

Draft Law
Law of Chambers of Commerce and Industry
No. (9) of 2011

President of the State of Palestine
Palestine Liberation Organization's Executive Committee Chairman
President of the Palestinian National Authority

Following the review of the amended Basic Law No. 2 of 2003, the Law of the Chambers of Commerce and Industry No. 41 of 1949 and amendments issued pursuant to it that are in force in northern governorates and Order No. 326 of 1954 for Issuance of Chambers of Commerce Law in force in southern governorates.

And following the review of Trade Law No. 12 of 1966, Palestinian Union of Industries and Specialized Industrial Unions Law No. 2 of 2006.

And based on the recommendation of the Council of Ministers pursuant to the powers granted to it, and to achieve public interest, the following law was issued in the name of the Arab Palestinian people:

Chapter One
Definitions and General Provisions

Article (1)

Definitions

The words and expressions cited in this law shall have the meanings assigned thereto hereunder unless otherwise indicated by reference:

Ministry:	Ministry of National Economy
Minister:	Minister of National Economy
Union:	Union of Chambers of Commerce and Industry
Union Chairperson:	Chairperson of the Union's board
Union Board:	Union's board of directors
Chamber:	A chamber of commerce and industry
Board:	Chamber's board of directors
Chairperson:	Chairperson of the board
Person	Natural or legal person
Sectoral Committee:	The committee which represents a specialized certain economical sector within the Chamber.
Commercial Activity:	Any commercial or services work performed on professional basis according to the Trade Law in force.
Industrial Activity:	Any industrial work which has the primary purpose to extract or convert raw material into products in finished or semi-finished products manufactured or converted into products after a complete

mix or assembled or packaged

Regulation: Chambers of Commerce and Industry Regulation

Article (2)

a. This law shall apply to:
Chambers of commerce and industry already established in Palestine at the time of this law's issuance. These chamber are:

1. Jerusalem Chamber
2. Nablus Chamber
3. Tul Karem Chamber
4. Ramallah and Al Birah Chamber
5. Bethlehem Chamber
6. Jenin Chamber
7. Jericho and Ghors Chamber
8. Hebron Chamber
9. Gaza Chamber
10. Qalqilya Chamber
11. Selfit Chamber
12. Tobas Chamber
13. South of Hebron Chamber, based in Al Thahiriyya
14. North of Hebron Chamber, based in Halhool

b. Any new chamber established pursuant to the provisions of this law.

Article (3)

The Chamber's Legal Personality

The chamber is considered the official representative of its members in all areas of its jurisdiction. It shall be an independent financial and administrative legal person which may, in such capacity, own movable and immovable assets and undertake all necessary legal actions to achieve its goals.

Article (4)

Establishment of Chambers

The new chamber shall be established at the governorate's center. It's work shall include commercial and industrial activities in said area and it shall be established through a written request submitted by at least 300 persons who undertake a commercial or industrial activity. The request shall be then submitted, along with the recommendation of the Union of Chambers, to the Minister who shall issue a decision in its regard.

Article (5)

Branch Offices

The chamber has the right to request the opening of branch offices in cities and communities falling within its jurisdiction. The request along the recommendation of the Union of Chambers is submitted to the Minister who shall issue a decision in its regard.

Article (6)
Sectoral Committees

The chamber has the right to form sectoral committees that represent its various activities in coordination with relevant stakeholders in accordance with the provisions of this law.

Chapter Two
Objectives and Specializations

Article (7)
Objectives

The chambers aim to achieve the following:

1. Attend to the commercial and industrial interests of its members and safeguard them.
2. Participate in drawing policies related to industrial and commercial sectors and in developing strategies and plans necessary for their implementation.
3. Participate in the development and enhancement of the industry and commerce sectors.
4. Represent its members and defend their interests before official and unofficial bodies.
5. Foster cooperation with Arab and international chambers as well as economic establishments in its respective area of specialization both in country and abroad.
6. Enhance the capacity of its members and enable them to stay abreast with modern economic advancements.
7. Strengthen cooperation and coordination with private sector entities to achieve the objectives of the Chamber.

Article (8)
Mandate

- a. Chambers mandate:
 1. Collect, classify and publish information and statistical data related to trade and industry, and provide those working in commerce and industry and official and unofficial entities with data and information they request in cooperation and coordination with the central statistics body as the official producer of data.
 2. Provide advice and suggestions concerning draft laws, regulations and directives related to trade and industry.
 3. Participate in drafting international agreements relevant to its area of specialization.
 4. Issue certificate of origin and re-export for commodities, products and goods and list its source in coordination with relevant bodies in accordance with the regulation.
 5. Certify members' certificates and signature when requested.
 6. Certify financial guarantees with specified value for its members.
 7. Hold local trade shows and economic seminars and participate in conferences as well as trade and industry shows in-country and abroad in coordination with other relevant entities.
 8. Resolve commercial disputes and differences arising among members and with others locally and abroad through a committee dedicated for this purpose either through

- amicable settlement or arbitration. The regulation shall define the formation of said committee and the mechanism of its work.
9. Enhance market competition rules and provide assistance in detecting unfair competition that contradict with fair and professional economic conducts alongside specialized entities.
 10. Participate in trade and commerce delegations.
 11. Issue commercial publications and guides.
 12. Establish institutes and training centers that serve the objectives of the private sector and support it and help it develop in a manner that guarantees public interest and in congruence with relevant laws.
- b. While exercising its mandate, the chamber will handle coordination with specialized unions and relevant entities in all intersecting issues provided that such issues and coordination mechanisms among them are specified in accordance with the provisions of the regulation.

Chapter Three Enrollment and Membership Provisions

Article (9)

Each person exercising a commercial or industrial activity with a headquarter, branch or agent within the area of the chamber's jurisdiction shall join the chamber and pay the membership fees and subscriptions in accordance with the provisions of the regulation.

Article (10)

1. An applicant may not be registered at the chamber for more than once unless exercising other professions or different activities in separate fields.
2. This shall be applied provided that each has its distinct commercial address.

Article (11)

When establishing a new chamber, and based upon the recommendation of the Union Board, the minister shall form a founding committee for the newly established chamber. The regulation shall determine the requirements that must be met by its members and the mechanism by which the affairs of the chamber shall be managed until the election of a new board within a period of six months since the chamber's establishment.

Article (12)

Subscribing to a newly established chamber shall be through submitting an application to the founding committee mentioned in article (11). The founding committee shall handle the approval or rejection of applications, receiving membership fees and subscriptions in accordance with the provisions of the regulation. The founding committee decisions related to subscription applications may be contested before the Union board which in turn shall study the subject of the complaint and submit a recommendation to the minister to take appropriate action.

Article (13)

Chamber members who have paid their annual subscriptions have the right to vote and run for membership of the Council and the membership of the sectoral committees and other representative bodies of the Chamber in accordance with the provisions of the regulation.

Chapter Four
General Assembly and Board of Directors
Article (14)

- a. The general assembly shall be comprised of all members enrolled at the chamber and have paid up their subscription fees.
- b. The general assembly shall perform the following duties and authorities:
 1. Elect the board.
 2. Discuss the board's annual report and endorse it.
 3. Discuss and endorse the chamber's annual plan and budget forecast.
 4. Discuss and endorse the chamber's end of year financial accounts and general budget.
 5. Appoint a legal auditor to review the chamber's accounts.
 6. Discuss matters presented thereto by the board and present necessary recommendations thereon.
 7. Financial and administrative oversight over the work of the board.
- c. The regulation shall specify the general assembly's mode of operation, how its ordinary and extra-ordinary meetings are held, legal quorum for its meetings and decision making mechanisms.

Article (15)

The regulation shall specify the number of board members, including the chairperson, the terms for running for elections, the terms for participating in elections, the fees that must be paid by a candidate. It shall also specify board membership and its vacancy terms, and the board's loss of legal quorum and its dissolution.

Article (16)

The minister shall determine the date for electing the board members such that it does not exceed thirty days from the completion of the in office board's term or six months from the issuance of the minister's decision to form a new chamber pursuant to article 11 of the law.

Article (17)

The term of the board shall be four years from the date of its election. The board shall elect at its first meeting attended by all its members and the presence of a representative of the minister, through secret ballot, a chairperson, deputy chairperson, secretary and treasurer of the board and their deputies. The minutes of meeting shall be submitted to the minister to verify voting results.

Article (18)

The board shall assume the following functions and authorities:

1. Manage the chamber's administrative and financial affairs.
2. Approve the chamber's administrative and organizational structure.
3. Carryout the chamber's objectives and functions.

4. Prepare the draft annual budget, general budget, closing accounts and the annual report and submit them to the general assembly for endorsement.
5. Appoint the chamber's general manager, determine his/her salary and employment terms.
6. Hire the chamber's employees and determine their salaries and employment and termination terms.
7. Call for the general assembly ordinary and extra-ordinary meetings.
8. Any other tasks that achieve the chamber's objectives, in accordance with the provisions of this law.

Chapter Five Financial Affairs

Article (19)

- a. The Chamber's resources shall be comprised of the following:
 1. Membership dues and annual subscription fees.
 2. Fees for the services extended by the chamber.
 3. Fees generated from guarantees, certificates and documents issued and ratified by it.
 4. Commercial arbitration fees.
 5. Income derived from investing its funds and revenues resulting its properties and real-estate.
 6. Unconditioned grants, aids and donations offered to the Chamber with the approval of the Board.
 7. Loans, conditioned upon the approval of the minister. Government's approval does not constitute a collateral.
 8. Fees collected from candidates running for bard membership.
- b. The regulation shall determine the value of fees referred to in item (a) of this article.

Article (20)

The chamber shall be prohibited from engaging in speculation or activities harmful to the market. The chamber shall also be prohibited from engaging in political or religious matters, and shall not provide assistance or aid, either directly or indirectly, to political parties or religious sects.

Chapter Six Union of Chambers of Commerce and Industry

Article (21)

1. The Union shall be established pursuant to this law with its headquarters in the city of Jerusalem and it shall be an independent financial and administrative legal person which may, in such capacity, may take temporary headquarters and establish branches for it in any of the governorates as necessary.
2. Membership at the Union shall be mandatory for all chambers.

Article (22)

The Union shall aim to achieve the following:

1. Participate in drawing policies related to industrial and commercial sectors and in developing strategies and plans necessary for their implementation.
2. Participate in the development and enhancement of the industry and commerce sectors.

3. Safeguard the interests of its members and enhance cooperation among them.
4. Enhance the capacity of Union members and coordinate their efforts.
5. Strengthen cooperation among chambers, between the Union and Arab and foreign Unions of chambers of commerce and industry as well as relevant local and international establishments and organizations.

Article (23)

The Union shall assume the following tasks:

1. Represent chambers before any official or unofficial body inside or outside Palestine.
2. Participate alongside relevant entities in economic conferences as well as local, Arab and international activities of economic nature.
3. Conduct studies and research related to economic affairs as well as public and update them.
4. Collect, classify and publish information and statistical data related to trade and industry, and share them with members. Establish an information center to provide latest programs related to economic affairs, in coordination with local, Arab and international information centers.
5. Submit suggestions related to current legislations, draft laws and regulations related to commerce, industry and the economy in general.
6. Provide technical advice related to economic issues and consult with experts and economists for such purpose.
7. Any other tasks related to its objectives.

Article (24)

- a. The general assembly of the Union is comprised of chambers' chairpersons and board of directors members.
- b. The Union general assembly carries out the following tasks:
 1. Discuss the Union's policy brought before it by the Union's board.
 2. Approve the Union's annual draft budget.
 3. Approve the annual report on the work of the Union's board, closing accounts and the Union's balance sheet.
 4. Appoint and set remunerations for a certified auditor to review the accounts of the Union.
 5. Discuss matters presented thereto by the Union Board and take necessary recommendations thereon.

Article (25)

1. The general assembly shall hold an ordinary meeting once a year at a place and time specified by the Union Board. The legal quorum for its meetings shall be by the attendance of the absolute majority (50% + 1) of its members. Should said quorum not be met, the general assembly shall be invited to meet two weeks from the date of the first meeting and the quorum would be achieved by whoever attends.
2. The general assembly shall pass its decisions by the majority vote of attendees. In the event of equal votes, the side with whom the chairman of the meeting voted for would be the casting vote.

3. The general assembly meeting shall be presided over by the chairperson of the Union Board or his/her deputy. In the event both are absent, the general assembly elects a chair for the session.

Article (26)

The Union Board of Directors shall be comprised of the chairpersons of the chambers' board of directors.

Article (27)

1. The term of the Union Board shall be four years.
2. The Union Chairperson shall be appointed by a cabinet decision based on the recommendation of the minister.
3. The Union Board shall, at its first meeting thereof, elect from among its members a deputy chairperson, a secretary and a treasurer and it shall take place in the presence of the representative of the minister who submits the issue to the Minister who in turn endorses the result of the voting.

Article (28)

The regulation shall define the functions and authorities of the Union's board and its chairperson; membership terms, seat vacancy, loss of legal quorum; dissolution of the board; and its work mechanisms.

Chamber's Financial Affairs

Article (29)

The fiscal year of the Chamber shall begin on the first day of January of any given year and end of the thirty first day of December of the same year.

Article (30)

The financial resources of the Chamber shall comprise of the following:

1. A percent of the revenues of chambers of commerce, such that it is not less than 10% of its annual income.
2. Investment proceeds of the Chamber's funds.
3. Unconditioned grants, aids and donations and any other resources received by it subject to approval of the Union's Board.
4. Any other resources approved by the Union's Board.

Chapter Seven

Selected and Closing Provisions

Article (31)

The minister shall appoint a central committee for the management and supervision of elections and the resolution of elections related appeals submitted to it. Said committee may appoint sub-committees to help it in performing its functions. The regulation shall determine the functions of the central committee and its mode of operation.

Article (32)

Subject to the provisions of article (20) of this law, the chamber has the right to invest its funds and revenue surpluses in establishing projects that offer qualitative and developmental services to its members in a way that does not contradict with the provisions of this law and the regulation issued pursuant to it.

Article (33)

Subject to the provisions of article (2) of this law, all established chambers shall rectify their status in accordance with the provisions of this law and within three months from its coming into force.

Article (34)

The Council of Ministers shall issue the regulation necessary for implementing the provisions of this law based on the recommendation of the minister.

Article (35)

The minister shall issue the instructions necessary for implementing the provisions of this law.

Article (36)

The Law of the Chambers of Commerce and Industry No. 41 of 1949, and the Amended Temporary Law of the Chambers of Commerce and Industry No. 21 of 1961 in force in northern governorates shall be annulled as well as Order No. 326 of 1954 for the issuance of the Chamber of Commerce Law in force in southern governorates.

Article (37)

Subject to the provisions of the General Union of Palestinian Industries Law and Specialized Industries Unions No. 2 of 2006, any provision in contradiction with the provision of this shall be annulled.

Article (38)

All competent authorities shall implement the provisions of this law in their respective area of specialization, and it shall come into force from the date of its publication in the Official Gazette.

Of their respective

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Palestine Liberation Organization's Executive Committee
Chairman
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