

Saudi Ports General Organization Law

The Royal Decree number 13 / ر issued in 7/4/1397H approved this system based on the resolution of the Council of Ministers number 414 dated 25/3/1397H.

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Article One:

By virtue of this system, the General Organization named Saudi Ports General Organization is established. It is located in Riyadh and has its own independent legal and financial body.

Article Two

The main objective of this organization is to supervise the administration of ports, setup the necessary conditions in order to develop and improve the ports conditions, and in order to do so it may:

1. Set the required rules for the administration of ports according to the international methods and systems.
2. Provide different port services such as navigation rules in addition to providing and maintaining docks, navigation routes leading to the port as well as tools and equipment.
3. Build piers, dry and floating dockyards which should be maintained and utilized as well as maintaining ships.
4. Regulate, supervise loading and unloading procedures and provide necessary ships services.
5. Practice all required tasks in order to achieve its objective and raise the competence of port tasks.

Article Three

- a) The organization is managed by a Board of Councils formed on the following bases:

1. Head of the General Organization for Ports/ Chairman of Board.
2. General Manager of the organization/ deputy head.
3. Five specialized members.

b) The Chairman of Board of Directors is linked to the Prime Minister. He is assigned and his rank is determined by Royal Decree according to the suggestion of the Deputy Prime Minister. The rest members of the council are assigned by Royal Decree based on the suggestion of the Deputy Prime Minister and the membership of members excluding the Chairman and General Manager is three years subject to renewal. In case of a vacancy due to the resignation or death of any member or any other reason, a new member is assigned to replace him.

The Board of Directors shall invite the managers of main ports to attend the council's sessions without having the right to vote.

The council is held by an invitation from its head, and it is considered complete with the presence of most of its members. Resolutions are issued by majority of votes and in case of having an equal number of votes, the side the chairman voted for wins. The council could be exceptionally held and according to a request of four of its members, and it has a secretary from the staff members of the organization chosen by the Chairman of Board of Directors who is to undertake the responsibilities of the council's secretariat. In addition to preparing for the meetings, recording deliberations and resolutions of the council and informing the concerned bodies of that.

Article Four:

The Board of Directors is the supreme authority controlling the organization's affairs and carrying out its responsibilities. It shall take all the necessary decisions in order to achieve its goals and objectives within the provisions of the system. The council shall particularly:

1. Set the general policies for the project which are followed in the operation, establishment, development of ports. After

gaining approval of the Council of Ministers it shall be implemented by its virtue.

2. Issue internal resolutions and regulations as well as regulations regarding port administrative and technical affairs.
3. Issue systematic regulations for Saudi and non Saudi employees affairs in coordination with staff members *deewan*.
4. Issue financial regulations for the organization in coordination with the Ministry of Finance and National Economy.
5. Prepare the annual budget project and final accounts.
6. Assign employees, consultants and experts in the organization both Saudis and contractors.
7. Withdraw different agreements and contracts with Saudi or foreign members, establishments, companies and organizations both local or international concerning port tasks and activities related to the organization.
8. The Board of Directors has the right to authorize the Chairman of Board of Directors to carry out some authorities and responsibilities. It may also form committees among its members to undertake the responsibility of studying the matters referred to it from the council and present its studies for awarding. In case of need and by the consent of the council these committees may include technical members other than the members of the council.

Article Five:

The organization's funds consist of:

1. Ports revenues.
2. Funds contributed by the country's treasury.

3. Fixed and movable properties under the control of the ports. As well as the funds currently used to administrate, pay the rights and obligations of ports.

Article Six:

Based on the suggestion of the Board of Directors the Prime Minister issues a resolution determining the authorities of the Chairman of Board of Directors at the organization, General Manager and ports managers.

Article Seven:

General Manager of the organization helps the Chairman of Board of Directors in carrying out his tasks, and represents him in case of his absence.

Article Eight:

Each port is managed by a manager directly related to the Chairman of Board of Directors and he is given all the necessary authorities to manage the port. A consultation council is formed in each port consisting of representatives of governmental bodies working at the port as well as a representative for the Chambers of Commerce and shipping agencies. The task of the council is to provide consultation to the port's administration in order to improve its tasks and solve the daily problems.

Article Nine:

All rights and obligations resulting from the activity of administrating ports shall be transferred to the organization as soon as the Royal Decree is issued.

Article Ten:

The organization has an independent budget which takes into consideration the followed rules in the preparation of the country's

general budget. Its year starts with the country's fiscal year and the organization may set the projects budget which lasts for over a year.

Article Eleven:

The organization benefits of the exemptions and other merits which are related to the governmental bodies regarding financial issues and taxes.

Article Twelve:

Without violating the rights of the **General Inspection Deewan** in monitoring the accounts of the organization, the Board of Directors assigns an auditor or more from the legal accountants who has the right to audit the accounts of the corporations and has to fulfill his duties. In case of having more than one auditor, they are jointly responsible and the Board of Directors shall specify their bonuses.

Article Thirteen:

The organization prepares an annual report of its tasks over a maximum period of three months starting by the end of the previous fiscal year. This report shall be presented to the Board of Councils for approval then it shall be submitted to the Council of Ministers.

Article Fourteen:

An assigning committee is responsible by virtue of a resolution of the Council of Ministers to include representatives of the Ministry of Finance and National Economy and the **General Inspection Deewan** in order to evaluate the organization's funds in a period not exceeding three months from the date of establishment. In order to do so, it shall get assistance from one or more auditing offices.

Article Fifteen:

Work continues according to the set budget until the new budget is approved according to the provisions of this system.

Article Sixteen:

The rules and regulations organizing port affairs are valid until others are issued.