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[[1]](#footnote-1)\*

**Law No. (31) of 2018**

**With respect to the Promotion and**

**Protection of Competition**

We, **Hamad Bin Issa Al Khalifa, the King of the Kingdom of Bahrain**

Having perused the Constitution;

The Civil and Commercial Procedural Law promulgated by Legislative Decree No. (12) of 1971, as amended;

Legislative Decree No. (3) of 1972 with respect to Courts Fees, as amended;

Law No. (13) of 1975 regulating pensions and remunerations for government employees, as amended;

The Penal Code promulgated by Legislative Decree No. (15) of 1976, as amended;

The Law of Commerce promulgated by Legislative Decree No. (7) of 1987, as amended;

Law of Evidence in Civil and Commercial Matters promulgated by Legislative Decree No. (14) of 1996, as amended;

The Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001, as amended;

Legislative Decree No. (39) of 2002 with respect to General Budget, as amended;

The Judicial Authority Law promulgated by Legislative Decree No. (42) of 2002, as amended;

The Criminal Procedural Law promulgated by Legislative Decree No. (46) of 2002, as amended;

Law of Telecommunication promulgated by Legislative Decree No. (48) of 2002, as amended by Legislative Decree No (38) of 2017;

The Central Bank of Bahrain and Financial Institutions Law promulgated by Law No (64) of 2006, as amended;

Civil Service Law promulgated by Legislative Decree No. (48) of 2010, as amended by Legislative Decree No. (69) of 2014;

Law No. (35) of 2012 with respect to Consumer Protection.

The Shura Council and the Council of Representatives have approved the following Law which we hereby endorse and promulgate:

**First Article**

Promotion and protection of competition shall be subject to the provisions of this Law.

**Second Article**

Provisions of this Law do not derogate from the following:

1. Authority granted to any government body, by virtue of any other law, with respect to price control, prevention of monopoly, or undertaking measures to ensure availability of goods;
2. Any particular right granted to certain person by virtue of special law.
3. Subject to provisions of this Law, carrying out economic activities, in a manner that does not hinder competition, is guaranteed to all.

**Third Article**

Provisions with respect to protection and promotion of competition in economic activities, and to prevention of any hindering arrangements thereof, as stipulated in other applicable laws at the time of implementing this Law, shall remain in force, provided that they are not inconsistent with provisions of this Law.

**Fourth Article**

A Decree shall be issued to determine the administrative body responsible for undertaking duties and exercising powers granted to the Authority pursuant to the provisions of this Law, until the Authority’s financial provisions are allocated in the general budget of the state, and a Decree to determine the composition of the Board of Directors is issued. The Decree shall identify who, in the administrative body, shall carry out the duties and powers of the Board, the Chairman, and the Chief Executive as prescribed by this Law.

**Fifth Article**

This Law shall be published in the Official Gazette. Provisions of this Law shall come into effect after six months commencing on the first day of the month following the date of its publication in the Official Gazette, except for the articles of Part (2) of this Law, which shall come into effect on the first day of the month immediately following the date of its publication in the Official Gazette.

**King of the Kingdom of Bahrain**

**Hamad Bin Issa Al Khalifa**

Promulgated in Riffa Palace

28 /10/1439 A.H.

12/07/2018 A.D.

**Law on Promotion and Protection of Competition**

Titles of Parts and Sections of this Law

**Part 1:** Provisions of promotion and protection of competition

**Section one:** preliminary provisions

**Section two:** Anti-competitive arrangements and exemptions

**Section three:** Abuse of dominant position and exemptions

**Section four:** Market concentration and exemptions

**Section five:** Common provisions

**Part 2:** Authority for Promotion and protection of competition

**Section one:** General provisions

**Section two:** Board of Directors

**Section three:** Chief Executive

**Part 3:** Accountability

**Section one:** Accountability by the Authority

**Section two:** Civil Liability

**Section three:** Criminal Liability

**Part 4:** General provisions

**Provisions of Law**

**Part 1**

**Provisions of Promotion and protection of competition**

**Section One**

**Preliminary Provisions**

**Article (1)**

**Definitions**

1. For the purposes of this Law, and unless the context requires otherwise, the following words and expressions shall have the meanings assigned opposite each:
2. **Minister:** The competent minister for commerce, or any other minister nominated by a Decree.
3. **Authority:** Authority for promotion and protection of competition established pursuant to Article (17) of this Law.
4. Board or Board of Directors: The Board of Directors of the Authority formed pursuant to Article (32) of this Law.
5. **Chief Executive:** Chief executive of the Authority appointed pursuant to Article (36) of this Law.
6. **Undertaking:** Any entity, despite its legal form, through which a person carries out activities.
7. **Association of Undertakings:** a body of two or more undertakings found with the purpose of promoting economic interests of its members or of persons represented by these members.
8. **Arrangements:** Any agreement, contract, understanding, alliance or practice between two undertakings or more, cooperation between undertakings, or a resolution passed by association of undertakings, whether verbal or written, expressed or implied, publicly or secretly.
9. Anti-Competitive Arrangements: The arrangements referred to under Section two of Part (1) of this Law;
10. **Competition:** Practicing economic activities in accordance with the market mechanism, in a manner that does not restrict nor negatively affect trade and development.
11. **Anti-competitive practices:** practices that prevent, restrict, or distort competition.
12. **Dominant position:** The position where an undertaking, solely or in association with other undertakings, is able to control or influence the relevant product market.
13. Market Concentration: Any practice resulting in, full or partial, transfer (by merger or acquisition) from one undertaking to another of assets, shares, stocks, usufruct, rights, or liabilities, enabling practice of direct or indirect control by one undertaking or association of undertakings, over another undertaking or association of undertakings.
14. **Relevant product market:** comprising of two factors, products and geographical scope. Products refer to all products that are substitutes for one another, or, may be deemed as substitutes by the recipients of these services or goods, with respect to meeting recipients’ needs. Geographical scope means, the international geographical borders of the Kingdom of Bahrain.
15. **Publish:** making available to the public, using any means determined by the Board, access to information, free of charge and without restrictions, and unless specifically prescribed that publication shall be in the Official Gazette.
16. **Counterpart Authorities:** authorities in foreign states, exercising monitoring or regulatory functions corresponding to those of the Authority;
17. When implementing provisions of this Law, the following terms and expressions have the meaning opposite each:
18. **Person:** Includes any natural or juridical person or any legal entity, in any legal form, practicing economic activity.
19. Economic activities: includes commercial activities and craft occupations, all activities related to production and distribution of goods or services, even if it was a non-profit activity, such as activities of cooperative societies and professional bodies, it further includes Intellectual property rights, trademark, patents, and publishing.
20. **Products:** includes local or imported goods and services;
21. **Price:** Includes any cost, discount or margin-profit or any other element of a price;
22. **Document:** any recorded information in paper or electronic format.

**Article (2)**

**Scope of application**

1. This Law applies to all undertakings with respect to their economic activities in the Kingdom. It shall also apply to any conduct or arrangement, which is intended to or results in anti-competition, in the Kingdom, or any part thereof. Provisions of this Law shall remain applicable even if one or more of the parties, is not established in the kingdom, and to economic activities, carried out extraterritorially yet affecting competition in the Kingdom.
2. Provisions of this Law are not applicable to the following matters:
3. Arrangements approved by international agreements that are applicable in the Kingdom;
4. Facilities and projects, owned or controlled by the state;
5. Arrangements necessary for the use, exploitation, transfer, assignment, or license of Intellectual Property rights; provided that these arrangements do not unreasonably hinder competition or transfer and dissemination of technology.

**Section two**

**Anti-competitive arrangements and exemptions**

**Article (3)**

**Prohibition against anti-competitive practices**

1. Subject to provisions of Articles (4), (5) and (7) of this Law, arrangements with the object or effect of hindering competition in the Kingdom, or in any part thereof, shall be prohibited. Aforementioned prohibition applies, in particular, to arrangements the object or effect of which is any of the following:
2. Influence, through raising, reducing, or fixing selling prices of products, or by engaging in notional or imaginary arrangements or using any other means;
3. limit or control production, marketing, technical development, or investment;
4. Share markets or sources of supply;
5. Knowingly spread false information about products and prices;
6. Collude in bids or proposals with respect to tenders, auctions, or practices; and influencing proposed selling or purchase price of products.
7. affect other competitors by fabricating sudden abundance of products, resulting in salability under unreal prices;
8. collude in refusal to purchase, sell or supply from an undertaking or certain undertakings, with the purpose of preventing or hindering its practice;
9. Without prejudice to the rights of third party, acting in good faith, any arrangement contrary to provisions of paragraph (1) of this Article, shall be null and void.
10. An arrangement where all its parties are under direct, or indirect control of one undertaking, shall not be subject to provisions of paragraph (1) of this Article, even if the controlling undertaking is party to the arrangement.

**Article (4)**

**Exemption for certain arrangements**

1. The Authority, by virtue of a resolution, may grant an exemption to an arrangement for which Article (3) would otherwise apply, provided that such arrangement meets the following requirements:
2. is likely to significantly improve the production or distribution of products;
3. is likely to enhance technical or economic progress in the production or distribution of products;
4. will allow consumers of those products a fair share of any resulting benefit;
5. Does not enable the concerned undertakings to eliminate competition in substantial part of the market; and
6. Subject to the conditions provided for in paragraphs (a), (b), and (C) of this Article, the arrangement, with respect to the concerned undertakings, does not impose restrictions on competition.
7. The resolution, issued by the Authority, shall specify scope, conditions, and term of exemption, which may be renewed for additional terms.
8. In the event there are substantial grounds that material changes to circumstances and situations underlying the exemption granted by the Authority, the Authority may on its own motion, or pursuant to complaints or notices received, amend or revoke the granted exemption as prescribed in paragraph (1) of this Article.

**Article (5)**

**Exemption for certain categories of arrangements**

 **and small undertakings**

1. By virtue of a resolution issued by the Authority, provisions of Article (3) of this Law shall not apply to categories of arrangements which the Authority considers to have met the conditions specified in subparagraphs (a)-(e) of paragraph (1) of Article (4) of this Law and arrangements in which all parties are all small undertakings. The granted exemption shall be for a specific term that may be renewed for additional terms.

The aforementioned resolution shall determine the following:

1. Term of exemption;
2. Circumstances and conditions to be considered for validity of the exemption;
3. Revoking procedures in the circumstances prescribed in paragraph (2) of this Article;
4. Resolution issued pursuant to provisions of this Article shall determine what constitutes a small undertaking by reference to certain parameters, such as the annual turnover, market share or number of employees. The Resolution may contain special provisions with respect to certain types of arrangements, small undertakings, or economic activities.
5. If an undertaking or a small undertaking violates provisions of validity of the exemption, the Authority, by virtue of a reasoned resolution, may deprive such undertaking from the exemption mentioned in paragraph (1) of this Article.

**Article (6)**

Resolutions issued pursuant to Articles (4) and (5) of this Law, shall be published in the Official Gazette.

**Article (7)**

**Exemptions on grounds of public policy**

1. Any arrangement to which Article (3) would otherwise apply, may be exempted by a reasoned decision issued by the Minister, after obtaining the advice of the Authority, and approval of the Council of Ministers, on grounds of compelling reasons of public policy. The aforementioned decision may be conditional and for specific period, subject to renewal.
2. Exemption under paragraph (1) of this Article, and its renewal, may only be granted upon a written request, by one or more persons intending to undertake the proposed arrangement before it actually takes place.
3. Approval granted according to paragraph (1) of this Article, may be revoked, prior to expiry of its specified period, by a reasoned decision issued by the Minister, after obtaining the advice of the Authority, if the concerned parties deviated from the goals set for such approval, or if reasons underlying its issuance cease to exist.
4. Procedures with respect to submitting request for approval of exemption as prescribed in paragraph (1) of this Article, shall be determined by virtue of a decision by the Minster.
5. Decisions issued pursuant to provisions of this Article shall be published in the Official Gazette. An approval decision that is issued without taking the Authority’s advice, as prescribed in paragraph (1) of this Article, into consideration, shall specify its reasons for not adopting the Authority’s view, and shall be published, along with the Authority’s advice, in the Official Gazette.

**Section three**

**Abuse of dominant position and exemptions**

**Article (8)**

**Dominant position**

1. A dominant position exists when position of economic strength enjoyed by an undertaking enables it to prevent effective competition, and to act in a manner significantly independent from its clients and competitors, and hence from its consumers.
2. Unless proven otherwise, an undertaking is presumed to be in a dominant position where it has a market share in excess of 40% in the relevant product market. An association of undertakings, consisting of two or more undertakings, is presumed to be in a dominant position where they have a combined market share in excess of 60% in the relevant product market. However, an undertaking which has smaller market share than the prescribed percentages, may still be deemed in a dominant position in the relevant product market.

A Resolution by the Authority, shall set additional parameters to determine if an undertaking, individually or together with another undertaking enjoys a dominant position. In addition, the Authority may issue resolutions to determine when certain undertakings, individually or together with other undertakings, enjoy dominant position. All such resolutions shall be published in the Official Gazette.

**Article (9)**

**Prohibition against abuse of dominant position**

1. An undertaking, enjoying dominant position in the market, shall not act or refrain from acting, individually or together with one or more undertakings, in a manner constituting abuse of dominant position. The following, in particular, shall constitute abuse of dominant position:
2. Directly or indirectly imposing selling or purchase prices, or any other trade conditions;
3. Limit, to the detriment of consumers, production, markets, or technical development;
4. Apply dissimilar conditions with respect to prices, quality of products, and other terms of business, in any type of contracts and agreements concluded with consumers or suppliers of equivalent legal positions;
5. Make conclusion of a contract with respect to certain product, subject to accepting obligations or products which, by nature or commercial usage, have no link to the subject of the original contract, agreement, or transaction;
6. Refrain, with no legitimate reasoning, from concluding purchase or sale contracts of any products with any undertaking, selling of products at a price lower than its actual cost, or to completely suspend transaction to eliminate competing undertakings from the market, or to cause damages that will prevent such undertakings from continuing their businesses.
7. Prohibition prescribed in paragraph (1) of this Article, shall not apply to warranted conduct, assessed against an objective criteria that is relevant to the aforementioned undertakings, if it was carried out in a manner proportionate with its grounds. The Authority has the power to issue a resolution, by virtue of which, conditions and rules of such grounds are specified.

**Article (10)**

**Exemption on public policy grounds**

1. After obtaining the advice of the Authority and approval of the Council of Ministers, the Minister may issue a decision by virtue of which a certain conduct is exempted from the scope of Article (9) of this Law, on grounds of compelling reasons of public policy. The mentioned decision may be conditional and for a specific period, renewable for additional periods.
2. Before the above-mentioned conduct takes place, and upon a written request of one or more concerned persons wishing to carry out such conduct, a resolution pursuant to paragraph (1) of this Article shall be issued and may, therefore be renewed.
3. By virtue of a reasoned decision by the Minister, and after obtaining the advice of the Authority, the decision prescribed in paragraph (1) of this Article, may, before the end of its prescribed period, be revoked, if the concerned parties deviated from its purpose, of if reasons behind issuing the decision cease to exist.
4. A decision by the Minister shall determine procedures with respect to submitting and processing of a request pursuant to paragraph (1) of this Article.
5. Decisions issued pursuant to provisions of this Article shall be published in the Official Gazette. When the Authority’s advice referred to under paragraph (1) of this Article is not followed, such reasoned advice shall be published alongside the decision stating the grounds for not following it.

**Section Four**

**Market concentration and exemptions**

**Article (11)**

**Market Concentration**

Market concentration is established, for purposes of this Law, when shift in market control is attributed to any of the following:

1. Merger, fully or partially, of two or more, previously independent, undertakings;
2. Acquiring direct or indirect control, over another undertaking fully or partially, by:
3. One natural person or more, controlling one undertaking or more;
4. Another undertaking or more;
5. Establishing a joint venture that undertakes all duties of a single independent undertaking.

A resolution by the Authority shall determine the terms and conditions to be satisfied, in order to establish control as prescribed in this Article.

**Article (12)**

**Requirement for approval of certain types of market concentration**

1. Market concentration transactions, as specified by the Minister’s decision after obtaining the advice of the Authority, are prohibited without approval from the Authority.
2. Subject to provisions of Article (15) of this Law, transactions prescribed in paragraph (1) of this Article, with the effect of substantially limiting competition in the market, shall be prohibited.

**Article (13)**

**Request to obtain approval of market concentration**

The concerned party, or its representative, shall according to procedures set by the Authority’s resolution, submit to the Authority, a request to obtain approval of market concentration as prescribed in Article (12) of this Law.

**Article (14)**

**Processing of request**

1. The Authority, by virtue of a reasoned resolution, may either approve or reject the request for approval of market concentration within 90 days from the date of request. Upon Authority’s approval of market concentration, necessary conditions and limitations may be imposed on and enforceable against, undertakings party to the market concentration, or undertakings formed as a result of such concentration.
2. The Authority may refuse to approve a request for market concentration, if the Authority determines that market concentration would substantially limit competition, or if the concerned parties did not provide the Authority with the requested information, data, or document within the prescribed period.
3. The Authority may revoke its resolutions of approval pursuant to paragraph (1) of this Article, if information was falsely, dishonestly, or fraudulently presented by concerned parties.

**Article (15)**

**Exemption on public policy grounds**

1. As an exemption from provisions of Article (12) of this Law, and after obtaining the advice of the Authority and approval of the Council of Ministers, the Minister may issue a decision, which may be subject to certain conditions, to approve a proposed market concentration, on grounds of compelling reasons of public policy.
2. A resolution pursuant to paragraph (1) of this Article shall be issued based on a written request from one or more concerned persons wishing to be part of the proposed market concentration and before the proposed market concentration takes place.
3. The Minister shall issue a decision specifying the procedures for submitting and processing a request referred to under paragraph (1) of this Article.
4. Decision issued pursuant to provisions of paragraph (1) of this Article shall be published in the Official Gazette. When it has been decided not to follow the Authority’s advice, such reasoned advice shall be published alongside the said decision specifying reasons for not following the Authority’s advice.

**Section five**

**Common provisions**

**Article (16)**

**Prescribed fees**

Applications submitted pursuant to Articles (7), (10), and (15) of this Law, by the persons concerned, are subject to a prescribed fee of 0.1% (one per-mille) of the concerned persons’ paid-up capital, or value of accumulated assets, whichever is less, and not exceeding one hundred thousand Dinars.

**Part (2)**

**Authority for Promotion and protection of competition**

**Section One**

**General provisions**

**Article (17)**

**Establishment of the Authority and its Logo**

1. A public Authority called (Authority for Promotion and Protection of Competition) is hereby established. The Authority shall have juridical personality with financial and administrative independence, and is subject to the Minister’s oversight.
2. The Board shall pass a resolution with respect to the Authority’s logo, its design and fields of use. The Authority shall have an exclusive right to use its logo and to prevent others from using it, or using an identical or similar sign to it.

**Article (18)**

**Minister’s oversight over the Authority’s work**

1. The Authority shall submit to the Minster periodic reports on the Authority’s activity and the conduct of its business. The reports shall identify in particular, what the Authority has accomplished, any impediments to the conduct of its business, if any, the underlying reasons, and measures adopted to address such impediments. The Minster may request to be provided by the Authority with any data, information, documents, minutes, records, or reports necessary to enable him to oversee Authority’s work.
2. Without prejudice to the independence enjoyed by the Authority in carrying out its duties and exercising its powers pursuant to the provisions of this Law, the Minster shall monitor the Authority’s compliance with both the Law and the overall policy of the state with respect to the Authority’s work, and the extent to which the Authority is competently and efficiently carrying out its duties, within its available allocated financial provisions.
3. If it became apparent to the Minister that there is any inconsistency with respect to any matter related to the conduct of the business of the Authority and the provisions of the Law or the overall policy of the State, or where the Minister determines that the Authority is not realizing its objectives efficiently and competently, the Minister is entitled to object and shall notify the Board in writing of his views with respect to such particular matter. If the Board insisted on the validity of its view, then the matter shall be brought before the Council of Ministers to decide the dispute by passing a resolution within a period not exceeding thirty (30) days of the date of referral.

**Article (19)**

**Financial resources and budget of the Authority**

The Authority shall have an independent budget. The beginning and end of the Authority’s financial year shall correspond to the financial year budget of the State. However, the first financial year shall begin when this Law comes into force, and shall end with the end of the financial year of the State.

The Authority, with respect to this matter, shall be subject to all provisions and rules applicable to the General Budget of the State.

**Article (20)**

**Duties and powers of the Authority**

With the purpose of developing national economy, the Authority shall undertake duties and powers necessary to promote and protect competition in all economic activities, and to protect against anti-competitive arrangements. In order for the Authority to achieve this purpose, it shall particularly carry out the following duties:

1. Adopt necessary measures to ensure compliance with provisions of this Law;
2. Consider requests submitted in accordance with the provisions of this Law, to obtain Authority’s approval;
3. Monitor compliance with the provisions of this Law;
4. Provide guidance pursuant to Article (22) of this Law;
5. Provide the Minister with opinion and advice, with respect to matters relevant to the application of this Law;
6. Provide opinions about draft laws, regulations, and resolutions with respect to promotion and protection of competition;
7. Review relevant applicable laws and regulations, examine whether they include any provisions that hinder competition and recommend amendments so as to company with internationally accepted standards;
8. Receive and examine reports and complaints concerning violations to provisions of this Law, and determine their seriousness;
9. Investigate reports and complaints with respect to violations to provisions of this Law, whether submitted by others, discovered by the Authority itself, or referred by the Minister, and disposing of investigation pursuant to Section One of Part (3) of this Law;
10. Organize training and educational courses and programs to raise awareness of provisions of this Law, spread fair competition culture, conduct and support relevant researches and studies and benefiting from its findings;
11. Represent the Kingdom in international conferences as the competent authority for promotion and protection of competition;
12. Collaborate with counterpart authorities in other countries with respect to matters of common interests;
13. With the purpose of serving the Authority’s work in fields related to promotion and protection of competition, the Authority shall collect, analyze, constantly update and develop data, information, and statistics with respect to economic activity, and in relation to promotion and protection of competition in the Kingdom;
14. Issue a periodical containing resolutions, procedures, measures, and other matters relevant to the Authority’s business;
15. Develop the general policy to promote and protect competition;
16. Create and constantly update and develop integrated data and information base, with respect to markets, alternative products, and economic activity, with the purpose of serving the Authority’s work in relation to protection of competition, through collaboration with state’s specialized authorities; and
17. Carrying out any other duties and powers prescribed under this Law

**Article (21)**

**Exercising Duties and Powers, and undertaking of Consultations**

1. The Authority shall carry out its duties and exercise its powers efficiently, effectively, and transparently, without discrimination and in an adequate manner, consistent with the State’s overall policy with respect to the Authority’s work.
2. The Authority, before issuing any regulations or adopting any measures of significant impact, shall consult with the audience and relevant authorities to solicit their views. The Board shall issue a resolution to regulate these consultations while allowing the public to have access to details of consultations and views, via single information point.
3. In situations where taking the Authority’s advice is required by this Law, and without prejudice to the right to protect legitimate trade secrets, the Authority shall announce the advice that it has arrived at.

**Article (22)**

**Provision of Guidance**

1. An undertaking is entitled to seek the opinion of the Authority with respect to proposed arrangements that it intends to undertake, to determine whether it constitutes a violation to the provisions of Articles (3) and (9) of this Law.
2. A request for guidance, shall be submitted by the concerned party or his representative using a specially designed form for that purpose. The request shall be accompanied with the required data, information, necessary documents, and an undertaking to pay the Authority’s cost for providing the requested guidance, whatever the outcome. In certain situations, and according to the Authority’s assessment, payment of a deposit is required, before processing the request.
3. The Authority may request from the concerned person additional information and documents for guidance purposes. The required information and documents shall be provided within a period, specified by the Authority, and failure to do so shall be considered as a waiver of request.
4. Guidance provided by the Authority shall be reasoned. A guidance request, its details, and the full given opinion thereof, shall be published, without prejudice to requirements of protecting trade secrets.
5. A guidance provided by the Authority advising that a proposed arrangement is unlikely to be a breach of Article (3) or (9) of this Law, does not necessarily imply that the same arrangement will not, in the future, be a breach of Article (12);
6. Any arrangement that, according to the Authority’s earlier guidance, was not found in violation of Articles (3) and (9) of this Law, shall not be the subject of an investigation initiated by the Authority, unless actual evidence suggests occurrence of any of the following:
7. Circumstance and situations at the time of providing the requested guidance, have substantially and significantly changed;
8. Some influential data, on which the exemption was based, was incomplete, false, or misleading; or
9. The arrangement is in violation of provisions of Article (12) of this Law.
10. With respect to the situation mentioned in the previous paragraph, the Authority shall carry out its investigation upon a complaint submitted by any person who suffered damage from the arrangement.

**Article (23)**

**Collaboration with counterpart Authorities**

1. The Authority, upon a request from a counterpart authority, may provide aid and assistance to ensure that competition is not hindered in the counterpart authority’s state, country or territory. In achieving this result, the Authority is entitled to:
2. Investigate pursuant to provisions of Article (41) of this Law;
3. Request data and documents, within the powers vested in the investigation committee, pursuant to provisions of Article (43) of this Law;
4. Pursuant to the investigation committee’s power, request to undertake any of the procedures mentioned in Articles (44) and (45) of this Law;
5. Request information held by the Authority, whether or not, such information was obtained pursuant to paragraphs (a), (b), or (c) of this Article;
6. The Authority may not respond to any request by a counterpart authority, unless it has satisfied itself that such request is needed to enable, the counterpart authority, to exercise its duties, pursuant to the laws and regulations of the state, country, or territory to which the counterpart authority belongs.
7. When considering providing aid and assistance to a counterpart authority in accordance with provisions of paragraph (1) of this Article, the Authority shall take into consideration:
8. Condition of reciprocity;
9. The subject matter of the situation should not likely lead to violation of a law or regulation or requires recognition of a legal authority, none of which has parallel in the Kingdom;
10. Seriousness and significance of the situation to the Kingdom;
11. Whether provision of aid will result in fulfilling the public interest;
12. The Authority, before exercising any of the powers prescribed in paragraph (1) of this Article, may request the counterpart authority to pledge to pay the actual cost incurred by the Authority for exercising these powers. In certain situations, and according to the Authority’s assessment, the Authority may require payment of a deposit before processing the request.
13. The Authority’s disclosure of information pursuant to paragraph (1) of this Article shall only take place if the Authority has satisfied itself that the counterpart authority, will subject the disclosed information to conditions and regulations that would ensure its use in a manner consistent with the purpose for which the aid or assistant was requested.
14. Correspondence with respect to such collaboration shall be directly concluded with the Authority. The Ministry of Foreign Affairs shall be notified and provided with a copy of these correspondences.

**Article (24)**

**Annual reports of the Authority**

1. The Authority shall prepare an annual report, to be approved by the Board, with respect to its activities and course of business in the previous financial year. The report shall highlight, in particular, the most significant anti-competitive arrangements, implemented measures to eliminate such arrangements or limit their effects, impediments faced by the Authority and solutions to avoid such impediments, in addition to any other suggestions which the Authority finds to be supportive of maintaining promotion and protection of competition in the market, or any other matter which the Authority or the Minister believe it should be listed in the annual report.
2. The full Annual Report together with the audited final account concerning the same financial year shall be published, within a period not exceeding four (4) months of the end of the financial year.

The abstract of the above mentioned annual report and the final account, shall be published, once approved by the Board, in the Official Gazette and in at least two local newspapers, one of which is in English and the other is in Arabic.

**Article (25)**

**Appeal against resolutions of the Authority**

1. Any resolution of the Authority may be challenged by any person with an interest, and upon payment of the prescribed fee, within thirty (30) days of becoming aware of the resolution.
2. A judicial tribunal called (Appeal Tribunal) shall be established within the Authority. The Tribunal shall adjudicate appeals filed before it pursuant to paragraph (1) of this Article. The Tribunal shall be formed by virtue of a decision issued by the Minister where members shall have a tenure of (3) years. The Tribunal shall consist of three judges of the Civil High Court of Appeal to be delegated by the Supreme Judicial Council; the longer serving of the two judges shall be president of the Tribunal. The Tribunal shall also include an information technology specialist.

A Tribunal member other than judges shall take an oath before the president of the Tribunal, to carry out his duties diligently and honestly. Such member may as well participate in discussions and deliberations of appeals without voting rights in its decisions.

An employee from the Authority shall act as Tribunal clerk and shall attend Tribunal hearings, evidentiary procedures, and take minutes that he shall sign with the president of the Tribunal. The minutes and all other documents shall be kept by the clerk.

1. The Tribunal shall have the same legal powers vested in the Court pursuant to the law.
2. A ruling of the Tribunal shall be reasoned and adopted by the majority of its members. In case of absence of majority, where each judge adopts a different view, another judge shall be nominated, according to paragraph (2) of this Article, to have the deciding vote. Executory formula, as provided by the clerks of the Court of Appeal, shall be attached to the Tribunal’s resolution, and shall therefore be considered as a judgment delivered by the Civil High Court of Appeal. Enforcement of Tribunals resolutions and related matters thereof are within the competence of the Judge of court of Execution, in accordance with provisions of Civil and Commercial Procedural law. Tribunal’s final ruling is subject to appeal before the Court of Cassation.
3. The Minister of Justice, Islamic Affairs and Waqf, after obtaining the advice of the Authority, shall issue a decision to regulate the Appeal Tribunal, determine appeal procedures, mechanism of notifying persons of concern of its rulings, in addition to bases for rewarding non-judicial member of the Tribunal. Provisions of Civil and Commercial Procedural Law consistent with the nature of Tribunal’s work shall apply until the said decision is issued.
4. Provisions of Civil and Commercial Procedural law shall be applicable with respect to submitting, examining and deciding the appeal to the extent that these are not regulated by special provisions in this Article or in the decision prescribed under paragraph (5) of this Article.
5. Provisions applicable to cases brought before courts shall be applicable with respect to fees payable in relation to appeals brought before the Tribunal, basis of estimation, exemptions and deferral of such fees.

**Article (26)**

**Authority’s Employees**

1. Sufficient number of competent and experienced employees shall be recruited within the Authority covering all its fields of activities, in addition to sufficient number of employees holding administrative and regular posts.
2. The Civil Service Law promulgated by Legislative Decree No. (48) of 2010 shall be applicable to all matters not regulated by special provisions within the Authority’s personnel affairs regulation. Law No (13) of 1975 regulating pensions and remuneration for government employees shall also be applicable to the Authority’s employees.

**Article (27)**

**Conflict of Interest**

1. If the Board is deliberating a matter in which a Board member has any direct or indirect personal interest which conflicts with requirements of his post, such member shall notify the Board in writing of his interest as soon as he is aware of the Board’s intention to discuss the matter, and he may not participate in such deliberations nor vote on the matter of concern.
2. The Chief Executive and any employee of the Authority shall not have direct or indirect interest which conflicts with the requirements of their posts accordingly. Each is ought to immediately report in writing of any interest arising in such context during the period of holding the post at the Authority. Notifications submitted by the Chief Executive shall be addressed to the Board, and notifications submitted by the Authority employees shall be addressed to the Chief Executive.
3. The Authority shall keep a register called (Register of Conflict of Interests) where interests described in paragraph (1) and (2) of this Article shall be recorded. The Register shall state the name of the relevant person, his post or job title, details of such interest, and decisions or procedures undertaken by the Authority thereof.
4. Any person wishing to access the Register of Conflict of Interests, may submit a request, free of charge, to the Authority using specially designed form for that purpose.

Any person may, upon payment of prescribed fee of BD25, submit a request, using specially designed form for that purpose, to obtain printouts or a certificate confirming that there is no entry in the register with respect to a specific matter.

**Article (28)**

**Inspection**

1. Inspectors, being Authority employees or others, delegated by the Chief Executive to carry out inspection duties to ensure compliance with provisions of this Law, shall have the following powers:
2. Access to premises relevant to the Authority’s competence with the purpose of examination and inspection, in addition to accessing files, records, notes, documents with existing data and obtain copies thereof; and
3. Hearing statements of anyone working within the premises mentioned in paragraph (a) of this Article, who is suspected to be involved in the subject of administrative investigation;
4. Inspectors delegated by the Minister of Justice, Islamic Affairs, and Waqf, by virtue of a decision issued in agreement with the Minister, are granted the capacity of law enforcement officer with respect to crimes prescribed under this Law, falling within their jurisdictions, and related to their posts.
5. Inspectors pursuant to paragraph (1) and (2) of this Article, are prohibited from entering housing premises without prior authorization from the Public Prosecution.

**Article (29)**

**Limits of personal liability**

No Board member, the Chief Executive or any of the Authority’s employees shall be subject to personal civil or criminal liability for any procedure, act, or omission, in exercise of powers prescribed under this Law, regulations, or resolutions, resulting in damages to third party, unless such damage is the result of gross negligence or bad faith.

**Article (30)**

**Maintaining confidentiality of information and documents**

1. The Chairman, Board members, and employees of the Authority, are prohibited from disclosing the Board’s deliberations, or any information, data, or documents submitted for the purposes of this Law, or revealing their sources, if they submitted in the course of examination, undertaking procedures, or issuing resolutions with respect to these cases. The non-disclosure obligation shall remain valid even after the relationship with the Authority has terminated. The said data, information, documents, along with their sources, shall only be used for the purposes for which they were submitted.
2. Provisions of paragraph (1) shall not apply to the following cases:
3. Information, data, or documents that, at the time of their disclosure, were available to the public;
4. Disclosure of information or data in the form of a summary or collection of information so framed as not to enable information relating to a particular person to be ascertained from it;
5. Notwithstanding paragraph (1) of this Article, the Authority may disclose information, data and documents, in any of the following circumstance:
6. Enabling any person, assigned by the Authority to carry out duties prescribed by this Law, provided that he is committed to confidentiality of received and accessible information and data;
7. Any person of competence and experience whom the Authority need to consult, provided that he is committed to confidentiality of received and accessible information and data;
8. When cooperating with counterpart authorities in other countries with respect to matters of common interest pursuant to Article (23) of this Law;
9. Execution of a judicial order delivered by a competent court, investigation judge, or Public Prosecution;
10. Pursuant to provisions of law or provisions of international treaties to which the Kingdom is a party.

**Article (31)**

**Lodging a complaint**

Anyone having a legitimate interest may lodge a written complaint to the Authority if he believes that there might be a breach to any provision of this Law or that a person has actually began certain arrangement, contrary to the provisions of this Law.

A resolution issued by the Board, shall prescribe specific rules and procedures for lodging and processing of such complaints.

**Section two**

**The Board**

**Article (32)**

**Formation of the Board**

1. The Authority shall have a Board made up of seven members, including a Chairman, and shall be constituted pursuant to a Decree as follows:
2. Three members, with qualifications and expertise in economics, commerce, or Law, to be nominated by the Council of Ministers;
3. The General Director of the Telecommunications Regulatory Authority;
4. One member to be nominated by the Central Bank of Bahrain amongst employees holding senior positions therein;
5. One member to be nominated by the Bahrain Chamber of Commerce and Industry;
6. One member to be nominated by the most representative association of economists in the Kingdom, as the Minister may determine;
7. If any of the bodies referred to under Subparagraphs (d) and (e) of the preceding paragraph fails to nominate representatives within (30) days of receiving notification with respect to nominating a representative, the formation of the Board may be made based upon nomination by the Minister from amongst members affiliated to the body that has failed to nominate a representative within the prescribed period.
8. A person may not hold the post of Minister and the post of Board member at the same time;
9. The Decree issued with respect to formation of the Board shall specify the person holding the post of Chairman. The term of office for the Board members shall be four years renewable once for a similar term. However, with respect to the first Board, the term of office for the Chairman, and three of its members shall be four years, while the term of office for the remaining members shall be three years. The Decree issued with respect to formation of the Board shall determine term of office for each member.
10. The Board shall elect a Deputy Chairman who shall act for the Chairman during his absence if he is unable to act for any reason or whenever his office falls vacant. The Deputy Chairman shall hold the post until the end of his term.
11. If the office of any Board member falls vacant for any reason, a replacement shall be appointed in the same manner as provided under Paragraphs (1) and (2) of this Article. The new member shall complete the term of his predecessor and if such period is less than one year, he shall be eligible for re-appointment twice.
12. A member of the Board may be relieved from office before the expiry of his term only pursuant to a Decree, upon a recommendation made by a majority of Board members, in cases of gross failure or inability to perform his duties, or his breach of the requirements of honesty and decency
13. Remuneration of the Chairman and Board members shall be determined by a Decree.

**Article (33)**

**Duties and Powers**

1. The Board is responsible for setting the Authority’s policy, overseeing its functioning, and taking any action necessary to realize the Authority’s duties and powers. In particular, the Board shall:
2. Issue, within its competence, regulations and resolutions, in addition to taking all measures necessary for enforcing provisions of this Law;
3. Endorse the Authority’s organizational structure and issue internal regulations in respect of of its personnel matters. Such regulations shall include rules and procedures for the appointment of the Authority’s staff, their promotion, transfer, wages, remuneration and disciplinary measures and other such matters, without being subject to the Civil Service Law. These regulations shall prescribe rules for work ethics and values, and conditions and rules for financial disclosure of members of staff;
4. Oversee compliance with provisions of this Law, regulations and resolutions issued pursuant to this law and measures taken to implement these provisions;
5. Approve draft annual budget and final account of the Authority;
6. Review periodic reports submitted by the Chief Executive on the conduct of the Authority’s business, and determine any action necessary with respect to the content of these reports;
7. Discharge other duties and powers prescribed to be within the Board’s competence, pursuant to provisions of this Law.
8. The Board may delegate certain duties and powers to one committee or more from among its members, to its Chairman, any of its members, or to the Chief Executive. This shall not include the power to issue regulations or resolutions within the Board’s competence as prescribed under the provisions of this Law.

**Article (34)**

**Meetings**

1. The Board shall hold an ordinary meeting at least four times each year. The Chairman may, at any time, call a special meeting of the Board. The Chairman shall also call a special meeting of the Board to be held within 15 days of the receipt of a reasoned written request addressed to him for that purpose, from either the Minister, at least two Board members, or the Chief Executive.
2. In all events, a notice shall be sent at least 48 hours prior to the scheduled meeting of the Board, shall identify the purpose of the meeting and shall be accompanied with the meeting’s agenda.
3. The Chief Executive may attend meetings of the Board, except those cases prescribed in the Internal Regulations. The Board may request the attendance of any person of concern or a person with the needed expertise, for discussion or to be informed about their opinion. None of all the foregoing attendees shall have a right to vote.
4. The Board shall appoint a secretary who shall prepare its agendas, record minutes of meetings of the Board and shall maintain all documents and records of the Board and carry out any assigned tasks, in connection with the Authority’s work.

**Article (35)**

**Quorum and Voting**

A meeting of the Board shall be duly convened if attended by a majority of its members, provided that the Chairman or the Deputy Chairman is present. Resolutions of the Board shall be made by a majority of the members present except in cases where this Law, or regulations, or resolutions implementing its provisions, require a special majority. In the event that the votes are equally split, the vote of the Meeting chairman shall be the deciding vote.

**Section three**

**Chief Executive**

**Article (36)**

**Appointment and Vacancy of Office**

1. The Authority shall have a full-time Chief Executive who shall be appointed for a three years term, pursuant to a decree, upon the recommendation of the Board. His term of office may not be renewed for more than two consecutive terms of three years each.
2. In the event that the office of the Chief Executive falls vacant, for any reason whatsoever, a replacement shall be appointed in the same manner prescribed in the preceding paragraph.
3. The Board may appoint a Deputy Chief Executive who shall act for the Chief Executive during his absence, or if he is unable to act for any reason, or whenever his office falls vacant. The Deputy Chief Executive shall carry out assigned duties by the Board or by the Chief Executive. The Board’s resolution appointing a Deputy Chief Executive shall be published in the Official Gazette.
4. Where a Deputy Chief Executive has not been appointed pursuant to the preceding Paragraph and if the office of the Chief Executive falls vacant for any reason whatsoever, the Board shall issue a resolution that shall be published in the Official Gazette, to delegate the Chairman or any other member of the Board or any employee of the Authority, to act, temporarily, for the Chief Executive.

**Article (37)**

**Duties and Powers**

1. The Chief Executive shall represent the Authority before the Courts and in its relations with third parties, and shall be accountable to the Board for the conduct of the Authority’s business, technically, administratively and financially. The Chief Executive shall assume all the powers of the Authority except for powers granted to the Board pursuant to provisions of this Law. He shall, in particular, undertake the following:
2. Manage the Authority, run its affairs, and supervise the conduct of its business and employees;
3. Implement resolutions of the Board.
4. Draw-up a proposed budget and a report on such proposed budget and submit both to the Board;
5. Draw-up the final account of the Authority and a report on such account, and submit both to the Board for approval, within two months from the end of the financial year;
6. Draw-up an annual report with respect to the Authority’s activity, as prescribed in Article (24) of this Law, during the preceding financial year, and submitting it to the Board for approval, within a period not exceeding (3) months from the end of the financial year, accompanied with a copy of Authority’s audited accounts of the same financial year.
7. Draw-up a proposed organizational structure for the Authority, and submit the same to the Board for its approval;
8. Submit to the Board periodic reports every three months, unless the Board prescribes a shorter period, on the Authority’s activity, the conduct of its business, and the achievements made against the set plans and programs. The reports shall identify impediments to the Authority’s performance – if any- and measures proposed to address such impediments; and
9. Carry out other duties and exercise other powers that are within his competence in accordance with this Law.
10. The Chief Executive may delegate, in writing, any of the Authority’s employees to carry out some of his duties to ensure that the Authority’s business is adequately completed.

**Article (38)**

**Remuneration**

Remuneration of the Chief Executive shall be set by the Board, including allowances and other privileges

**Article (39)**

**Resignation**

The Chief Executive may resign from office, by submitting a written request to the Board, at least three months before the specified resignation date. Acceptance of the resignation shall be made by virtue of the Board’s resolution.

**Article (40)**

**Removal from Office**

1. The Chief Executive may, pursuant to a Decree, be removed from office before the expiry of his term upon a recommendation by the majority of the Board members, but only in cases of gross failure or inability to perform his duties effectively and efficiently or his breach of the requirements of honesty and decency.
2. The Board shall enable the Chief Executive to lay his defense before recommending his removal from office, and shall record such defense in an independent record. Where the Board recommends such removal from office, the Chief Executive shall, unless the recommendation for removal is based on Chief Executive’s violation to requirements of honesty and decency, continue to carry out his duties until a Decree removing him from office is issued.

**Part 3**

**Accountability**

**Section One**

**Accountability to the Authority**

**Article (41)**

**Conducting Investigation**

1. The Authority may initiate an investigation on its own motion, upon receiving a request from the Minister, or based on serious reports and complaints with the purpose of investigating certain undertaking or arrangement against alleged violations to provisions of paragraph (1) of Article (3) or paragraph (1) of Article (9) or Article (12) of this Law. The Authority may as well carry out its investigation, in presence of serious evidences suggesting that violation is imminent.
2. The Authority shall, prior to commencing investigation procedures, notify the concerned undertaking, stating the reasons behind the Authority’s view that a violation has occurred or is about to occur. The notice shall identify evidences, presumptions, and information in the Authority’s possession with respect to the violation. However, preliminary investigation procedures may be carried out, pursuant to the Chairman’s resolution, without serving such notice, if substantial evidence lead to the belief that investigation may be hindered, or the truth may be lost. A notice shall as well be served once such reasons cease to exist.
3. The concerned undertaking shall have the right to reply to the notice within a period not exceeding 20 days from receiving the notice. The reply shall contain the undertaking’s defense and comments, and shall be accompanied with documents, presumptions, or any other supporting evidence.
4. The Authority, upon examination of the reply to the notice, may decide to dismiss the matter, or commence investigation procedures, and in both cases, a notification shall be delivered to the concerned parties.
5. The Authority may carry out the investigation, or form a tripartite committee of competent individuals from within or outside the Authority, or assign any qualified individual to carry out such task.

**Article (42)**

**Investigation procedures**

1. The investigation committee, and upon commencement of investigation procedures, may request any party of an interest, to provide the committee within a prescribed period, with data, information, clarifications or documents relevant to investigation.
2. The investigation committee shall provide the parties concerned with the investigation, a fair chance to defend their interests within the investigation period. Accordingly, the Authority shall hold hearing and discussion sessions to the parties, and their witnesses, while allowing them to state their views, and present their arguments and defenses.
3. The concerned parties attending investigation sessions are entitled to be accompanied by attorneys. An attorney is allowed to speak, only when permitted by the investigation committee.
4. The investigation committee may ask the concerned parties attending the session, any question with the purpose of clarifying the matter, and may request an answer to be verbal or in writing within a prescribed period.
5. The investigation committee shall hold necessary minutes to record its measures and proceedings, and the Board may issue a resolution, stipulating additional regulations and procedures for carrying out the investigation.

**Article (43)**

**Requesting information, data, and documents from third party**

The investigation committee, and upon existing substantial evidences indicating that a third party is in possession of data, information, or documents related to the subject matter of investigation, or if it is stored in a computer program under the third party’s control, the committee may therefore order the third party to submit such date, information, or documents within a prescribed period, or by allowing the committee or whoever is assigned by the committee, to access the computer program in order to reveal such date, information or documents.

In the event of non-compliance with the above, the committee may, through the Authority, issue writ on a petition from the High Court, ordering such third party, to implement such order. The court may issue its order as a summary judgment without summoning the holder. The latter however may object to the court order within 8 days of its issuance, and the court may uphold, amend or revoke its order. In such case, the court’s decision shall be justified based on its examination of documents and after hearing holder’s statement, if possible.

**Article (44)**

**Delegation of law enforcement officers**

In carrying out its duties, the investigation committee, may delegate any of the law enforcement officers referred to in paragraph (2) of Article (28) of this Law to carry out any of their assigned duties.

**Article (45)**

**Examination of witnesses**

1. Subject to provisions of Articles (65) to (68) of Law of Evidence in Civil and Commercial Matters, and to Article (119) of the Criminal Procedural Law, the investigation committee may examine any witness whom the committee deems necessary, and shall examine any witnesses upon the concerned parties’ request, unless the committee finds examining witnesses, in such case, to be pointless.
2. Witnesses who fail to attend, or those who refuse to testify, take the oath, or give false testimony, shall be subject to provisions of Penal code and Criminal Procedural Law. If the committee is of the view that the witness conduct involves a crime, it shall prepare a memorandum which the Chief Executive shall refer to the Public Prosecution.

**Article (46)**

**Termination of investigation procedures**

The investigation Committee shall, within a period not exceeding 6 months from the date of commencement of investigation, submit to the Chief Executive, a reasoned report of its findings, accompanied with the complete investigation file. Before the expiry of the 6 months period, and upon the Committee’s request, the Chief Executive may extend the prescribed period to additional period or periods not exceeding, in total, six months, provided that the delay is attributed to reasons beyond the committee’s control.

If the data, requested by the committee, was insufficient, or was not submitted within the prescribed period, the committee may continue its investigation and conclude findings based on the available data and information.

**Article (47)**

**Notification to concerned parties**

The Chief Executive shall notify the concerned parties, within 3 working days of receiving the report prescribed in Article (46) of this Law, and shall provide them with a copy of the report and its attachments.

The parties concerned with the investigation are entitled to submit a memorandum with their data, comments and supporting documents, as a defense, to the Chief Executive office within a period not exceeding 30 days from receiving the report and its attachments. In the event of investigation initiated by a complaint, and where the plaintiff exercises the right to reply to the committee’s report, in such case, the plaintiff shall, and before the expiry of the specified period, provide the defendant with the a copy of his reply and supporting documents thereof via the Chief Executive Office. The defendant may, within a period same as that specified for the plaintiff, provide the Authority with his comments on the plaintiff’s reply.

**Article (48)**

**Disposing of investigation**

The report accompanied with Chief Executive’s comments, shall be submitted to the Board. Submission shall be made by the Chief Executive in the first session taking place after the termination of the specified periods in paragraph (2) of Article (47) of this Law. The Board may decide, by virtue of a reasoned decision, to dismiss the investigation or to declare that the alleged violation was not proven. In evidence of violation, The Board may adopt any of the measures prescribed in Article (49) of this Law, or it may refer the matter once again to the investigation committee for further inquiry, search and for completion of investigation.

**Article (49)**

**Permitted measure in evidence of violation**

1. In evidence of violation, and without prejudice to provisions with respect to civil and criminal liability, the Board shall order the party violating provisions of Article (3), (9) or (12) of this Law, to immediately or within a specified period of time, stop his conduct, and to remove reasons and effects thereof.
2. If the offender fails to abide by the Board’s order to stop his violation to provisions of Article (3) or (9) of this Law, The Board may issue any of the following reasoned resolutions:
3. Order the offender to stop carrying out certain action, or refrain or amend specific behavior according to certain conditions;
4. Order the offender, when necessary, to divide or restructure the undertaking, provided that it is the only solution to remove and prevent recurrence of abuse of dominant position;
5. If the offender fails to abide by the Board’s order to immediately or within a specified period of time, remove reasons and effects of violation to provisions of Article (12) of this Law, the Board may issue any of the following reasoned resolutions:
6. Take necessary measures to relinquish market concentration;
7. order the offender to act according to certain conditions and regulations to ensure restoring competitive balance;
8. order the offender to dispose of certain assets, stocks, or property rights, or to adjust market concentration in a manner that would remove reasons and effects of violation;
9. The Board, when necessary and in order to stop the violation, may impose a penalty not exceeding 5% of offender’s daily sales of products. In the event of first time violation, the penalty shall not exceed (BD1000) per day. However, in the event of recurrence of the same violation, within 3 years from the date of issuing a decision with respect to the offender’s first violation, the penalty shall not exceed (BD2000) per day.
10. Impose, by virtue of reasoned resolution, administrative penalty of not less than 1% and not exceeding 10% of the total amount of sales of products for the period during which violation took place, and for maximum period of three years. The Council of Ministers, upon the Minister’s proposal and after obtaining the advice of the Authority, shall issue a resolution, to determine bases of calculating this fine.
11. Penalties imposed pursuant to paragraph (4) and (5) of this Article, shall be considered as debts to the State.

**Article (50)**

**Notice to the Public Prosecution**

If a criminal offence was identified pursuant to investigation, the Board shall refer the matter to the Public Prosecution.

**Article (51)**

**Informing the Public of the violation**

The Authority may publish a statement with respect to the committed violation pursuant to provisions of this section, and shall determine the medium and mechanism of publishing, provided that publishing shall only take place when the period prescribed for submission of appeals has expired, or a final ruling with respect to committing the violation is issued.

**Section two**

**Civil Liability**

**Article (52)**

**Compensation**

1. The provisions of the Civil Code shall be applicable to civil liability arising from violation of provisions of this Law.
2. A claim for civil liability pursuant to violation of paragrpah (1) of Article (3) , paragraph (1) of Article (9), or paragraph (1) of Article (12), is only admissible if the Authority has issued a Resolution against the defendant establishing evidence of violation. Such claim is also admissible if a complaint or appeal by the concerned party has been submitted, without notifying him of the Authority’s reply for one year, or when a decision by the Appeal Tribunal has been issued, or the time prescribed for the appeal has lapsed. The Court shall adopt the Authority’s resolution with respect to whether or not a violation by the defendant was committed, unless the resolution was amended or revoked by the Appeal Tribunal or the Court of Cassation.

**Section three**

**Criminal Liability**

**Article (53)**

**Penalties**

Without prejudice to any severer punishment imposed by Penal Code or any other law:

1. A person who breaches any of the provisions of paragraphs (1) and (2) of Article (27) of this Law, shall be ordered to pay a fine not less than BD 3,000/- and not exceeding BD 20,000/-. In the event of conviction, a court may order confiscation of amounts resulting from the crime.
2. A person who breaches provisions of Article (43) of this Law, shall be sanctioned by imprisonment for a term not exceeding three months, and ordered to pay a fine not less than BD 2000/- and not exceeding BD 20,000/- or either of such sanctions.
3. A person who breaches provisions of Article (30) of this Law, shall be sanctioned by imprisonment for a term not exceeding one year, and a fine not less than BD 5000/- and not exceeding BD 50,000/- or either of such sanctions. This penalty shall also apply to any a person who commits any of the following acts:
4. provide the Authority with false or misleading data, or data that is in contrary to what is recorded in registers and documents in his possession;
5. Withholds from the Authority any data, information, records, or documents that the Authority should be provided with or should have access to, in order to carry out its duties prescribed under this Law.
6. Prevents or delays Authority’s inspectors, or Authority’s ongoing investigation.
7. Destroys documents, with awareness of its relevance to investigation undertaken by the Authority.
8. A person shall be liable to imprisonment for a term not exceeding one month, and / or a fine not less than BD 100/- and not exceeding BD 500/-, if he unlawfully uses the Authority’s logo or an identical or similar sign or symbol.

**Article (54)**

**Liability of Judicial Person**

Without prejudice to criminal liability of natural person, a legal person shall be subject to penalties to the lower and upper limits being double the amounts prescribed for fines, if any of the crimes stipulated in paragraph (3) of Article (53) of this Law was committed, under the legal person’s name, or on its behalf, or for its benefits. Provided that such crimes are the result of action, omission, approval, cover-up, or gross negligence by any member of the Board of Directors of the legal person, or by its delegated official, or by a person acting in such capacity.

**Part 4**

**General provisions**

**Article (55)**

**Use of electronic means**

Requests, reports, complaints, appeals, and notifications shall be submitted using the usual methods, in accordance to provisions of this Law, or by using any of electronic means specified in a resolution issued by the Board.

**Article (56)**

**Correction of position**

Every person, shall correct his position in accordance with the provisions of this law within a period not exceeding 6 months from the date of entering into effect of provisions of this Law, including removal of any arrangement that took place prior to promulgation of this Law.

1. \* This copy is translated by Bahrain Economic Development Board (EDB) as per the provisions in force up to January 2019. [↑](#footnote-ref-1)