

Draft Organizing Law

The First Chapter

Article (1)

In this Law, unless the context otherwise requires, the following expressions shall have the following meanings:

- The Council: The Saudi Council of Engineers.
- The Center: The Saudi Center for Engineering Arbitrations.
- The System: The Main System of the Center.
- Alternative dispute resolution methods: methods of settling engineering disputes other than the judiciary resolution, including conciliation, arbitration and other methods as determined by the Center's rules and regulations.
- The Board of Directors: the Board of Directors of the Saudi Council of Engineers.
- The Board of the Center: the Board of Directors of the Saudi Center of Engineering Arbitration.
- General Manager of the Center: the Administrative Manager.
- The Arbitration Board: the Board formed according to the system of the center to settle a specified issue.

The Second Chapter

The Center Specializations and Main Office

Article (2)

Establishment of the Center

A Center for resolution of Engineering Disputes shall be established on behalf of the Saudi Center for Engineering Arbitration and shall have a legal personality of financial independence.

Article (3)

Objectives and Competencies of the Center

The objectives and competences of the Center are as follows:

- 1-Settlement of engineering disputes through arbitration, conciliation or other alternative methods.
- 2-Enhancing the integrity of engineering arbitration procedures.
- 3-Dissemination of the culture of engineering arbitration.
- 4-Developing cooperation between the Center and the other arbitration centers.

5- Building distinctive engineering competencies in the field of arbitration.

Article (4)

Rules and Regulations

1- The Board of Directors shall set up the Arbitration Rules according to the Saudi Arbitration System.

2- The Center shall arrange other alternative dispute resolution procedures as well as experience reports under the regulations issued by the Board of Directors.

3- The Board of Directors shall issue the regulations governing the administration of the Center, including the regulations governing electronic communication mechanisms, and suit registration fees, or any other fees.

Article (5)

The Main Office of the Center

The main office of the Center is in Riyadh, and it may establish branches at any other major city in the Kingdom of Saudi Arabia upon the approval of the Board of Directors.

The Third Chapter

The Administrative Structure

Article (6)

The administrative structure of the Center consists of:

a- The Board of Directors of the Center.

b- The General Manager.

c- The Arbitration Board.

d- The Secretariat of the Arbitral Board.

e- Secretariat of the Board of Directors.

The Board of Directors

Article (7)

The Board of Directors of the Center consists of eight members as follows:

1- Four expertise and competent members selected by the Board of Directors of the Saudi Council of Engineers, , including the Secretary General of the Council.

2- Four members selected from the engineers registered in the list of arbitrators members of the Center.

The Chairman of the Council and his deputy shall be elected from those members. The membership of the Center Board of Directors is three years, and is renewable, by a decision of the Board of Directors of the Saudi Council of Engineers, for one period only.

Article (8)

Meetings of the Board of Directors

The Board of Directors of the Center shall hold regular meetings on a regular basis, but not less than four meetings per year. An extraordinary meeting may be held at any time, at the request of the Chairman or his deputy, or at least two thirds of the Board members.

The meeting of the Board of Directors shall be upon the request of the Chairman or his deputy. The meeting of the Board shall be valid only with the presence of at least two thirds of its members, including the Chairman or his deputy. Decisions of the Council shall be issued by a majority vote of the members present. In case of equality of votes, the Chairman's vote is to be considered.

Terms of Reference of the Center's Board of Directors

Article (9)

The Board of Directors works on achieving the objectives of the Center and to promote its functions. The Board is specialized with the following :

- 1- Develop the general policy to achieve the objectives of the Center and supervise on its implementation.
- 2- propose amendments to this system and submit them to the Board of Directors of the Saudi Council of Engineers to be approved.
- 3- Approval of arbitration rules.
- 4- Approval of the regulations governing the alternative methods of dispute resolution.
- 5- Approving the administrative and financial regulations necessary to regulate works of the Center .
- 6- Approving the annual budget of the Center and approving the final account for the previous financial year.
- 7- Approval of the annual report on the works and activities of the Center.
- 8- Appointment and exemption of the General Manager of the Center.

General Manager of the Center

Article (10)

The Center shall have a General Manager appointed by the Board of Directors. The Board shall determine his terms of service, duties and entitlements. He must be an experienced and competent engineer. The General Manager shall be the representative of the Center before the Judiciary and before the public and private authorities.

Article (11)

The General Manager shall be assisted by a number of sufficient employees appointed in accordance with the employment provisions established by the Center's regulations.

The Arbitration Board

Article (12)

The Arbitration Board shall be formed in accordance with the list of procedures issued by the Board of Directors of the Center.

Secretariat of the Arbitration Board

Article (13)

The Secretariat of the Arbitration Board is part of the administration of the center. It operates under the supervision of the General Manager and affiliates to him.

Article (14)

The Secretariat shall be competent to receive the requests for arbitration referred to it by the General Manager, all papers, correspondence and documents submitted by the parties of the dispute in accordance with the Rules and Procedure of this Law. It shall record the minutes of the sessions of the Arbitration Board and execute its decisions issued during the hearing of the case and before judgment.

Membership in the Center

Article (15)

The Center maintains two lists of arbitrators as follows:

1-The list of engineers: The registered engineers who are registered members of the Center, after their qualification and accreditation, in accordance with the rules governing this, and determined by the Board of Directors of the Center, and the names in this list are eligible to vote and nomination to the Board of the Center.

2-List of non-engineers: They are arbitrators from outside the disciplines of engineering, who have the knowledge of legitimacy and long experience, and are adopted in accordance with the rules governing it, and the names in this list is not counted in the membership of the Center, but the parties can choose from this conflict list provided that one on Of the members of the arbitral tribunal from the first list.

The arbitrator is required to have a high level of experience and knowledge in the field of industry, finance and engineering sciences, to have a good knowledge of the provisions of Islamic law, to be of high moral character, reputation and independence of opinion.

The Fourth Chapter

Arbitration Rules

Article (16)

a- Arbitration shall be conducted in accordance with the Rules of Engineering Arbitration.

b-Except for the list of names of the arbitrators; the documents and documents of the Center shall be confidential. Only the parties to the arbitration case and the arbitrators may review them or take a copy of them without the express consent of the General Manager of the Center and the parties to the dispute.

Article (17)

The consent of the parties to submit the dispute to the arbitral tribunal in the Center shall be transferred to the arbitral tribunal.

Article (18)

The judgment issued by the arbitral tribunal in accordance with these procedures shall be binding upon the parties and final, and the force of enforcement after the order shall be executed by the competent judicial authority.

The Fifth Chapter

Sources of Income

Article (19)

The income sources of the Center consist of:

- 1- Government support provided by the Center.
- 2- Fees charged by the Center for the provision of services.
- 3- Fees for membership of arbitrators.
- 4- The returns received by the Center in return for its activities.
- 5- Any means of income approved by the Board of Directors.

The Sixth Chapter

Arbitration Expenses

Article (20)

The amount of the arbitration expenses and the manner of payment shall be determined in accordance with the rules of engineering arbitration issued by the Board of Directors of the Center.

The Seventh Chapter

General provisions

Article (21)

Each member in the Center Board of Directors is entitled to request the amendment of this system, recommend the amendment after the vote of the Board of Directors, and the amendment is to be approved by the Board of Directors of the Saudi Council of Engineers.

Objective of the system:

The Engineering Arbitration Division of the Saudi Council of Engineers aims to classify arbitrators and experts in Saudi Arabia to reflect the actual levels and experience of the classifieds. This classification is for engineers (members of the Commission) only.

Classification Methodology

1- Rating Levels Levels are based on the classification of members of the Arbitration Division to four levels:

1.1 member.

1.2 Technical expert.

1.3 Arbitrator Class (B).

1.4 Arbitrator Class (A).

2- Classification criteria Several criteria, including the scientific and engineering experience to be classified, are taken into account during the classification process. These criteria are as follows:

2.1 Scientific Degrees.

2.2 Years of Experience.

2.3 Continuing education (courses, seminars and conferences attended by the author).

2.4 Qualification and membership of other arbitrators (Arab or international).

2.5 Practical experience in arbitration affairs.

2.6 Legitimacy knowledge in arbitration rules.

3- Calculation of grades for classification criteria:

The grades are set for each of the above classification criteria. The aim of these grades is to give the opportunity to those who wish to be classified to benefit from their expertise, qualifications and activity in the field of expertise and arbitration. Also, encourage others to expand their work and activity to achieve the highest levels of classification.

The ultimate purpose is to collect grades from each criterion to reach a certain value of one hundred degrees on which the level of classification for each Advanced Engineer is determined for classification as follows:

3.1 Scientific Degrees:

Five degrees for each degree (bachelor - master - doctorate) and a maximum of 15 degrees.

3.2 continuous education:

Three degrees for each participation in a seminar, session or conference in the field of arbitration either as a listener or as a lecturer and a maximum of 15 degrees.

3.3 Qualification with the arbitrators:

Four degrees for each qualification in one of the recognized bodies in the field of arbitration, whether Arab or international and maximum of 16 degrees.

3.4 Practical experience in arbitration matters:

Four grades for each case in which the applicant participated and a maximum of 24 degrees. The document proving participation in arbitration cases, such as the letter of assignment, should be attached to the case study, a copy of the arbitration report.

3.5 Years of Experience:

Two degrees for each year of experience after graduation and a maximum of 22 degrees.

3.6 Legitimacy knowledge:

Four grades for each course with the legal rules of arbitration not less than three days or a certificate of legitimacy and a maximum of 8 degrees.

Note:

A copy of all scientific certificates supporting the classification application must be attached as per Item 2 (Classification Criteria) above.

4- Rating levels and degrees:

4.1 Member: Any engineer with a Bachelor of Engineering in any discipline.

4.2 Technical expert: Each member has accumulated scores between 40 to 60 degrees.

4.3 Arbitrator Class (B): Each member has accumulated grades between 61 to 70 degrees.

4.4 Arbitrator Class (A) : Each member has a score of 71 and above.

5- Responsibilities of the General Secretariat:

The General Secretariat of the Saudi Council of Engineers shall address all registered arbitrators to submit their application forms, and provide them with a copy of the application and the system of classification. The application is to be resubmitted with the other documents. The members of the Engineering Arbitration Board will study and evaluate the applicants' applications and submit to the General Secretariat for the issuance of the classification certificate and the charging of the due fees.

Issues and Engineering Arbitration:

Since its establishment, the Saudi Council of Engineers has been keen on providing technical services for disputes and issues resolution for different parties of the contractual relationship (the owner, the

consultant and the contractor). The Council has expressed its readiness to form specialized technical and arbitration committees to settle all the issues and the disputes facing professionals as carrying out the different contracts. Despite the young age of the Saudi Council of Engineers, it has studied and completed the technical reports of more than 65 disputes and complaints, during the period from 1408 AH, till date. The Council has gained the trust of all judicial authorities, specially the Board of Grievance, and the main courts at the largest main cities. The governmental Authorities and the engineering offices sent many complaints and issues to the Council requesting technical consultation for resolution.