the municipal license term according to the type of activity. The license shall be renewable for a similar term or terms upon satisfaction of conditions and requirements.

Article 10

A coordination office shall be established in each municipality and each sub-municipality of class A to facilitate procedures for issuing municipal licenses as well as licenses of competent government agencies. Each competent government agency shall assign a representative at said office according to the type of activity to be licensed. Statistical reports on office activities, including number of licenses issued and time for issuing such licenses shall be published. The Regulations shall specify necessary provisions.

Article 11

- 1. Subject to the provisions of Article 8 of this Law, the competent government agency shall coordinate with the Ministry to achieve the following:
 - a) Set uniform municipal licensing conditions and requirements for activities falling within the oversight of the agency.



- b) Set uniform municipal licensing terms to correspond with the term of the license granted by the competent government agency.
 - c) Determine the relationship of each competent government agency with the Ministry and specify the roles thereof, provided the license application is submitted first to the agency overseeing the activity.
 - d) Address the cases of municipal license suspension, revocation, non-renewal or amendment by the Ministry for the activities falling within the oversight of the agency.
2. The provisions of paragraph 1 of this Article shall be included in the Regulations. In case of discrepancy of views between these agencies, the matter shall be referred to the Prime Minister for consideration.
 3. The Ministry may not grant any municipal license for any activity without obtaining approval from the General Directorate of Civil Defense. The application for approval shall be decided within 10 business days from the application filing date.

Article 12

The competent government agency shall, upon satisfying statutory conditions, issue a provisional license within a period not exceeding 10 business days from the application filing date, provided that the final license is issued after obtaining a valid municipal license.

Article 13

1. Committees shall be formed pursuant to a decision by the Minister in the municipalities and sub-municipalities, as the case may be, to review the following:
 - a) Challenges against non-issuance, non-renewal, suspension, amendment or revocation of a municipal license.
 - b) Challenges against imposition of statutory municipal fines and fees.
 - c) Complaints arising from the damage caused by using a municipal license.
2. The Regulations shall determine the number of members of each committee, as well as their capacity, membership term, alternate members, manner of issuing decisions, required periods for deciding such challenges and complaints, work procedures of committees and members remuneration.
3. Decisions of committees referred to in paragraph 1 above may be appealed before the Administrative Court within 60 days from the date of notification.

Article 14

The Minister shall issue the Regulations within 90 days from the date of publication of the Law. Such Regulations shall specify the municipal licensing terms, conditions and forms.



Article 15

This Law shall repeal any provisions conflicting therewith, and shall become effective 90 days after the date of publication in the Official Gazette.