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**Legislative Decree No.(4) of 1986 regarding the approval of the Agreement for the Establishment of the Saudi-Bahrain Causeway General Institution**

We, Hamad bin Isa Al Khalifa, Acting Emir of the State of Bahrain.

Having reviewed the Constitution;

Emiri Order No. (4) of 1975;

Emiri Order No. (1) of 1986;

Legislative Decree No. (21) of 1981 regarding the Approval of the Causeway Agreement between the Government of the State of Bahrain and the Government of the Kingdom of Saudi Arabia;

And the Agreement for the Establishment of the Saudi-Bahrain Causeway General Institution signed in Manama on 20 Rabi Al-Awwal 1406 A.H., corresponding to 2 December 1985;

And upon the submission of the Minister of Development and Industry;

And after the approval of the Council of Ministers,

**Hereby Decree the following Law:**

**Article One**

The Agreement for the Establishment of the Saudi-Bahrain Causeway General Institution signed in Manama on 20 Rabi Al-Awwal 1406 A.H., corresponding to 2 December 1985, attached to this Law, have been approved.

**Article Two**

The ministers - each within his jurisdiction - shall implement this Law and it shall come into force upon its publication in the Official Gazette.

**Acting Emir of the State of Bahrain**

**Hamad bin Isa Al Khalifa**

Issued at Riffa Palace

On: **19 Jumada Al-Awwal 1406 A.H.**

Corresponding to: 29 January 1986

**In the Name of God, the Merciful, the Compassionate**

**Agreement for the Establishment of the Saudi-Bahrain Causeway General Institution**

Pursuant to Articles 1, 2, 3, 4, 5, and 6 of the second clause of the Agreement for the Construction of the Maritime Causeway concluded between the Governments of the Kingdom of Saudi Arabia and Bahrain regarding the establishment of a public institution responsible for the affairs, management, operation, and maintenance of the causeway.

The Government of the Kingdom of Saudi Arabia, represented by:

His Excellency the Minister of Finance and National Economy, Mohammed Bin Ali Aba Al-khail

And the Government of the State of Bahrain, represented by:

His Excellency the Minister of Development and Industry, Yousuf Ahmed Al-Shirawi

Have agreed as follows:-

**Causeway Area:**

1- It has been agreed to define the Causeway area within the territories and waters of both countries, managed by the Saudi-Bahrain Causeway General Institution, as follows:

**A) In the Kingdom of Bahrain:**

**1- Lands:**

The Causeway precinct area in Bahrain shall start with a width of 50 meters on each side of the Causeway axis at point (b) and extends with this width westwards, both to the north and south sides of the Causeway, until it intersects with the western coast of this island on both sides of point (18) located on the Causeway axis.

Then the Causeway precinct area shall extend from the eastern coast of Um Al Naasan Island westwards with a width of 50 meters on each side of the Causeway axis at point (15) on the Causeway axis to the two points located north and south of the Causeway axis, followed by a perpendicular distance of 50 meters from point (14) located on the Causeway axis. Starting from the point located north of the Causeway axis, the northern boundary of the Causeway precinct area extends in a straight line to a point 100 meters north of point (13) on the Causeway axis. From there, it extends in a straight line to a point 100 meters north of point (12) on the Causeway axis, and from there to a point 50 meters north of point (11) on the Causeway axis. From there, the northern boundary of the Causeway precinct area extends with a width of 50 meters from the Causeway axis to the point where it intersects with the western coast of this island north of point (10) on the Causeway axis. Starting from the point located south of the Causeway axis at point (14) mentioned, the southern boundary of the Causeway precinct area extends in an arched shape to a point 184 meters south of point (13) mentioned. From there, it extends in a straight line to a point 184 meters south of point (12) aforementioned. From there, it extends in an arched shape to a point 50 meters south of point (11) mentioned, and from there, the southern boundary of the Causeway precinct area extends with a width of 50 meters from the Causeway axis to the point where it intersects with the western coast of this island south of point (10) aforementioned.

**2- Waters:**

The Causeway precinct area extends from the two points located on the western coast of the island of Bahrain on both sides of the Causeway axis, followed by a perpendicular distance of 50 meters from point (18) aforementioned, with a width of 50 meters in the westward direction on each side of the Causeway axis, to two points located 50 meters vertically from point (17) on the Causeway axis. At these two points, the width of the Causeway precinct expands to become 200 meters on each side of the Causeway axis and extends with this width to two points located 200 meters vertically from point (16) on the Causeway axis. At these two points, the width of the Causeway precinct narrows to 50 meters on each side of the Causeway axis and extends with this width until two points intersect with the eastern coast of Um Al Naasan Island on both sides of point (15) aforementioned.

Then the Causeway precinct area extends from the western coast of Um Al Naasan Island at point (10) mentioned westward with a width of 50 meters on each side of the Causeway axis to two points located on both sides of the Causeway axis, followed by a perpendicular distance of 50 meters from point (9) on the Causeway axis. At these two points, the width of the Causeway precinct expands to be 200 meters northward and 500 meters southward from the Causeway axis and extends with this width with two straight lines to two points located 200 meters north and 500 meters south of point (8) on the Causeway axis. At these two points, the width of the Causeway Precinct becomes 500 meters on each side of the Causeway axis and extends with this width with two straight lines to two points located 500 meters from point (7) on the Causeway axis. From these two points, the Causeway Precinct extends with two straight lines to two points located 800 meters vertically from point (6) on the Causeway axis, and from these two points, the Causeway precinct extends with two straight lines to points (C, D) located on the line (C, A, D) separating the Bahraini Services Area from the Saudi Services Area, at a distance of 900/800 meters respectively from point (A) on the Causeway axis.

**B) In the Kingdom of Saudi Arabia:**

**1- Lands:**

The northern boundary of the Causeway precinct area in the Kingdom extends from a point located 50 meters vertically from point (O) located on the Causeway axis. From this point, the northern boundary of the Causeway precinct extends in a straight line with a width of 50 meters from the Causeway axis to a point located 50 meters vertically from point (2) on the Causeway axis. At this point, the width of the Causeway precinct expands to 250 meters from the Causeway axis and extends with this width to the point where it intersects with the eastern coast of the Kingdom north of point (3) on the Causeway axis. The southern boundary of the Causeway Precinct Area extends from a point located 50 meters vertically from point (o), aforementioned, in a straight line at a distance of 50 meters from the Causeway axis to a point located 50 meters vertically from point (1) on the Causeway axis. At this point, the width of the Causeway precinct expands to 250 meters from the Causeway axis and extends with this width to the point where it intersects with the eastern coast of the Kingdom south of point (3) aforementioned.

**2- Waters:**

The Causeway precinct area extends from two points located on the eastern coast of the Kingdom and at a distance of 500 meters vertically from point (3) mentioned, with a width of 500 meters on each side of the Causeway axis to two points located at a distance of 500 meters vertically from point (4) on the Causeway axis. From these two points, the Causeway Precinct extends in a straight line to two points located at a distance of 800 meters vertically from point (5) on the Causeway axis. From these mentioned two points, the Causeway Precinct extends with two straight lines to points (C, D) located on the line (C, A, D) separating the Saudi Services Area from the Bahraini Services Area, at a distance of 900/800 meters respectively from point (A) on the Causeway axis.

(Note: The attached drawings, maps, and records provided by the Joint Technical Committee for this purpose are considered an integral part of this Article).

**The General Causeway Institution:**

2- The Saudi-Bahrain Causeway General Institution is a legal entity head-quartered in the city of Dammam in the Kingdom of Saudi Arabia.

3- The Saudi-Bahrain Causeway General Institution and its employees are subject to the regulations of the Kingdom of Saudi Arabia.

**Purposes of the Causeway General Institution:**

4- The Saudi-Bahrain Causeway General Institution shall be responsible for managing the Causeway area, maintaining it, and determining the fees for using and passing through the Causeway after reaching an agreement with the governments of both countries, in accordance with economic feasibility criteria and established practices in similar economic projects.

**Formation of the Causeway General Institution:**

5- The Causeway General Institution shall consist of a Board of Directors and an Executive Management.

**Board of Directors:**

6- The Board of Directors shall consist of eight members, four of whom are Saudis appointed by the government of the Kingdom of Saudi Arabia, and four of whom are Bahrainis appointed by the government of the State of Bahrain.

7- The term of membership on the Board of Directors shall be of three years, renewable for one or more additional terms, taking into account what is stated in Article (23) of this Agreement.

8- The government of the Kingdom of Saudi Arabia shall appoint one of its representatives on the Board as the President of the Board, and the government of Bahrain shall appoint one of its representatives on the Board as the Deputy President of the Board.

**Powers of the Board of Directors:**

9- The Board of Directors of the Institution shall have the following powers:

a) Managing, maintaining, operating, and developing the Causeway area to establish an effective means of connectivity between the two countries and for this purpose, it may take all necessary arrangements.

b) Agreeing with the governments of both countries on the financial fees that the Institution is entitled to collect for passage through the Causeway or for the use of Causeway area facilities. It shall adopt appropriate procedures for collecting fees using modern methods that ensure efficiency and accuracy. These fees may be reviewed whenever necessary by agreement between the governments of both countries.

c) Reviewing and approving the budget of the Causeway General Institution.

d) Approving the administrative, financial, and technical regulations required for the management of the Institution.

e) Appointing an external auditor to audit the accounts of the Institution.

f) Submitting an annual report to the government of the Kingdom of Saudi Arabia and the government of the State of Bahrain on the activities of the Causeway General Institution.

g) Defining areas for the investment of the funds and reserves of the Causeway General Institution.

**Director-General of the Institution:**

10- The Board of Directors shall appoint a Director-General for the Institution from the Kingdom of Saudi Arabia, who shall oversee all executive departments of the Institution. The Director-General shall be responsible for ensuring that an adequate number of administrative and technical staff are employed to carry out tasks related to the management, operation, and maintenance of Causeway facilities, as well as the investment and revenue collection of the Causeway area.

11- The Director-General of the Institution shall be responsible for the appointment and dismissal of employees and all matters related to their affairs in accordance with the regulations established by the Board of Directors of the Institution.

**Budget and Resources of the Causeway General Institution:**

12- The resources of the Causeway General Institution consist of fees for passage across the Causeway and the use of the Causeway area.

13- The fiscal year of the Institution follows the Islamic calendar.

14- When the collection of fees for passage and use begins, both governments of the two countries shall agree with the Institution to deposit the necessary amounts for a specified period to be used for the establishment of the Institution. Subsequently, the Institution shall gradually refund these amounts to the governments as agreed upon.

15- The fixed and movable funds of the Institution in both countries shall be exempted from all types of fees and taxes, except for religious zakat, customs duties, and public service fees.

**Actions of Both States within the Causeway Area:**

16- The two states shall carry out their activities within the Causeway area in accordance with unified arrangements agreed upon between the Causeway General Institution and the competent authorities in each country to regulate the conduct of their employees within the area. This shall be in accordance with the prevailing laws of each country.

17- The Saudi authorities in the Saudi Service Area, which falls within the maritime boundaries of the State of Bahrain considered part of the Causeway owned by the Kingdom of Saudi Arabia, shall have complete jurisdiction in enforcing the provisions of all Saudi laws pertaining to travel, passports, customs, and security, just like any Saudi territory.

18- A permanent coordination and follow-up team shall be formed, consisting of an equal number of representatives from each country, representing the governmental entities conducting their operations within the Causeway area. This team shall hold regular meetings with the responsible personnel for managing the Causeway area to ensure the necessary coordination and consultation for the smooth functioning of operations within the area.

19- The Director-General of the Causeway General Institution shall have the right to establish direct communications with local government officials in both countries regarding the management and operations of the Causeway area, provided that this does not conflict with the regulations of employment and their rules within the two governments or within the Causeway General Institution.

20- Both governments shall exercise sovereignty over their territories, territorial waters, and their nationals. The Causeway General Institution shall provide all necessary facilities for this.

21- Individuals working within the Causeway area who do not hold the nationality of either of the two countries shall be subject to the laws of the country to which that part of the Causeway belongs, in accordance with the general laws applicable in each of the two countries when they are present in the country to which that part of the Causeway belongs, in accordance with Article (20) of this Agreement.

22- The Causeway General Institution shall charge the governments fees for services rendered by the Institution, and the rules for these fees referred to in paragraph (b) of Article (9) of this Agreement shall include the types and amounts of these fees.

**Final Provisions:**

23- Either of the two governments may replace any of the members of the Board of Directors of the Causeway General Institution, whom it has appointed, whenever it deems it necessary to do so.

24- The Agreement for the Construction of the Maritime Saudi-Bahrain Causeway concluded between the two governments on 7/9/1401 A.H. and ratified by the Kingdom of Saudi Arabia by Royal Decree No. M/35 dated 24/9/1401 A.H., and by the State of Bahrain by Legislative Decree No. 21 dated 1/12/1401 A.H., shall be complementary to this Agreement and shall be referred to for all matters not addressed in this Agreement.

This Agreement has been executed on 20/3/1406 A.H. With the help of Allah.

**On behalf of the Government of the Kingdom of Saudi Arabia On behalf of the Government of the State of Bahrain**

**Minister of Finance and National Economy**

**Minister of Development and Industry**

**Mohammed Bin Ali Aba Al-khail**

**Yousuf Ahmed Al-Shirawi**