Regulation of Terms and Controls of License to Organize and Hold Local and Foreign Exhibitions

Introduction

The standing committee for International Exhibitions and Fairs was formed in accordance with royal decree No. 16556 issued on 2.8.1385H, and commissioned to propose the general policy of various types of exhibitions and locations. The committee includes representatives of the Ministries of commerce, industry and electricity, Foreign Affairs, Finance and National Economy, Education, Oil and Mineral Resource, Agriculture and Water, Information, Supreme Council of Information, Head Department of Youth Welfare, Department of Customs, Board of Saudi Chamber of Commerce and Industry, Center of Export Development, Saudi Airline.

The Ministry of Commerce invites the committee for meeting whenever deemed necessary and be chaired by deputy Minister of Commerce or his representative. The committee submits its proposals and recommendations to the Ministry of Commerce which will in return take the necessary actions to put these recommendation into force.

Based on the decree of the Council of the Ministers No.2023 issued on 25.12.1394H concerning approval of basis and rules of holding temporary local exhibitions, and as stipulated in paragraph 12 to apply the observed rules on exhibitions held by foreign countries, establishments or companies, and based on the need to provide basis, general rules and standing orders to hold and organize exhibitions of various types and places in the Kingdom to comply with the advance and state of the art technology in organizing exhibitions which are considered as one of the effective methods of acquainting with and introducing the national products and their properties and trade development as a source of national economy development, based on all abovementioned these controls and rules for holding and organizing exhibitions have been established.

List of Definitions

Ministry: Ministry of Commerce.

Committee: International Exhibitions and Fairs committee.

Company or establishment: Company and establishment licensed to organize exhibition.

Commercial registry: Registry issued by the Ministry of Commerce to the company or establishment.

National Consumption Industries exhibition: The exhibition held by the chambers of commerce and industry in the Kingdom to exhibit the national consumer products, where the exhibition of foreign products is prohibited and direct sale to the public is allowed.

Specialized exhibition centers: Licensed center to hold commercial exhibitions.
Philanthropic organizations: Philanthropic organizations licensed in accordance with royal decrees or by Ministry of labour and Social Affairs.

Islamic agencies: Islamic agencies licensed in accordance with royal decrees or ministry of Islamic Affairs, Endowments, Missionary work and Guidance.

Humanitarian institutions: Humanitarian institutions licensed in accordance with royal decrees.

Supermarkets and malls: Supermarkets and malls that contain one shop or a number of shops whether practicing the same activities or various activities. Large super markets will be included.

Center of Export Development: Center of export development at the Board of the Chambers of Commerce and Industry in the Kingdom.
Department of international exhibitions and fairs: department of international exhibitions and fairs at the Ministry of Commerce.

**Section 1**

**General Provisions**

1- Applications for holding and organizing exhibitions within and without the Kingdom shall be submitted to the Ministry of Commerce six month before the proposed time of exhibition to be revised and presented to the international exhibitions and fairs Committee formed by the royal decree No. 16556 issued on 2.8.1385H for consideration of each application independently and deciding on in accordance with regulations.

2- Ministry of Commerce shall monitor through its various systems the application of rules and instructions and decrees associated with exhibition holding.

3- The licensed company or establishment shall present its annual operation plan to the Ministry of Commerce six month before the precedent year at least, and initial approvals shall be issued after presentation to the international Exhibitions and Fairs Committee and issuance of recommendations. The final licenses shall not be issued except after the last day specified for reception of participation.

4- Foreign participation in the national exhibitions held in the Kingdom shall be through the producers themselves or their appointed agents. Distributors participation is not accepted and the foreign participation shall not be less than 5 countries and the number of exhibits shall not be less than 5 from each country.

5- No exhibitions shall be held, announced or opened without a license from the Ministry of Commerce.

6- No exhibition shall be held nor any participation with a wing in the name of the Kingdom of Saudi Arabia shall be made without an official consent.

7- The company or establishment organizing the exhibition shall observe that exhibitions shall be specialized, and selling directly to the public shall be totally prohibited with the exception of the national consumer products organized under supervision of the chamber of commerce with
a time schedule approved by the Ministry.

8- In organizing national consumer products, it is prohibited to exhibit any foreign participation's or products and the representatives of the exhibiting national companies and establishments shall be Saudis.

9- The company or establishment licensed to organize exhibitions undertakes to provide full furnished offices on the site of the exhibition to the representatives of the relevant official authorities to perform their duties of monitoring and supervision during the period of exhibition.

10- The company or establishment organizing the exhibition undertakes to submit a report on every exhibition held within one month after the date of termination and no subsequent application from the company or establishment shall be considered if the report has not been submitted.

11- Holding foreign and local exhibitions within the Kingdom shall be confined to the specialized exhibition centers and licensed hotel lobbies, and with the consent of the minister they may be held in other locations in the cities with no specialized exhibition centers or appropriate hotel lobbies.

12- The activities of the exhibition may include relevant introductory symposiums and cultural programs with the consent of the competent authorities.

13- Companies and establishments licensed to organize exhibitions shall indicate in their advertising and publications No. and date of the license and same shall specify that the exhibition is only for display and not for direct sale to the public, in the same font of the advertising.

14- The Ministry of Commerce shall issue approvals for philanthropic organizations, Islamic agencies and humanitarian institutions licensed to exhibit their products, activities and contributions from others only, in the Kingdom at their official sites, and if this is not possible, they shall hold exhibitions at the licensed exhibition centers and hotels. The philanthropic organizations and agencies shall have the right to organize exhibitions by themselves or through one of the exhibition companies provided that the revenue of the exhibition shall go fully to the charitable activities carried out by such organizations, agencies and institutions. It shall never be allowed to hold these exhibitions in unlicensed places.

15- No other organization may hold charity bazaars in consideration of allocating a part the revenue to charitable activities. Also, no other organizations, if not licensed shall hold or organize exhibitions and charity bazaars.

16- Organizing exhibitions of scientific educational and cultural activities, plastic arts, school text books, children's drawings, medical supplies, symposiums and relevant lectures shall be subject to the consent of the competent authorities supervising such activities.

17- The Ministry of Commerce issues approvals to shopping centers and malls to hold promoting and marketing exhibitions for the participating companies, establishments, and shopping centers existing at the site of these centers only, provided that the period of these
exhibitions shall not exceed 15 days. Each shopping center or mall shall be licensed to hold two fairs only in one year, and the fair shall be inside the shopping center or mall or the spaces specified for support services according to the approved plan for the center or mall. A certificate shall be obtained from the municipality and civil defense to prove the suitability of the exhibitions. The following is completely prohibited:

a- Any commercial participation's form outside the center or mall.

b- Exhibiting any items almost on the verge of expiring.

c- Exhibiting any perishable foodstuff to dispose of by sale.

d- Exhibiting any spoil or old items such like dairy products and derivatives.

e- Exhibiting unguenuine (imitated) commodities and tools, equipment and materials not conforming with Saudi specifications and standards.

f- It shall not be allowed to make any discounts or advertise them without the consent of the competent chamber of commerce and industry according to the approved terms and controls.

18- Requests for organizing specialized women exhibitions by the licensed exhibition organizing companies and establishments shall be combined with a written consent from the competent authorities to hold such exhibition and a commitment that the exhibition will be entirely under management of women, with observance of traditions and general rules of conduct and adherence to observed regulations.

19- Admission to various exhibitions shall be free, unless otherwise stated by the Ministry of Commerce.

20- Arabic language shall be the official language of the exhibition but other languages may be used through interpreters when necessary. The exhibition shall distribute a free comprehensive directory.

21- In case of violation of any of the controls, rules and general and special terms, the ministry shall have the right to prevent the establishment or company form organizing any exhibition for three months at the first time, and in case of repetition of the violation the period shall be doubled, then at the third time the registry of the company organizing activity shall be cancelled and shall not be re-registered again except after one year at least from the date of deletion and based on special commitments to quit violation and to satisfy any coming up requirements.

22- The licensed establishment or company to organize exhibitions shall stand responsible for complying with the instructions related to the certain licensed exhibition and in accordance with this regulation, and the same shall also stand responsible for the success of the exhibition organization.

23- The concerned existing companies and establishments shall adjust their positions to these controls and terms within a period not exceeding 6 months from the date of publishing of such
controls.

Section 2

Terms of license to organize exhibitions in accordance with Decision of the Council of the Ministers No. 2023 issued on 25/12/1394H

1- Holding and organizing exhibitions shall be confined to licensed companies and establishments and the manager in charge delegated to represent them before others and who has the right of signature for such companies and establishments shall be a Saudi.

2- In case of multiple commercial activities of the company or establishment, a special branch shall be specified for holding and organizing exhibitions.

3- The capital of the company/establishment shall be sufficient to meet its liabilities to others and the sale shall present statement of the financial standing annually to department of international exhibition and fairs at the Ministry, certified by accounts auditor or a certified accountant licensed to work in Saudi Arabia. Such statement shall include a copy of its last budget, with a certificate from the chamber of commerce to prove that the company/establishment owns commercial ledgers.

4- The company/Establishment shall represent a statement which specifies number of personnel and their nationalities and percentage of Saudis provided that the administrative system shall be formed from Saudis including at least an executive manager, accountant, public, relations officer, and marketing manager certified by a certificate approved by the Ministry of labour and Social Affairs. The company/establishment shall undertake increasing the Saudis according to the effective instructions. This is a main prerequisite for the renewal of the license.

5- Present evidence of subscription to the Chamber of Commerce and industry in the area of the company's activity and that the subscription is valid and fees paid for the year of the application for license.

6- The commercial registry of the company/establishment will be valid for five years as of the date of its registry at the office of the commercial registry at the Ministry of Commerce or one of its branches in the Kingdom and will not be renewed unless the above terms are satisfied and after the evaluation of the company's/establishment efficiency and performance during the previous five years, by the Ministry or any office authorized by the Minister.

Form of Application for License of Exhibition Organization

Trade Name of company/establishment...........................................

No. of C.R. (if applicable) ..........date ............place of issue ............name of manager in charge ........................

No. of civil status card..........place of issue.........................

Authorized capital............paid capital ...............administrative system (put a mark executive manager, accountant, public relation officer, marketing manager, other.).
**Section 3**

**Terms of Holding Foreign Exhibitions Inside the Kingdom in Accordance with the Decree of the Council of the Ministers No. 2023 issued on 25/12/1394H**

1- Embassies and representations of the foreign companies in the Kingdom exclusively shall apply for organizing exhibitions in the Kingdom through diplomatic channels to the Ministry of Commerce to be presented to the international exhibitions and fairs committee at least six months before the exhibition.

2- Only one foreign exhibition is allowed every year for each country in a city selected by such company provided that it does not contradict with other exhibitions in the same city or with orders restricting exhibition holding in a certain city or at certain times.

3- Any foreign exhibition shall be held by a licensed national company /establishment to organize exhibitions in the Kingdom. The organizing company shall obtain a license from the Ministry to organize the exhibition and to be limited to the consent given to the foreign embassies and representations.

4- The foreign exhibitions held in the Kingdom are not allowed to exhibit more than five samples only for every product and they are prohibited from selling to the public, during the last two days of the exhibition they may sell the exhibited samples through commercial transactions to one of the national companies /establishments after completion of the customs procedures or re-export them directly after the exhibition.

5- All foodstuffs coming to the exhibition shall be subject to analysis by laboratories of quality control at the Ministry of Commerce.

6- Foreign exhibitions shall not be allowed to exhibit jeweleries, rugs and gold work.

7- The companies which have appointed Saudi agents inside the Kingdom may exhibit their new products for introduction only through their appointed agents. The appointed Saudi agent for the foreign companies shall submit applications to the Ministry of Commerce three months at least before the exhibition.

**Form of Application to Organize a Foreign Exhibition in the Kingdom**

Name of Exhibition ........date of beginning....................

Date of end.............place of holding...........................

Name of the organizing country...........name of company /establishment executing the
exhibition............No C.R............date............place of issue ............No. of exhibiting companies ............area space of the exhibition............price of square meter ............No. of exhibitors ............type of exhibited articles ............name of applicant (person, authorized to sign. .......) signature:.........................

Stamp of company /establishment (if available ).............date of application........................................

**Form of Application For a Foreign Company to Hold an Exhibition in the Kingdom**

Name of the foreign company ............nationality ............

Type of product ............name of the Saudi agent ............

No. CR............date........................................

No. of agency ............date ............period............place of exhibition............date of beginning............date of end............type of exhibited articles............No. of exhibited samples............

Applicants (authorized to sign) ........................................

Signature............date of application ....................

Stamp of agent:............

**Section 4**

Terms of Holding Saudi exhibitions abroad in accordance with the decree of the Council of the Ministers No. 2023 issued on 25/12/1394H article 11

1- Licensed national establishments and companies submit applications to hold Saudi Exhibition abroad, to the Ministry of Commerce six months before the exhibition (at least) and they explain in their applications type, place and period of exhibition.

2- Department of International exhibitions and fairs at the Ministry in coordination with the board of the Saudi chambers shall decide a number of countries in which to hold exhibition (made in Saudi Arabia ). It shall not be allowed to hold exhibitions in countries other than defined.

3- Licensed organizing establishments and companies in those countries send their offers with restart method of organizing exhibitions and the proposed cost of one meter to the participants and the best offer is chosen by a committee formed by the Ministry of Commerce for this purpose.

4- The Ministry of Commerce considers organizing the official participation of the Kingdom in the international exhibitions through the licensed national exhibitions establishments and companies under its direct supervision and invites all the licensed and qualified national exhibitions establishments and companies to participate in accordance with the specified procedures, and the Minister chooses the best offer.
5- Board of Saudi Chambers provide the technical support for establishment and companies which apply to organize Saudi exhibitions abroad and furnishes them with necessary studies on feasibility of organizing such exhibitions in those countries in a close coordination with the Department of International Exhibitions and Fairs.

6- The board of Saudi chambers and the exhibitions establishments and companies shall give chance to the factories of national products which will participate in exhibitions abroad on wide range and shall provide the necessary facilities to encourage them for an effective participation if they wish.

7- Board of Saudi chambers and all chambers of Commerce and industry in the Kingdom each in its competent area, shall provide the professional and technical services that can be used to support and promote the national products in the Saudi exhibitions held abroad or participation in international exhibitions.

8- Chambers of Commerce and Industry in coordination with the board of Saudi chambers may participate with a wing in the exhibitions abroad and exhibit their activities publications and samples in their respective areas provided that the exhibition shall be through multi-media, luminous signs, graphics and video tapes after consent.

9- The wing shall provide a special directory to acquaint with the wing and propagate informational knowledge about the Kingdom, its cultural heritage and recent achievements, in coordination with the Ministry of Information.

10- Representatives of the exhibiting companies and factories shall be Saudis.

11- National exhibition establishments and companies shall not be allowed to organize exhibitions abroad or participate in international exhibitions unless they prove their success in organizing exhibitions inside the Kingdom and at least three years have passed since the registry of organizing exhibitions was obtained.

**Form of Application to organize a Saudi Exhibition abroad**

Name of exhibition: ..........place of exhibition.........Date of beginning ..........date of end ......

Company/Organizing establishment: ...........Validity: commercial: ...........Validity ..........valid until... ...........cost of square meter...........total area of the exhibition...........number of participating companies ..............type exhibited articles...........cost of shipment of exhibited articles...........

Number of stands of exhibition.............number of exhibition .............name of person in charge of exhibition..............

Number of exhibitions held by the company in the Kingdom ......abroad .............name of applicant (person, authorized to sign).............signature ..........stamp of establishment

Company .............

date of application.................
Section 5
Terms of License to set up Exhibition Centers

1- Submit project plans certified by a consulting engineering office licensed to operate in the Kingdom, and include; closed halls, open quarters, appropriate parking areas, a mosque, a restaurant, sites of support services, emergency exits and water closets.

2- The outer architectural design of the center shall be suitable to reflect the cultural and architectural profile of the city in which such activity is held.

3- Total area of the project shall be not less than (20,000) sqm2 if the center is in one of the major cities of the Kingdom and may be less than that in the Governors seat as deemed appropriate by the Ministry of Commerce, but not less than 5,000 m2 in all.

4- Project shall be surrounded by three main streets at least and outside the business center of the city and shall be in a suitable area of easy access.

5- Center shall contain all necessary safety and security measures (.warning devices, emergency exits, fire extinguishers, water pumps, etc.) in accordance with the instructions of the civil defense. Various communication means shall be provided (telephone lines, fax, telex, computer, etc.).

6- Present a true copy of the land deed or lease contract with the consent of the land lord to exploit the land for such propose.

7- The Ministry of Commerce Department of international exhibitions and fairs) shall be furnished with an annual report on the centers activity including pointing out the developments in management, location, design, exhibited articles, standard of exhibitions, the public, cultural and information statements).

8- The Ministry of Commerce issues the necessary licenses for setting up exhibition centers and after satisfaction of all required terms including the approval of the relevant authorities, such as the municipality civil defence and other competent authorities.

Application form of setting up an exhibition center

Name of the center owner ..........No. of civil status card ..........date .....

No. of the C.R (if available) ...........date ..........place of issue ...........

Name of the center ...........location ...........total area of the center ...........

No. of land deed and lease contract ........date ........date ............

No. of municipality approval ........date ........name of applicant (person authorized to sign) ........date ...........

date of application......