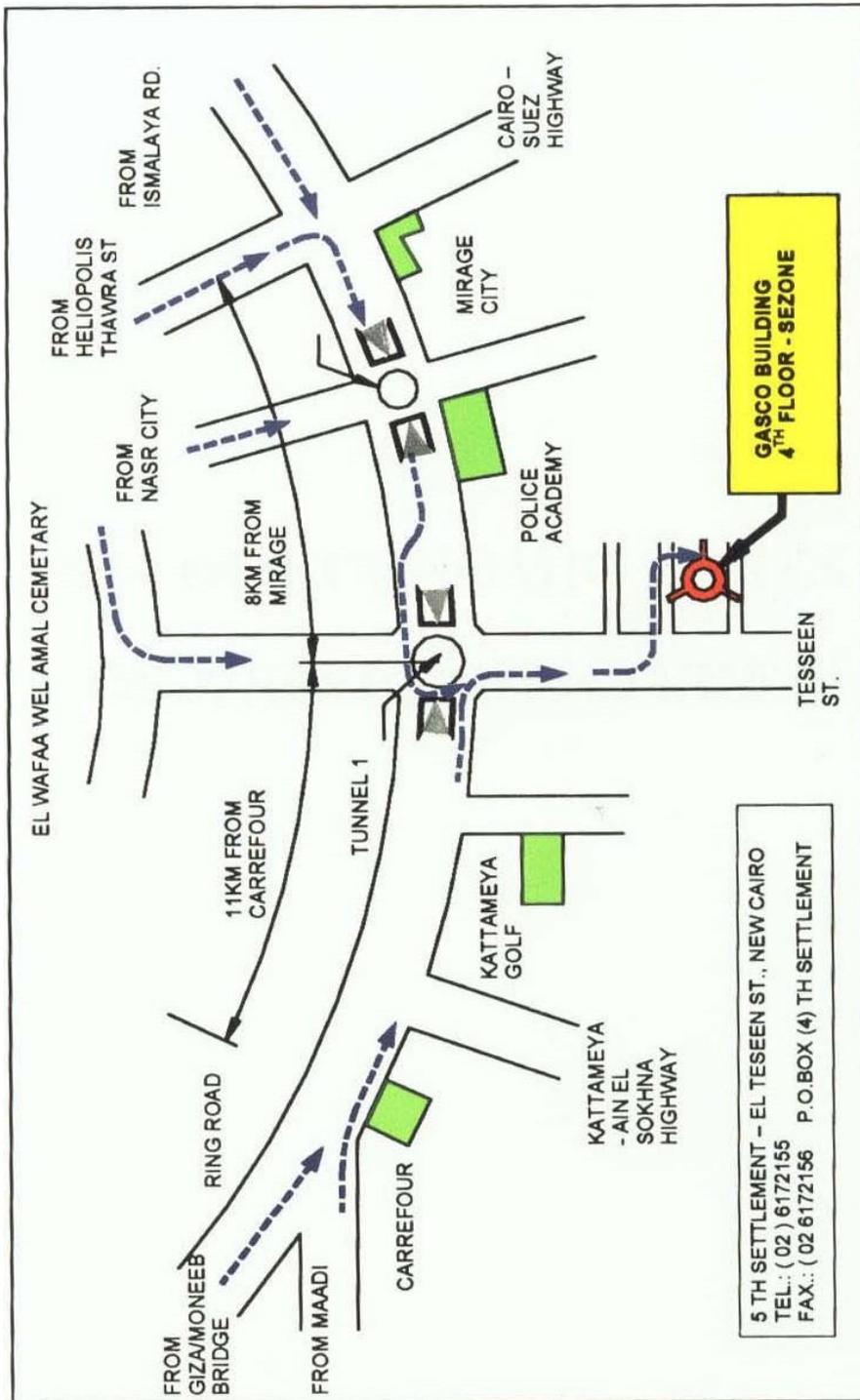




General Authority for Economic Zone

North - West Gulf of Suez

LAW OF
ECONOMIC ZONES
OF A SPECIAL NATURE



LAW OF ECONOMIC ZONES
OF A SPECIAL NATURE

Law No. 83 of 2002

ON

ECONOMIC ZONES OF A SPECIAL NATURE

In the name of the People,

The President of the Republic

The People's Assembly enacted the following Law, which we have issued:

Article (1)

The provisions of the attached Law shall apply to Economic Zones having a special nature. The provisions of other Laws shall apply to such Zones whenever there is no provision stipulated in the Law attached herewith.

Article (2)

The Prime Minister shall issue the Executive Regulations of the attached Law, within a maximum period of three months from the date the Law becomes effective.

Article (3)

This Law shall be published in the Official Gazette and shall be enforceable as of the day following the date of its publication. It shall be sealed with the Seal of the State and enforced as one of its Laws.

Hosni Mubarak

Issued at the Presidency on 24 Rabe'a El Awal 1423 of Hijri calendar, corresponding to 5 June 2002 of the Gregorian calendar.

LAW OF ECONOMIC ZONES OF A SPECIAL NATURE

CHAPTER 1

General Provisions

Article (1)

For the purposes of applying the provisions of this Law, the following terms shall have the meanings set forth opposite each:

- (a) **Zone:** the economic Zone of a special nature specified by a Presidential Decree and subject to the provisions of this Law.
- (b) **The Authority:** the Authority in charge of setting up and developing such a Zone.
- (c) **Board of directors:** the board of directors of the Authority.
- (d) **The Main development company:** the company authorized to develop and promote the Zone and set up, manage and maintain the infrastructure within its boundaries.
- (e) **A Development company:** every company assigned, within the limits of its objectives, to execute all or part of what has been licensed to the main development company.
- (f) **The Center:** the Dispute Settlement Center in the Zone.

Article (2)

The President of the Republic may set up, by virtue of a Presidential Decree, one or more Zone(s) outside the suburban boundaries of the existing cities and villages, for purposes of establishing agricultural, industrial and service projects as set forth in Article (4) herein. Said Decree may include adjoining a special port to the Zone, whether it is a sea, air or land port.

Article (3)

By Decree, the President of the Republic shall establish an Authority for each Zone or Zones, which shall have a public juristic personality and shall be subject to the authority of the Prime Minister. Such Authority shall be given the name of the Zone, or one of the Zones. Said Authority shall have exclusive responsibility for applying the provisions of this Law and shall have its center at the location it selects in the Zone.

Article (4)

The Authority shall aim at setting up and developing the Zone(s) affiliated thereto and attracting investments to create agricultural, industrial and service projects capable of competing with its counterparts overseas, as well as increasing Egypt's share of international trade by unifying the administrative powers and performing its tasks according to the highest international standards. Furthermore, the Authority shall provide services and utilities pursuant to the most sophisticated technical specifications and standards. It shall also apply those systems, privileges and exemptions capable of boosting investment and development capacities in all economic and social fields. The Authority shall also provide trained personnel for such purposes and shall provide the most suitable business environment for attracting investment.

Articles (5)

Ownership of State lands and buildings within the Zone shall be transferred to the Authority. The rights and liabilities resulting from the contracts and dispositions relating to such lands and buildings shall also be transferred to the Authority.

Article (6)

The Authority's capital shall consist of the funds and in-kind assets transferred from the State. The resources of the Authority shall be derived from:

- (a) usufruct and lease payments of lands in the Zone;**
- (b) dividends from companies in which the Authority is a shareholder; (c) income from the activities of the Authority and the license and service fees it collects, pursuant to the provisions of this Law;**
- (d) endowments, grants, loans and credit facilities given to the Authority upon the approval of the Prime Minister (e) returns on Authority's capital investments**
- (t) fines and compensations awarded to the Authority pursuant to the provisions of this Law; and**
- (g) any other resources determined by a resolution of the Board of Directors of the Authority**

Article (7)

The Authority shall have an independent budget that shall be set, together with preparation of its financial statements, according to the Egyptian Accounting Standards. Nevertheless, the Laws regulating public authorities shall not be applicable to the Authority in this regard. The fiscal year of the Authority shall begin and end with the fiscal year of the State.

The Authority shall have one or more accounts maintained with banks registered with the Central Bank of Egypt, through which it shall manage its resources and expenses.

The net excess revenue from current operations shall be carried over from one fiscal year to another after payment of taxes due thereon, as stipulated in Article (37) of this Law and payment of a percentage of such net excess revenue after payment of due taxes to the State Treasury according to an agreement with the Minister of Finance.

Article (8)

Except that which may be allocated to public use, the funds of the Authority shall be deemed as private property of the State and no other entity shall be allowed to dispose of or expend from such property to achieve its purposes, without prejudice to Article (23) of Law No. 127 of 1981 concerning governmental accounting.

Article (9)

The Authority shall have a Chairman whose appointment and remuneration shall be determined by a Presidential Decree, for a period of three years renewable for an additional period(s).

The Chairman of the Authority shall manage its affairs, implement the resolutions of its Board of Directors, and represent the Authority before the courts and third parties.

-6—

Article (10)

The Authority shall be managed by a Board of Directors formed by virtue of a Decree of the Prime Minister. The Board of Directors shall consist of the Chairman of the Authority, as head of the Board Of Directors and 16 members. Ten of these Board members shall represent the Ministries of

Foreign Trade, Agriculture, Finance, Industry, Housing, Transport, Civil Aviation, Electricity, Environment, and the Governorate in which the Head Office of the Authority is located, in addition to two financial experts, an expert in legal affairs and three members representing the development companies and the investors.

The Chairman may invite representatives of other Ministries and Governorates to research those subjects that lie within their competence. The Decree forming the Board Of Directors shall determine the remuneration of its Chairman and its members.

The membership period of the Board of Directors shall be three years, renewable for an additional period(s). The Board of Directors shall convene at least once every month, and whenever it is necessary, upon the invitation of its Chairman or upon a written request of one-third of its members. The Board meeting shall not be valid unless attended by at least two-thirds of the members. The Board of Directors may form from among its members one or more committees to handle specific assignment(s).

Article (11)

Resolutions of the Board of Directors shall be issued by a simple majority vote of its members.

Article (12)

The Prime Minister shall have the right to convene the Board of Directors of the Authority and to attend Board meetings and he shall preside over the sessions which he attends. In such case, the competent Ministers shall

represent their Ministries and the competent governorate shall be represented by its governor.

7

The Board of Directors of the Authority shall set the general policy of the Zone and manage it in a manner that ensures fulfillment of its objectives. In this regard, the Board of Directors shall have the capacities of the Ministers stipulated in the Laws and regulations, except for the Ministers of Defense, Interior Affairs, Foreign Affairs and Justice.

The Board of Directors shall be responsible for taking all decisions and measures necessary to manage, develop and regulate the business of the Zone. The Board of Directors may, in particular:

(a) set the requirements, standards and rules concerning urban planning, construction and insurance thereof, approve the general and detailed planning of the Zone to ensure that international specifications and standards are observed and to enhance the competitiveness of the Zone with similar Economic Zones.

- (b) set the conditions and standards required to issue licenses for establishing agricultural, industrial and service projects or any other activities in the Zone, or seizing or revoking them.
- (c) set the conditions and standards required to grant environmental authorizations that are at least equivalent to those stipulated in the Environment Protection Law, taking into consideration the environmental effects on the neighboring areas.
- (d) set seaport and airport management systems and suggest means of unifying their departments and rendering their work more efficient, according to the highest international standards.
- (e) approve the rules regulating labor and social insurance systems within the Zone.
- (f) approve systems and plans required for training in different fields and implement them directly or by agreement and cooperation with third parties

Article (13)

(g) set systems and procedures in relation to import and export from and to the Zone, and in relation to health, environmental and technical control thereof in order to achieve efficiency, speed and environmental and health safety, pursuant to the highest international standards, without being restricted by the systems and procedures stipulated in the Laws and Decrees regulating import and export.

(h) set a system to ensure that registration and authentication are carried out with the necessary speed and efficiency, and set the registration and authentication fees at no higher than the limits stipulated in the applicable Laws, by agreement with the Minister of Justice.

Article (14)

The Board of Directors of the Authority shall have authority to issue licenses, establish projects, companies and various activities in the Zone and license them to operate their business in return for the fees set by the

Board of Directors, provided that such fees do not exceed the limits stipulated for fees in the applicable Laws. In particular, the Board of Directors shall:

- (a) issue licenses for agricultural, industrial and service projects and permits to perform an occupation within the Zone, provided that banks and insurance companies or their branches be subject to licensing and supervision by the Central Bank of Egypt or the General Insurance Supervisory Authority, each within its own competence.**
- (b) issue decrees for dividing lands and licenses for demolition and construction within the Zone.**
- (c) issue environmental and professional health and safety licenses.**
- (d) issue licenses for the construction and management of public utilities and infrastructure, including roads, water utilities, domestic and industrial sewage, electric power networks and telecommunications networks and their relevant services within the Zone.**

- (e) **establish companies and issue approvals for establishing companies, firms and branches, and record them in the Commercial Register, provided that their accounts be audited by an auditor registered in a special register prepared by the Authority for this purpose. The Authority shall determine the conditions and levels for registration therein and cancellation there from.**
- (f) **issue licenses for establishing schools, institutes, nurseries, hospitals, clubs, scientific, research, medical and cultural centers and other cultural, educational, health and social activities, provided that these activities be subject to the supervision of the competent Ministries and authorities, pursuant to the provisions of the applicable Laws.**

9

The Board of Directors shall issue the internal regulations and resolutions concerning the financial, administrative and technical affairs of the Authority as well as tender and auction regulations related thereto.

Additionally, the Board shall set the organizational structure of the Authority and make all the decisions and take all measures necessary to manage the Zone and regulate the work therein. The Board of Directors shall establish offices, departments and committees necessary for running the business and set up offices for the Authority inside Egypt and overseas. The Board shall designate the Authority responsible for carrying out each of its functions. For the purpose of achieving the aforementioned, the Board of Directors may utilize the best local and international expertise, without being restricted by the limits stipulated in any legislation in relation to the financial compensation of its personnel, employees, managers and consultants. The Board of Directors of the Authority shall approve its budget and final statements of account before submitting them to the People's Assembly.

Article (13)

Article (16)

The Authority shall, solely or jointly with others, establish the: "Main Development Company". In the case of a joint establishment, the share of the Authority in the said company shall exceed 50%.

Article (17)

The Board of Directors of the Authority shall authorize the Main Development Company to execute and manage the infrastructure and the internal structure of the Zone. The Board of Directors may also delegate the Main Development Company to promote the Zone and seek to attract investors thereto. The license shall include the following:

- (a) the Main Development Company's agreement to comply with the general and detailed planning of the Zone approved by the Authority, and the specifications it had set for the infrastructure, and the management and maintenance thereof.**

(b) the Main Development Company's agreement to comply with the environmental requirements and standards pertaining to the general planning and buildings of the Zone and the plan to join similar activities and execute projects.

(c) setting the minimum and maximum charges for the services provided by the Main Development Company to investors.

(d) Specifying the rules and conditions binding the Main Development Company before the Authority when contracting with a third party to execute all or part of the work it was licensed to do.

(e) the Main Development Company's obligation is to establish, manage and maintain, by itself or through a third party, the water and electricity networks, the roads, telecommunications, the domestic / industrial sewage and natural gas within the Zone, and its agreement to comply with the specifications and conditions stipulated for setting up such networks, provided that the Authority shall, with the agreement of the competent State

Article (13)

authorities and specialist companies, be responsible for laying the main lines and networks to the boundaries of the Zone.

(f) Protection of the environment and implementation of environmental management systems in order to preserve rare species of flora and fauna and use of safe methods to treat domestic / industrial sewage and hazardous waste, provided that such treatment be subject to technical requirements, all with the coordination Of the Egyptian Environmental Affairs Authority.

Chapter II

The Special Systems of the Zone

Article (18)

The Authority shall have, within the boundaries of the Zone, powers of the administrative authority in charge of applying the provisions of Law No. 159 of 1981 and Law No. 34 of 1976 concerning the Commercial Register.

The Authority shall have exclusive power to approve the Articles of Association of the companies, without violation of public order and the applicable Laws and shall have the power to set a system for registering branches and establishments within the Zone. The Authority shall determine the disclosure system which the companies, establishments and branches within the Zone shall comply with.

The Authority shall allocate an area within the Zone for the departments which provide services to companies, establishments and projects set up within the Zone. Each of the said departments shall have a specialized unit, the head of which shall carry out the authorities stipulated in the Laws and regulations governing such services.

Article (20)

Without prejudice to the provisions of international treaties enforced in Egypt, the Zone shall be subject to Egyptian tax and customs Laws, where no provisions exist within this Law.

Article (21)

The Zone shall have a special system for customs management, which shall be issued by virtue of a resolution of the Board of Directors of the Authority upon approval of the Minister of Finance, and shall include, in particular, the following:

- (a) expeditious and efficient inspection procedures (itemization, quantification and specification);**
- (b) clear declaration of the pricing bases according to international trade conventions applicable in Egypt;**
- (c) simplification and abbreviation of customs release procedures to be performed efficiently and expeditiously;**
- (d) the bases of laboratory examination of samples under inspection to ensure that thorough and accurate examinations occur on the same site; (e) procedures for issuing and reviewing certificates of origin to ensure they are done accurately and expeditiously;**

(f) rules for determining the percentage of imported components in products directed to the local market, provided that such rules be clear, simple and publicized.

Article (22)

A customs area for the Zone shall be established by virtue of a Decree issued by the Minister of Finance. The said area shall function under the

supervision of a Supreme Customs Committee. The Chairman of the Authority, upon approval of the Minister of Finance, shall form the said committee, appoint its executive manager and set its rules and procedures. The Supreme Committee shall consist of:

- a representative of the Ministry of Finance Head
- a representative of the Customs Authority Member
- a representative of the Port Authority Member
- a representative of the Authority Member
- a representative of the Main Development Member
Company
- the executive manager of the Customs Area Member

The said Committee shall supervise the implementation of the customs system of the Zone and implement the policies and resolutions issued by the Board of Directors of the Authority in this regard.

Article (23)

The areas selected for establishing economic and utility projects shall have clear boundaries and contours. Entering and exiting such areas shall be subject to strict control imposed by the Authority. These areas may receive goods from within the country for the purpose of processing them, or exporting goods as they are. The said areas may export their products to the local market pursuant to the rules and ratios set by the Board of Directors of the Authority. In this case, the foreign components of such products shall be subject to the taxes and customs imposed on them when they are imported into the country.

Article (24)

The Authority shall provide the special customs area with all laboratories, equipment, apparatus, technicians and specialists to make an integrated customs complex and

ensure performance of all customs procedures accurately and expeditiously.

Article (25)

The Zone shall have a special system for tax management issued by virtue of a resolution from the Board of Directors of the Authority, upon approval of the Minister of Finance. The said system shall include, in particular:

- (a) specifying the rules for submitting tax returns and the documents and financial analyses attached thereto.**
- (b) putting in place the conditions and standards required by auditors in order to be listed in the register prepared by the Authority for such purpose to ensure that their expertise comply with the Egyptian and international accounting standards and applications, and ensure their specialization and impartiality.**

- (c) putting in place the rules for in-office or on-site tax inspection for companies, establishments and branches within the Zone.
- (d) putting in place rules and procedures for tax collection and debiting and crediting the tax account.
- (e) putting in place rules and procedures for tax assessment and the deadlines and procedures of tax disputes and resolutions thereof.

Article (26)

The Chairman of the Authority, upon approval of the Minister of Finance, shall issue a resolution to form a Supreme Taxation Committee, together with its rules and procedures, to supervise the implementation of the taxation system of the Zone. The committee shall consist of:

- (a) a representative of the Ministry of Finance Head**
- (b) a representative of the Income Tax Member**
Department

(c) a representative of the Central Accounting Bureau Member

(d) the Executive Director of Area taxation Member

(e) four auditors working in Egypt Member

The said Committee shall supervise the implementation of the taxation systems of the Zone and the policies and resolutions issued by the Board of Directors or the Chairman of the Authority and follow up and apply improvements in the collection systems.

The Committee shall set the conditions required by the companies, establishments and branches, including compliance with internal auditing and control systems, application of Egyptian or international accounting standards whenever there is no provision in the Egyptian accounting standards, bookkeeping as specified by a resolution of the said Committee, and audit of the said companies and establishments' balance sheets by an auditor registered with the Authority.

Article (27)

Contesting the decisions of the Supreme Taxation Committee and the Supreme Customs Committee shall take place at the competent reconciliation panel of the Dispute Settlement Center of the Zone.

The reconciliation panel shall be exclusively competent to examine objections to the tax or customs assessment. The said Authority shall issue its decision within a maximum period of 60 days from the date the dispute was submitted.

The matter may not be referred to court, until the Committee has issued its decision on the objection, or that the period stipulated in the preceding paragraph has lapsed.

Article (28)

The provisions of Labor Law shall apply to employment relationships within the Zone, whenever there is no

provision in this Law. The provisions of the Labor Law concerning labor rights shall be considered as a minimum standard for what may be contracted to in individual and collective employment contracts.

Article (29)

An employment contract with a definite term shall be terminated at the end of its term. If the two parties continue to perform the contract after the end of its term, this shall be deemed a renewal of the contract for a similar period, unless the two parties agree otherwise.

Article (30)

The two parties to an employment contract may terminate it before the end of its term if it is a contract with a definite term, or at any time if it is a contract with an indefinite term, pursuant to the following rules:

(a) if the employee terminates a contract with a definite term, he shall notify the employer 60 days before the intended date of termination. If the employee terminates a contract with an indefinite term, the notice period shall be 90 days. In both cases, the notice period may be shorter, if the employer agrees thereto.

(b) If the employer terminates a definite term contract, he shall notify the employee 60 days before the intended date of termination. If the employer terminates a contract with an indefinite term, the period notice shall be 90 days. Otherwise, the employer shall pay the employee's wages in full for either of the two periods according to each case, all without prejudice to the employee's other rights.

Article (31)

Following its approval by the competent department of the Authority, the internal regulations for employment at any entity working in the Zone shall be complementary to the individual or collective employment contracts. The said department may

contest those provisions of the internal regulations which constitute a breach of public order or include privileges less than those stipulated herein.

Article (32)

In those cases where the employer terminates an employment contract, at no fault of the employee, the latter shall be entitled to a compensation for this termination. The said compensation shall be stipulated in the employment contract, provided that it be no less than that stipulated in the Labor Law, without prejudice to the employee's right to seek his other rights through the courts.

Article (33)

The employer shall provide the competent department of the Authority with a list of his employees, together with a periodical report of employment relationships in his establishment, using the form approved by the Chairman of the Authority, pursuant to the rules, procedures and deadlines issued by a resolution of the Board of Directors.

Article (34)

The Board of Directors of the Authority shall issue rules for obtaining work permits for foreigners who work in the Zone, taking into consideration the ratio of foreign labor to Egyptian labor stipulated in the applicable Laws, unless the Board of Directors of the Authority issues a decision, together with its grounds, to amend such a ratio for a company, project or entity in light of the availability of required expertise locally. The Authority shall issue work permits for the foreigners after obtaining approval from the Ministry of Interior Affairs and the Ministry of Labor.

Article (35)

The Board of Directors of the Authority may implement a special social insurance system which shall grant privileges not less than those stipulated in social

insurance legislation. Until such system is issued, the existing social insurance systems shall apply.

Article (36)

The provisions of the previous Articles concerning employment and social insurance shall apply to everyone working within the Zone.

Chapter 111

Privileges, Exemptions and Guarantees

Article (37)

Without prejudice to any exemptions stipulated in the Tax Law, the income tax rates applicable in the Zone shall be as follows:

- tax on the excess revenue of current operations of the Authority 10%**
- tax on the profits of capital companies**
- unified tax on the income of natural persons**

- tax on revenues derived from land and non residential buildings^{10%}

-17-

The tax shall be payable on the total net income realized by the taxpayer in the year preceding the tax due date.

Article (38)

Without prejudice to any exemptions stipulated in the Tax Law, a unified tax rate of 5% shall apply to wages, salaries, bonuses, incentives, lifetime incomes and the like to which the employees of the Zone or those performing work in the Zone are entitled.

Article (39)

Revenue from bonds, loans and credit facilities extended to the Authority, to the Main Development Company or to the companies, establishments and

branches licensed to work in the Zone shall be exempted from all taxes and duties.

Article (40)

Profits resulting from the merger, division or change in the legal form of companies shall be exempt from taxes and duties due for such a merger, division or change of the legal form. This provision shall apply only to those companies established within the Zone.

Article (41)

The Zone shall not be subject to the Laws related to Sales Tax, fiscal stamps and fees to increase State resources, nor to any other duties or direct or indirect taxes.

Article (42)

As long as they are required to perform the licensed activity within the Zone, equipment, tools, apparatus, raw material, supplies, spare parts, and any other

material or components imported from overseas by the Authority, companies, establishments or branches working in the Zone shall be exempted from customs, sales tax and any other taxes or duties. Automobiles, and vehicles of all kind shall be exempted from taxes and duties, as long as they are allocated to produce goods or services pursuant to the standards in a resolution of the Board of Directors of the Authority.

-18-

Nevertheless, products of the said entities shall be subject to customs, Sales Tax and all other taxes and duties imposed separately on imported components once such products are released from customs to enter the local market.

Article (43)

The companies, establishments and branches working in the Zone shall not be nationalized.

Article (44)

The companies, establishments and branches working in the Zone shall not be subject to sequestration. Their funds shall not be seized, confiscated, frozen or put into custody, without a court ruling.

Article (45)

The companies, establishments and branches working in the Zone shall exclusively set the prices for their products and services.

Article (46)

Usufruct granted on real estate to companies, establishments and branches working in the Zone shall not be revoked or suspended, unless there was a breach of the licensing conditions. Contesting the decisions to revoke or suspend licenses shall be pursuant to the provisions concerning contestation of the decisions of the Authority, as stipulated herein.

Article (47)

The Companies and establishments shall acquire lands and buildings necessary to operate and expand their business within the Zone by way of allocation by the Authority in return for an annual usufruct fee for a renewable period of fifty years.

Article (48)

The companies, establishments and branches working in the Zone may import, directly or through others, their needs of production supplies,

— 19_

material, tools, equipment, spare parts, raw material and means of transportation suitable for their activities, which are necessary for their establishment, operation or expansion, without having to be registered in the Importer's Register, and without obtaining prior authorization. These companies, establishments and branches may export directly or through intermediaries,

without having to obtain a license or prior permit and without being listed in the Exporter's Register.

Article (49)

Upon approval of the Prime Minister or his delegate, the founding shares and shares of the joint stock companies established in the Zone may be traded upon establishment of the companies, without being restricted by the par value of the shares.

Article (50)

The Board of Directors Of the Authority shall set up a special system for employees' participation in management and profits.

Chapter IV

Dispute Settlement Center

Article (51)

The Center shall be established in the Zone to settle the disputes referred to in Article (53) herein by way of

reconciliation through one or more panels set up pursuant to Article (55) herein.

Article (52)

The Center shall have the jurisdiction to settle the dispute if the parties agree to refer the matter thereto, or if the residence, work premises, head office or branch of one or all parties to the dispute is located in the Economic Zone of a special nature.

In all cases, the Authority may accept referring the matter to arbitration, regardless of the nature of such dispute, in accordance with the rules and procedures stipulated in the Arbitration Law No. 27 of 1994 in relation to civil and commercial matters.

Article (53)

The Center shall be competent to take all measures necessary to settle the following disputes:

- 1- Tax disputes, 2- Customs disputes,**
- 3- Individual and collective disputes,**
- 4- Social insurance disputes,**
- 5- Disputes concerning the execution of contracts, if all or any of the parties thereto operates a business in the Zone,**
- 6- Disputes resulting from tortuous action in the Zone, and**
- 7- Any dispute to which the Authority or a development company is party to**

Article (54)

The Minister of Justice shall issue a Decree regulating the business of the Center, the procedures for handling its competencies, the rules for assessing and meeting its expenses, the fees for its services, the rules for setting compensation of the heads and members of the reconciliation panels and the ways to execute the resolutions and decisions issued by the Center's panels.

Article (55)

The Center shall be headed by an acting or former counsel at the rank of a chief judge of a Court of Appeal or its equivalent. He shall be assisted by a sufficient number of members of the judicial institutions. The acting counsels shall be appointed pursuant to the applicable laws and regulations governing them and

Article

on the request of the Board of Directors of the Authority. The Minister of Justice shall issue a Decree to appoint and determine the compensation of the head of the Center and his aides.

Article (56)

The head of the Center shall take all measures and arrangements necessary to facilitate and assist the reconciliation panels in fulfilling its duties.

If a reconciliation panel reaches a settlement for the dispute, and such settlement is acceptable to both parties, its decision shall be binding and enforceable.

Article (58)

Except for those submissions laying within the jurisdiction of the Summary Courts and requests to revoke administrative decisions accompanied by submissions to suspend their enforcement, the dispute shall only be referred to court after having been submitted to a competent reconciliation panel of the Center and that the panel has rendered its decision or after 60 days from the date a motion was filed to appeal the decision and the panel did not decide the appeal.

In all cases, the parties to the dispute may agree to settle those disputes stipulated in Article (53) herein through arbitration, pursuant to the rules of the United Nations Commission for International Trade Law. Arbitration may be referred to a branch of international commercial arbitration established in the Zone for such purpose.

Article (59)

The legal department established by a resolution of the Board of Directors of the Authority shall act on behalf of all the departments of the Authority in relation to legal proceeding initiated by or against the Authority, before courts of all types and levels and before any other authorities which have competent jurisdiction, and shall receive summons in relation to statements of claims, statements of appeal and judgments.

The Chairman of the Authority may authorize the State Litigation Authority to handle directly any of the tasks stipulated in the preceding paragraph.

The Chairman of the Authority or his delegate, may contract with lawyers admitted to the Bar to handle directly any of the tasks stated above.