

Rules and regulations of the Chambers of Commerce, Industry and Agriculture

Legislative decree No. 36 of August 5, 1967

Chamber of Commerce, Industry and Agriculture¹

Amended pursuant to

Law n° 626 of 23/4/1997

The President of the Republic of Lebanon,

In accordance with the Lebanese constitution,

Under the provisions of the law n° 36/1967 of 5/6/1967 which gives the government the right to legislate by decree issued by council of ministers, in terms of economics and finance,

On the proposal of the minister of Economy and Trade²

After consultation with the Council of State,

After approval by the Council of Ministers of July 26, 1967

It was agreed what follows:

¹ The expression « and Agriculture » was added to the designation “Chambers of Commerce and Industry” mentioned in the legislative decree n° 36/1967 and the designation “Chambers of Commerce, Industry and Agriculture” was adopted, in accordance with article 1 of the law n° 9/73 of 31/1/1973.

² The designation « Ministry of National Trade » was systematically replaced by “Ministry of Trade and Industry”, in accordance with article 1 of the law n° 9/73 of 31/1/1973.

Chapter One

The Chambers of Commerce, Industry and Agriculture

Article 1- Definition of the Chambers:

The provisions of Article 1 of the legislative decree n° 36/67 have been revoked, pursuant to Article 2 of the law n° 626 of 23/4/1997, and replaced by the following:

The Chambers of Commerce, Industry and Agriculture are institutions of public interest that aim, within their competence, at representing commercial, industrial and agriculture interests, and are entitled to own, sell, purchase, insure, accept donations and grants, enter into loans, bring action in court and other business which falls within their attribution.

Article 2- The Chambers of Commerce, Industry and Agriculture are subject to the control of the minister of Economy and Trade, as stipulated in the present legislative decree.

Article 3- The procedure and conditions for establishing Chambers of Commerce, Industry and Agriculture:

Chambers of Commerce, Industry and Agriculture shall be established by decree issued by the council of ministers, on the proposal of the minister of Economy and Trade. The terms and conditions required for applications are determined by a decree and subject to the administrative verifications in force. The geographical competence of the Chamber shall be defined in the decree of establishment, on the basis of one Chamber per governorate.

If need be, the opinion of the Union of Chambers of Commerce, Industry and Agriculture, stipulated in article 4, shall be taken into account, prior to endorsement of the new Chamber's actions.

Article 4- The Union of the Chambers:

The Chambers of Commerce, Industry and Agriculture are entitled to form a general Union that is dedicated to managing their common interests.

This Union shall be formed by a decree promulgated by the council of ministers, setting specifically the provisions related to the Union's constitution, its management, competence and reports provided to the members of Chambers on one hand and the authorities on the other hand.

Article 5- The activities and attributions of the Chambers:

The provisions of Article 5 of the legislative decree n° 36/67 have been revoked, pursuant to Article 3 of the law n° 626 of 23/4/1997, and replaced by the following:

The Chambers generally represent the commercial, industrial and agricultural interests and run the relevant statistics. They provide the government departments and the courts with the publications and information they require. They communicate on customs in force within the commercial, industrial and agricultural procedures.

Article 6- The provisions of Article 6 of the legislative decree n° 36/67 have been revoked, pursuant to Article 4 of the law n° 626 of 23/4/1997, and replaced by the following:

The Chambers shall present to the government projects and proposals aiming at promoting commerce, industry, agriculture and all economic affairs. When requested, the Chambers shall provide advice in order to enhance commerce, industry, agriculture and tourism, and encourage economic prosperity in general.

Article 7- Chambers shall settle, either amicably or by arbitration, disputes submitted to them by the parties concerned, under the rules provided for this purpose.

Article 8- The attributions of the Chambers shall also include the following acts:

- 1- Authentication of invoices and certification of the accuracy of the price of the exported goods (in the provisions of the present legislative decree, the expression "goods" refers to all agricultural products, natural materials and industrial commodities).
- 2- Certification of the origin or source of the exported goods and verification of the accuracy of the origin or source with the relevant ministry. The Chambers of Commerce, Industry and Agriculture mentioned in this legislative decree are the only institutions authorized to issue such a certificate.
- 3- Grant of a certificate that proves the capacity of merchants and industrialists registered with the Chambers, in addition to its category.
- 4- Authentication of the signature of merchants and employers registered with the Chambers, in the industrial, commercial and agricultural domains.
- 5- Certification of copies of documents registered with the Chambers.
- 6- Certification of the dates of copies submitted to the Chambers of Commerce, Industry and Agriculture.
- 7- Provision of the necessary information regarding prices of major products traded in the local commercial market on specific dates, methods of carriage and markets.
- 8- Supply of needed information to government departments prior to allowing foreigners to have commercial, industrial, agricultural and financial activities in Lebanon.
- 9- Provision of the necessary information regarding the creditworthiness of members and determining the status of guarantors and their financial solvency.

Article 9- The Chambers of Commerce, Industry and Agriculture may directly contact ministries and government departments to obtain data and information, pertaining to business falling within their competence, and shall submit their reports and studies to all ministries and government departments concerned.

Article 10- Certification of exported goods by the Chambers:

The relevant Chambers of Commerce, Industry and Agriculture shall certify freight invoices on exported Lebanese goods.

Article 11- Chambers shall submit to the ministry of Economy and Trade an annual report detailing their activities and a copy of the budget for next year and the final accounts for the previous year, in order to facilitate the control over the Chambers' activities and finances.

Article 12- The Chambers of Commerce, Industry and Agriculture shall not be authorized to engage in commercial activities, intervene in political or religious matters and provide any assistance or support to political parties, either directly or through an intermediary.

Article 13- Registration with the Chambers:

The provisions of Article 13 of the legislative decree n° 36/67 have been revoked, pursuant to Article 5 of the law n° 626 of 23/4/1997, and replaced by the following:

Any individual carrying on a commercial, industrial or agricultural activity on the Lebanese territory, whether he is a foreign national or a Lebanese citizen, a natural or legal person, may register with the competent Chambers of Commerce, Industry and Agriculture, if he meets the following conditions:

- 1- To have a recognized business address.
- 2- To present the commercial circular.
- 3- To be registered in the commercial register.

Article 14- Admission of foreign nationals:

A foreign national shall not be authorized to join the Chambers unless he already followed all the procedures imposed by the Lebanese jurisdictions in order to practice a professional activity.

Article 15- Constitution of the Chambers:

Chambers of Commerce, Industry and Agriculture shall be composed of:

- 1- A general Assembly.
- 2- A Board of Directors.

1- The general Assembly and the notification procedure:

Article 16- The members:

The general Assembly shall be composed of all subscribers having paid all fees due to the Chamber.

Article 17- Notification of elections:

The general Assembly shall be convened upon notification of the President of the Chamber, forwarded to the members mentioned in the previous article by public announcement. The notification shall be published twice in two journals that are issued

from the headquarters of the Chamber, 21 days, at least, prior to the date of the fixed meeting. In the absence of local journals, the announcement shall be published in the capital's journals.

The election date shall be fixed and communicated to the Ministry of Economy and Trade which shall supervise the electoral process on the spot, through a representative.

Article 18- The sessions of the general Assembly:

The general Assembly shall be presided by the President of the Chamber's Board of Directors. In the absence of the President, the authority to act in his place is delegated to one of his two vice-Presidents, in order of seniority.

The general Assembly's deliberations shall not be valid unless the session is attended by, at least, half of the participating members. Where the quorum is not met, a new session for the general Assembly shall be convened and notifications forwarded to the members by publication in the journals, pursuant to the previous article, within ten days from the date of the previous session. In the second session, deliberations shall be valid irrespective of the number of members present.

Article 19- The decision making process:

The decisions shall be passed by absolute majority votes of the members present and in case of a tie the President shall have a casting vote.

Article 20- The minutes of the sessions of the general Assembly:

The minutes and deliberations of the general Assembly shall be recorded and a list containing the names of the present members established and signed by the President and the secretary.

Article 21- The general Assembly shall convene an annual plenary session held in January or February in order to examine the agenda items, and particularly matters related to:

- a- The report issued by the Board on the performance of the Chamber during the previous year.
- b- The report issued by the auditor.
- c- The approval of the draft annual budget, in the presence of a representative of the Ministry of Economy and Trade.

The general Assembly may be summoned by the Board for special sessions, if necessary or so requested by 10 members. The notification addressed to all members shall mention the date, hour, and place of the general meeting as well as the items to be discussed by it.

2- The Board of Directors:

Article 22- The number of members:

Each Chamber shall have a Board of Directors whose members shall be, in number, as determined in the Order instituting the Chamber, in accordance with the provisions of

article 3 of the present legislative decree. The number of members shall not exceed 24 or be less than 12.

Article 23- Membership requirements:

The third of the members of the Board of Directors shall be appointed by decree on proposal of the ministry of Economy and Trade. The other two-thirds shall be elected by the general Assembly, from among its members, by secret ballot, by absolute majority votes of the members present having paid the annual subscription due to the Chamber. The commercial, industrial, agricultural and financial sectors shall be represented by at least two representatives by sector.

The member of the Board of Directors, whether appointed or elected, shall have to meet the following requirements:

- a- He shall not be under thirty years of age.
- b- He shall have practiced a business connected with commerce or industry for a period of 5 years and shall have a recognized business address.
- c- He shall have paid his annual membership subscription due to the Chamber.
- d- He shall have been registered with the Chamber for a year or more.
- e- He shall enjoy full civil and political capacity.

The two-third of the members shall be elected prior to the issuance of the decree related to the nomination of the appointed members.

Article 24- Membership duration:

The duration of Board membership shall be of four year. The member whose term expires may be reelected or reappointed.

Article 25- Forfeiture of membership:

Shall be forfeited from his right of membership in the Chamber, every member who is found in a condition of civil or political incapacity, whether this condition has occurred or been detected subsequent to his acceptance as member of the Chamber or election to the Board of Directors.

Forfeiture shall be declared by decision of the Board of Directors, after summoning the member concerned who may file an appeal against this decision to the Sate Council.

Article 26- The filling of vacant positions:

In the event that the position of any elected or appointed member in the Board of Directors, becomes vacant by reason of death, resignation or forfeiture of office, the vacant position shall be filled by the unsuccessful candidate who obtained the highest number of votes in the last elections with regards to elected members and by a successor appointed with regards to designated members.

Should the number of Directors fall, at any time, below half the required number, general elections and appointments of a new Board shall take place.

Article 27- The general Assembly shall convene to elect the new Board of Directors, within a period of two months before the end of the term of the Board in office.

Article 28- The attributions of the Board of Directors:
The Board of Directors shall:

- 1- Implement the decisions and recommendations taken by the general Assembly.
- 2- Define the policy guidelines of the Chamber and supervise their implementation.
- 3- Manage the finances and the real property of the Chamber and decide on spending and fund raising.

- 4- The first Board of Directors, elected pursuant to the present legislative decree, shall establish the bylaws of Board and its Bureau as well as the management of the Chamber and its employees. It shall define the election procedures for the general Assembly and its meeting notification methods; determine its session management system and define the requirements for the appointment of internal committees, within a period not exceeding three months following the date of its first legal meeting. This regulation should be approved by the minister of Economy and Trade and may be amended based on the same process.
- 5- The Board may delegate to its Bureau or to the Executive Director of the Chamber some administrative tasks that fall within its jurisdiction.

Article 29- Meetings of the Board of directors:

The Board of directors shall meet once every month and whenever a written request to this effect shall be submitted to him by one third of its members or by the minister of Economy and Trade, on invitation of the President of the Board accompanied by the agenda. The Board deliberations shall not be valid unless the meeting is attended by more than half of the members. Where a quorum is not met, the meeting shall be adjourned to two days, at least, and eight days, at most, and all members shall be convened to attend the second meeting. Where a quorum is not met after three consecutive meetings, pursuant to the provisions of the present legislative decree, the President shall submit the matter to the ministry of Economy and Trade, entitled to apply, where appropriate, the provisions of Article 39 of the present decree.

The Board's resolutions shall be passed by absolute majority votes of the members present and in case of a tie the President shall have a casting vote.

Article 30- Absence of Board of Directors members:

Every member absenting himself, without lawful justification, from three consecutive meetings of the Board, his attention shall be drawn to this effect in writing and the incident shall be recorded in the minutes of the meeting. Should unjustified absence continue twice, without lawful justification, he shall be considered as resigning de facto. The matter shall be recorded in the minutes of the meeting and the member concerned shall be notified of the fact by registered letter with acknowledgment of receipt.

Article 31- The Board of Directors shall elect, by secret ballot, from among its members, its Bureau composed of a President, two vice-Presidents and a treasurer.

Article 32- A member of the Board of Directors may not participate in the meetings of the Board or any of its committees when considering matters in which he in person, or a member of his family within the 5th degree on kinship, or through his proxy, has a personal interest.

Article 33- The attributions of the President of the Board of Directors:

1- The President of the Board of Directors shall represent the Chamber towards courts and third parties.

2- He shall convene and preside over the meetings of the Board of Directors and its Bureau.

3- He shall implement the decisions and recommendations made by the Board of Directors.

4- He shall call the general Assembly sessions, on decision of the Board of Directors.

5- He shall delegate, temporarily, some of his prerogatives to a board member of his choice, amend or waive this mandate.

Article 34- Delegation of authority and responsibilities by the President to the members and employees:

In the absence of the President, due to travel or resignation, the authority to act in his place is automatically delegated to the elder vice-President. In the simultaneous absence of both the President and the vice-President, the second vice-President shall replace them and perform the President's duties. In the absence of the President and both vice-Presidents, the Board shall appoint a substitute for the President among its members.

Article 35- The treasury of the Chambers:

The Chambers of Commerce, Industry and Agriculture incoming sources constitute of all fees which may be collected in accordance with the current regulation, ownership of real property and donations.

Article 36- The Fees:

The Chamber shall receive from its members the registration and annual subscription fees, as well as fees related to documents processing such as certificates, authentication of documents....

The above fees shall be fixed by decrees of the council of ministers on the proposal of the minister of Commerce and Trade, accompanied by a decision of approval issued by the general Assembly of each of the Chambers.

Article 37- Duties of the treasurer:

The Board of Directors shall appoint a treasurer who shall be the custodian of all the Chamber's funds. He shall implement the Chamber's budget, under the supervision of the President of the Chamber who shall approve all costs and expenses orders, in accordance with the bylaws, as validated by the ministry of Economy and Trade.

Article 38- Financial audit of the Chamber:

The trial court shall appoint every three years, in the headquarters of the Chamber, an auditor in charge of auditing all accounts of the Chamber. Audit procedures and wages shall be fixed by the bylaws.

Article 39- The Chamber's board may be dissolved by decree, upon proposal made by the minister of Commerce and Trade, for violation of the provisions of the present legislative decree. The decree on the dissolution of the Board shall include the notification of the Chamber for the election of the new Board within a period of two months, at most, from the date of dissolution.

Article 40- The existing Chambers shall be considered as legally established and their Board of Directors shall convene the general Assemblies in order to run new elections, pursuant to the provisions of the present legislative decree, within a period of three months, at most, from its publication in the official gazette, and shall conform to the present legislative decree, within a period of six month following its entry into force.

Chapter Two Joint Chambers of Commerce in Lebanon

Article 41- Joint Chambers of commerce may be established in Lebanon. The joint Chamber shall be founded by Lebanese citizens and individuals belonging to one foreign country or more. The Chambers shall have the status of private associations and abide by the rules and regulations, provided they are supervised and monitored by the ministry of Economy and Trade. The Chambers may be dissolved at any time, in accordance with the provisions of article 39 of the present legislative decree.

Article 42- The request for establishing the joint Chamber shall be submitted to the ministry of Economy and Trade by at least six founders, half of them composed of Lebanese and the other half of the countries mentioned in the appellation of the Chamber.

The request shall be accompanied by:

- Four copies of the bylaws.
- A copy of the Lebanese judicial record for the Lebanese founders and a copy of the foreigner judicial record for foreigner founders.
- A residence permit for foreigner founders, delivered by the Lebanese General Security.

Article 43- The activity of the Chamber shall in no case surpass the advertising business, supply of goods and procedures with the government departments in order to accelerate commercial transactions. More specifically, the Chamber may neither certify invoices and commercial documents issued by institutions that are established on the Lebanese territory, nor deliver origin and source certificates.

Article 44- The authorization of establishment shall be granted by decree, on the proposal of the ministry of Economy and Trade, after requesting the opinion of the Union of Chambers of Commerce, Industry and Agriculture of Lebanon. In case the Union does not exist, the opinion of the Chamber in the city where the Joint Chamber is sought to be established shall be taken into account.

Article 45- In addition to the provisions of article 11 of the present legislative decree, the joint Chambers shall submit to the ministry of Economy and Trade all publications issued and decisions made by the Assembly.

Article 46- The joint Chamber's incoming sources shall constitute of the registration and subscription fees as well as all grants and donations received from other sources.

Article 47- Membership in the mixed Chamber shall be subject to the provisions of article 13 of the present legislative decree.

Article 48- Joint Chambers shall remain subject to the laws governing associations, excluding legislations which are in conflict with the provisions of the present legislative decree.

The ministry of Economy and Trade shall apply to the joint Chambers the legal provisions pertaining to associations, in addition to the provisions of the present legislative decree.

Article 49- Joint Chambers which have been established prior to the entry into force of the present legislative decree shall conform to its legislations within a period of three months as of the said date. They shall also submit to the ministry of Economy and Trade a certified copy of their bylaws with the appropriate amendments within a similar period, under penalty of being regarded as dissolved de facto and applying for an authorization of establishment, pursuant to the provisions of the present legislative decree.

Article 50- The law enacted on 5 Joumada al oula of the year 1328H. or on March 31 of the year 1326H., in addition to legislations in conflict with the provisions of the present legislative decree, shall be repealed.

Article 51- The present legislative decree shall be published and, if necessary, communicated. It shall enter into effect upon its publication in the official gazette.

Beit El Dine, August 5, 1967

Signature: Charles Helou

Issued by the President of the Republic

The Prime Minister

Signature: Rachid Karame

The minister of Economy and Trade

Signature: Said Hamade