

**Law on the Palestinian Federation of Industries
And specialized industrial unions
No (2) for the year 2006**

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**Chairman of the PLO Executive committee
President of the Palestinian National Authority,**

**Upon review of the amended Basic Law, and its amendments,
And following the decision of the Palestinian Legislative Council in its session of 8 January
2006,
And acting upon the powers vested therein to achieve public interest,**

We promulgated the following law:

**Chapter One
Definitions and General Provisions**

**Article (1)
Definitions**

For the purpose of this law, the following terms and expressions shall have the meanings set here-below unless is otherwise specified:

Ministry: Ministry of National Economy

Minister: Minister of National Economy

Federation (PFI): Palestinian Federation of Industries

Specialized Union: a union representing any of the industrial sectors in Palestine

General Assembly: PFI general assembly

Board: PFI Board of Directors

**Chapter Two
Palestinian Federation of Industries**

**Article (2)
Establishment of the Palestinian Federation of Industries**

Pursuant to the provisions of this law, a Federation shall be established and named (the Palestinian Federation of Industries - PFI); it shall form a legal entity with legal qualification to ensure achievement of its goals and exercise of its activities in accordance with the provisions of the law.

**Article (3)
Headquarters**

The Headquarters of the Federation shall be in the City of Jerusalem; the internal bylaws of the Federation shall designate temporary premises; other branches may be opened by decision of the General Assembly in all governorates.

Article (4)

Objective of the Federation

The Federation aims to support the Palestinian national industries and protect them against dumping and unfair competition via the following:

- a- Development of the national industries by orienting domestic and foreign investments and introducing modern industrial systems
- b- Regulating of industrial activity in accordance with the type of industrial production through specialized unions and provide them with the necessary support.
- c- Endeavor to raise the competitiveness of the national industrial products

Article (5)

Mandate of the Federation

The Federation shall perform the following specializations:

1. Prepare and develop industrial programs and conduct a needs assessment study of the industrial sector in order to endeavor to fulfill them in coordination with the Ministry
2. Represent the specialized industrial sector with third parties and promote the competitive and professional capacity of the sector
3. Participate in industrial and economic conferences and local, Arab and international fares.
4. Assist the Ministry in the conceptualization and formulation of economic agreements affecting the industrial sector
5. Gather information and industrial statistics and index them in addition to providing official entities with industrial data, information and opinions.
6. Present advice and opinion on draft laws and industrial regulations.
7. Solve problems and disputes between specialized unions and coordinate among them.

Chapter Three

Structure of the Federation, Membership and the General Assembly

Article (6)

The General Assembly

1. All specialized unions must join the Federation

2. The general assembly of the Federation shall comprise representatives of all specialized unions operating in Palestine in accordance with the terms of membership specified in the PFI internal bylaws.

Article (7)

Functions of the General Assembly

1. Election of the Board of Directors
2. Formulation of the general policies of the Federation
3. Preparation of PFI internal bylaws and submission thereof to the Council of Ministers for ratification
4. Endorsement of the PFI budget
5. Appointment of PFI accounts' auditor

Article (8)

Board of Directors

The Board of Directors shall be formed among members of the General Assembly to be composed of at least (9) members and at most (13) members.

Article (9)

Functions of the Board

- Implement PFI general policies and decisions issued by the General Assembly
- Prepare PFI budget
- Administer PFI works and technical matters
- Submit annual administrative and financial reports and any future plans and projects to the General Assembly
- Appoint the secretary general of the Federation and implement his/her decisions and accept his/her resignation.

Article (10)

Financial resources

1. The financial resources of the Federation shall be composed of:
 - a. Accession fees collected from specialized unions
 - b. Annual subscriptions of specialized unions
 - c. Fees for services provided by PFI
 - d. Unconditional aids, grants and donations after approval of the Board
2. The internal bylaw shall specify subscription and services fees of the Federation.

Article (11)

PFI affiliation

1. In organization of its accounts, PFI shall apply public institutions accounting procedures; it shall appoint by decision of the general assembly an accounts' auditor to review and audit accounts and ledgers of the Federation
2. All of PFI funds shall be deposited with a bank operated in Palestine as decided by the Board of Directors.

Chapter Four Specialized Unions

Article (12)

Establishment of specialized unions

Pursuant to the provisions of this law, it shall be possible to establish specialized unions that shall constitute independent legal entity and legally qualified to ensure achievement of its goals and to perform its activities in compliance with the provisions of this law and any other regulations issued in compliance therewith; they shall be registered with the Federation and the Ministry.

Article (13)

Headquarters of the specialized unions

Every specialized union shall assign its own headquarters as specified in its internal bylaw.

Article (14)

Composition of the General Assembly

1. The general assembly of a specialized union shall be composed of representatives of the industrial facilities adhering to the said union and operating in the same industrial sector of this union.
2. The internal bylaws of specialized unions shall specify the manner of election of their boards and shall enumerate their powers and mandate.

Article (15)

Membership

1. Membership in the specialized unions shall be voluntary provided that the adhering facilities fulfill the following terms:
 - a. Be registered with the Ministry.

- b. The main activity of the facility be industrial and in the same industrial sector of the union it wishes to adhere to.
 - c. The industrial facility must be actually performing such industrial activity
2. The industrial facility shall lose membership in a specialized union in any of the following cases:
 - a. Loss of any of the terms of membership prescribed in the previous paragraph.
 - b. Failure to pay annual membership fees for a period exceeding two consecutive years.

Article (16)

Prohibition of dual membership

It shall not be allowed for any industrial facility to be member in more than one industrial facility.

Article (17)

Industrial unions

Specialized unions shall represent the following industrial sectors operating in Palestine:

1. Food, beverage and tobacco industries.
2. Constructional industries.
3. Stone and marble industries.
4. Mining and engineering industries.
5. Chemical and pharmaceutical industries.
6. Wood and furniture industries.
7. Garments, textile and leather industries.
8. Touristic and traditional industries.
9. Paper, printing and packaging industries.
10. Plastic and rubber industries.
11. Any other industries approved by PFI in coordination and accord with the Ministry.

Article (18)

Periodic reports

Specialized industries shall submit periodic administrative and financial reports on their activities to the Federation.

Chapter Five

Transitional and Final Provisions

Article (19)

Compliance

The Federation and specialized unions shall redress their situation and modify their internal bylaws to comply with the provisions of this law within one year from the date of enforcement thereof.

Article (20)

Adherence to Arab unions

PFI and specialized unions may adhere to Arab, regional and international unions working in their sphere of activity in coordination and accord with the Ministry.

Article (21)

Publication of reports

The Federation (PFI) shall publish an annual administrative and financial report covering its activities and the activities of specialized unions under its umbrella and shall submit this report to the Palestinian Administrative and Financial Audit Bureau.

Article (22)

Annulment

Any provision contradicting with this law shall be repealed.

Article (23)

Issuing regulations

The Council of Ministers shall issue the necessary regulations to implement this law within six months from the date of enforcement thereof.

Article (24)

Effectiveness, enforcement and publication

Every competent entity, each within its area of competence, shall enforce the provisions of this law, which shall come into effect thirty days after the date of its publication in the Official Gazette.

Issued in the City of Ramallah on 21 January 2006

Being, 21 Dho Alhijjah 1426 Hegira

Mahmoud Abbas
Chairman of the PLO Executive Committee
President of the Palestinian National Authority