



**Legislative Decree No. (61) Of 2006
With respect to promulgating the law of
The General Organisation of Sea Ports**

We, Hamad Bin Isa Al Khalifa, King of the Kingdom of Bahrain,

After perusal of the Constitution;
The Ports Ordinance 1966, as amended;
Law of Registration of. Ships and Determination. of Safety Conditions Promulgated by Legislative Decree No.14 of 1978,

Maritime Code promulgated by Legislative Decree No.23 of 1982,

Legislative Decree No.21 of 1996 with respect to the Environment, as amended by Legislative Decree NO.8 of 1997,

Legislative Decree NO.10 of 2002 with respect to Approving the GCC Unified Customs Regulation (Law),

Legislative Decree NO.19 of 2002 with respect to Disposing of Land Privately owned by the Government,

Legislative Decree No.20 of 2002 with respect to Organising Fishing and the Exploitation and Protection of Marine Resources,

Legislative Decree No.41 of 2002 with respect to Policies and Guidelines of Privatisation;

Legislative Decree No.15 of 1976 with respect to promulgating the Penal Code, as amended,

The *Consultative* Council and House of Representatives ratified the following law which we approved and enacted:

Article One

The provisions of the Law attached to this Decree shall govern all ports, docks, harbours, piers, wharves, private jetties, free zones and all related structures except those used *exclusively* by:

1. The Bahrain Defence Force, the National Guard, the Public Security forces or the National Security Authority.
2. Any naval forces of any foreign government under treaty or other arrangements with the Kingdom.



Article Two

The Ports Ordinance of 1966 shall hereby be repealed and every provision that conflicts with the provisions of the attached Law shall be revoked.

Article Three

The Minister of Finance shall issue the Implementing Regulations of the attached Law within six months from the effective date thereof. He shall also issue the necessary orders for its implementation.

The currently applicable regulations and orders shall continue to be effective to the extent that does not conflict with the provisions of this Law pending the issue of the afore said Regulations and orders.

Article Four

The Ministers, each in his respective capacity, shall implement the provisions of this Law which shall take effect on the day following the date of its publications in the Official Gazette.

PART I DEFINITIONS

Article -1-

For the purposes of this Law, unless the context otherwise requires, the following expressions shall have the meanings set forth opposite each one of them:

"Ministry": Ministry of Finance;

"Minister": Minister of Finance; .

"Organisation": General Organisation of Ports;

"Board of Directors": Board of Directors of the Organisation;

"Director General": Director General of the Organisation;

"Port" Any of the following:

- (1) ports, docks, harbours, piers, wharves (including any private jetty), fairways, embankments and related structures;
- (2) all the Ports listed in the Schedule attached to this Law and
- (3) any *facility* proclaimed by the Minister to be a port pursuant to Article 14 of this Law;

"Private Jetty": A privately owned or leased Port serving the sale needs of the owner or tenant of such Port;

"Public Service Port": Any Port open to general trade and serving the general needs of Port Users.

"Licence": A licence issued by the Organisation to operate, manage or provide services at any Port.



"Concession": A concession granted by the Organisation to a Licensed Operator under a law to be promulgated according to the provision of Article 117 of the constitution;

"Censed Operator": Every natural or juristic person granted a License to operate, manage or provide services at any Port;

"Port Use": Every natural person or body corporate to whom is issued a licence to operate, manage or provide services at any Port;

"Fairways": Navigable channels leading to any Port, and deemed to be a part thereof;

"Foreshore": The seashore between the High Water Mark and the Low Water Mark;

"Public Landing Place": A public facility owned by the Government at which vessels May on-load or or-load goods;

"Free Zone": A part of the land of the Government at which commercial and industrial activities are carried out in accordance with the regulations pertaining thereto. Any goods entering it shall be deemed to have entered an area outside custom zone and such goods shall not be subject to the usual custom procedures;

"Low Water Mark": The lowest point reached by ordinary spring tides at any season of the year;

"High Water Mark": The highest point reached by ordinary spring tides at any season of the year;



PART II ESTABLISHMENT OF THE ORGANISATION AND ITS POWERS

Article - 2-

An Organisation to be called the "General Organisation of Ports" is hereby established and shall enjoy independent public legal personality. The Organisation shall be under the supervision of the Minister.

Article - 3-

The organisation's organisational structure shall be issued by a Decree.

Article - 4-

The Organisation shall carry out the duties for the realisation of the following objects:

- (1) provide for adequate and efficient co-ordinated and integrated and safe system of harbour facilities for Ports at reasonable fees;
- (2) Provide for co-ordinated and integrated marine services within the Ports' limits;
- (3) Support and develop Ports and facilitating trade therein.
- (4) Provide marine pilotage services, lighting, guidance marks and other marine services and aids required for the navigation channels leading to all Ports and territorial waters.
- (5) Ensure maritime safety and protect the maritime environment from pollution emanating from ships in co-ordination with the authority concerned with the environment.
- (6) Investigate marine accidents and pollution accidents caused by vessels within the Port limits, territorial waters and the *exclusive* economic area, supervise taking the necessary actions for protection of the environment, ensuring the safety of sea navigation and rescue of lives and property within the Ports, navigation channels leading thereto and territorial waters, in coordination with the concerned authorities.
- (7) Register ships with a gross tonnage in excess of 150 tons and issue legal certificates thereto;
- (8) Provide the Cargo Distribution Free Zones and manage them to the advantage of the national economy;
- (9) Provide and develop an adequate number of public handling sites.
- (10) Supervise supplying vessels with provisions.



- (11) Carry on the marketing and other activities conducive to serving the Organisation's public relations.
- (12) Carrying out all the duties and activities relating to on-loading, off-loading and storage of goods and cargo or giving them to a licensed operator.
- (13) Build, maintain, repair and use the Ports' docks.
- (14) Clean, deepen, develop and change the navigation routes, harbours and channels, reclaim, dredge, raise and fence off any neighbouring land areas or these situated near any Port.

Article - 5-

In carrying out the powers provided for in this Law, the Organisation shall have the right to:

- (1) Acquire, hold and dispose of movable and immovable property;
- (2) Use and exploit the land owned by the Government within the Ports or any Free Zones thereat;
- (3) Enter into contracts and take all legal actions, including the right to enter into legal proceedings and to resort to arbitration or other similar legal proceedings.
- (4) Entrust any of its technical or administrative duties to third parties, authorities or committees that have the necessary technical and administrative expertise for carrying out such duties.



PART III BOARD OF DIRECTORS

Article - 6-

- (1) The Organisation shall be managed by a Board of Directors consisting of a Chairman of the Board of Directors, Deputy Chairman and three members to be appointed by a Decree.
- (2) The Board of Directors' term of office shall be four years. However, for the first Board of Directors the term of office of the Chairman and two of its members shall be four years and the term of office of the other two shall be three years. The Decree issued with respect to their appointment shall determine the term of office for each member. Thereafter, the appointment shall be for four years.
- (3) If a Board member's office is vacated upon the expiry of his term of office, resignation, removal from office or death, he shall be replaced by a member to be appointed in the manner provided for in Paragraph (1) of this Article.
- (4) A member of the Board shall not be dismissed from office before the expiry of his term of office except by a Decree.

Article -7-

Powers of the Board of Directors

- (1) The Board of Directors shall be the highest authority with the power to manage the affairs of the Organisation, lay down the general policy that it shall follow and approve plans that govern its activities. The Board of Directors shall take whatever action it deems necessary to realise the objects for which the Organisation was established. In particular, it shall have the power to:
 - a. Approve any fees proposed by the licensed operator in consideration of providing services at public service Ports, within the limitation set forth in the Concession contract.
 - b. Lay down the regulations governing how to make use of the services and facilities made available by the licensed operator.
 - c. Lay down the regulations, bylaws, decisions and instructions necessary to organise the activities of the Organisation.
- (2) The Chairman of the Board shall represent the Organisation before law courts and in its relations with third parties.

Article - 8-

- (3) The Board of Directors shall convene at least four meetings in every year and the Board Chairman may summon the Board to convene an extraordinary meeting at any time. The Chairman shall call the Board to convene an extraordinary meeting to be held within 14 days from the date of receiving a substantiated written request from two members of the Board or the Director General.



- In all cases, the notice for convening an extraordinary meeting shall contain a statement of the purpose of the meeting.
- (4) A Board meeting shall only be validly convened in the presence of at least three members of the Board, including the Chairman or his Deputy.
 - (5) Resolutions shall be adopted by a majority *vote* of the members present and in case of a tie, the Chairman shall have a casting vote.
 - (6) The Board of Directors shall nominate a Secretary who shall prepare the agenda and keep records of the minutes of meetings. He shall maintain all the documents and papers of the Board and generally shall carry out any duties assigned thereto by the Board.
 - (7) The Board shall be empowered to invite at its meetings the Director General or any other person it deems necessary to attend without taking part in voting in respect of any matter being discussed at the meeting. Such person shall not be counted as part of the necessary quorum for the valid convention of such meeting.



PART IV DIRECTOR GENERAL

Article - 9-

The Organisation shall have a Director General to be appointed by a Decree.

Article -10-

The Organisation's Director General shall be empowered to run its business affairs, exercise its powers and implement the resolutions of the Board of Directors. He shall be under the supervision and control of the Board of Directors.

PART V ORGANISATION'S FINANCIAL RULES

Article - 11 –

The Organisation shall have an independent budget which shall be included as a single figure in the State Budget.
The Organisation shall transfer the budget surplus at the end of the financial year to the State Budget.

Article - 12 –

Subject to the Organisation's approved budget, the Organisation's revenues shall be allocated to fund the following activities and functions:

- (1) Administrative and consultative costs of the Organisation;
- (2) Remuneration of the Board of Directors and the salaries and wages of the Organisation's Director General and staff together with any other amounts payable to them including gratuities, allowances, pension contributions and any other benefits;
- (3) Maintenance of real or moveable property owned or controlled by the Organisation;
- (4) Meeting expenses that are necessary for carrying out the duties and functions of the Organisation.



PART VI ESTABLISHING AND OPERATING PORTS

Article - 13-

The Minister shall, by order:

- (1) Declare any place or any navigable channel leading into that place to be a Port within the meaning of this Law;
- (2) Specify the limits of the place or navigable channel referred to in paragraph (1);
- (3) Declare any navigable channel leading into a Port as an approach to that Port.

Article - 14-

No person may operate a Port or a Private Jetty or offer port services related to ports or the territorial waters without obtaining a Licence to do so issued pursuant to the provisions of this Law.

Article -15-

Concessions shall be granted by law to Licensed Operators to operate, maintain, manage and develop the provision of infrastructure at any Public Service Port.

Article - 16 -

It is the duty of a Licensed Operator to provide port services and facilities according to the provisions of this Law and as specified in the terms and conditions of its Licence and in carrying out its duties, a Licensed Operator shall have due regard to the efficiency, economy and safety of operation.

Article - 17 -

Notwithstanding any restrictions set out in a Concession, any Licensed Operator, having the benefit of a Concession over any Public Service Port, may:

- (1) Levy such charges as are prescribed under any rule, regulation, order, or determination by-laws made under the provisions of this Law in respect of the services and facilities provided under the terms of the Licence issued thereto.
- (2) Transfer to the Organisation the percentage prescribed thereto of charges referred to in the preceding sub-Article.
- (3) Charge financial penalties for late payment of amounts that fall due for payment by users benefiting from the services or facilities.



Article - 18 –

It shall be prohibited to handle goods or cargo in onshore areas of the Ports or any private jetty except by operators licensed according to the provisions of this Law.



PART VII LIABILITY OF THE ORGANISATION

Article - 19 -

Without prejudice to the rules governing civil liability, the Organisation shall not be liable for the damages which arise because of the following:

- (1) Loss or damage to any ship, craft, vessel or other property;
- (2) Arrest of persons, placement of an attachment or confiscation by a judicial action.
- (3) Military exercises and operations;
- (4) Act and omission of the consignor, consignee, or depositor, or of the servant or agent of any such persons;
- (5) Fire, flood, tempest, riots, civil commotion, labour strikes or the strike by the workers of any licensed operator;
- (6) Inherent liability to wastage in bulk or weight, latent or inherent defect, or natural deterioration;
- (7) Deficiency in the contents of packages;
- (8) Insufficient or improper packing of any goods or leakage from defective drums, containers or packages.
- (9) Everything that results in obstructing operations of the Organisation that is attributed to a foreign reason.

PART VIII PENALTIES

Article - 20 -

Without prejudice to any harsher penalty prescribed by any other law, criminal and Civil liability or by the Organisation's rights as a party to a management contract, a fine not exceeding 80500 shall be imposed upon any licensed operator or user of the Port services in respect of breaches of the provisions related to the operation and use of Ports or the terms and conditions of Licences issued to them.

PART IX MISCELLANEOUS PROVISIONS

Article - 21 -

The Minister may, on the occurrence of any events resulting in the obstruction of operations of a licensed operator or any Port, authorise the Organisation to:

- (1) Temporarily replace the Licensed Operator in respect of any Port service or facility established thereby, and to operate it or provide any services to serve public interest.
- (2) Prevent any person partially or entirely from the use of port services and facilities.



Article - 22 -

Officers of the Organisation, who are designated by an order of the Minister of Justice in agreement with the Minister, shall have the power of summary arrest in respect of the crimes that are committed within the areas of their jurisdiction in breach of the provisions of this Law and the Orders issued for the implementation thereof.

Article - 23 -

Officers of the Organisation who have the power of summary arrest shall be empowered to enter upon any of the premises occupied by a Licensed Operator to inspect and examine the state of such premises to ensure compliance with the provisions of this Law and the terms and conditions of the licences issued thereto.

Article - 24 -

All assets, moveable and immoveable properties and other resources owned by the General Directorate of Ports, as well as all the rights and liabilities thereof, shall belong to the organisation as from the date that this Law comes into effect.

Article - 25 -

The employees of the General Directorate of Port shall be transferred to the Organisation on the same grades and with all their employment rights and benefits.
The length of service at the said Directorate shall be counted as part of the length of service required for the calculation of the pension or retirement gratuity.

The Minister shall issue the regulations related to employment at the Organisation, and in particular the conditions of their appointment, promotion, performance appraisal, training, delegation, secondment, determining their salaries, remuneration, leave dues, provisions related to accountability and discipline, all without complying with the provisions laid down in the civil service regulations.

The provisions of Law No 13 of 1975 with respect to the Organisation of Retirement Pension and Benefits for Civil Servants shall apply to the employees of the Organisation.



Appendix

Kingdom's Ports are:

- Mina Salman
- Al Muharraq Mina
- Mina Sitra
- Khalifa bin Salman Port