**Decision No. (22) of 2024**

**Amending Certain Provisions of Order No. (40) of 2021 specifying the Commercial**

**Activities that Foreign Capital Companies may be licensed to practice[[1]](#footnote-1)**

**Prime Minister:**

Having reviewed the Decision No. (40) of 2021 specifying the Commercial Activities that Foreign Capital Companies are allowed to practice, and upon the Proposal of the Minister of Industry and Commerce, and after the approval of the Council of Ministers,

**Hereby decides:**

**Article One**

A new article, numbered (4 bis), shall be added to Decision No. (40) of 2021, Specifying the Commercial Activities that Foreign Capital Companies may be licensed to practice, as follows:

Companies that are wholly or partially owned - as the case may be - by non-Bahraini partners with a shareholding percentage of up to (100%) may be excluded to practice the activity of the authorized distributor, set forth in Clause (21) of Schedule No. (2) attached to this Decision, under any of the following circumstances:

1. There is an active sole proprietorship or company whose capital is owned by Bahraini partners at a percentage of at least (51 %) that practices the activity of the authorized distributor of the same trademark in the Kingdom of Bahrain.
2. The company that owns the international brand distributes its products within the Kingdom of Bahrain.
3. The company must be of economic importance according to the criteria determined by the Minister of Commerce, after the approval of the Council of Ministers.

**Article Two**

A new clause No. (21) shall be added to Schedule No. (2) of Decision No. (40) of 2021, specifying the Commercial Activities that the Foreign Capital Companies may be licensed to practice, as follows:

|  |  |  |
| --- | --- | --- |
| No. | Activity Code | Activity Name |
| **21** | **4699** | **Authorized Distributor** |

**Article Three**

The application of the provisions of this Decision is without prejudice to companies practicing the approved distribution activity prior to the implementation of the provisions of this Decision without the presence of a Bahraini partner whose percentage of ownership reaches at least (51%) of the capital. This is subject to the conditions and controls for practicing the activity of the authorized distributor, as issued by a Decision of the Minister of Commerce, after the approval of the Council of Ministers.

**Article Four**

The Minister of Industry and Commerce shall implement the provisions of this Decision. It shall come into force the day following its publication in the Official Gazette.

**Prime Minister**

**Salman Bin Hamad Al Khalifa**

Issued on: Shawwal 7, 1445 AH, corresponding to April 16, 2024 AD.

1. This is an unofficial translation and in the event of any conflict or discrepancy between the English text and the Arabic text, the Arabic text shall prevail. [↑](#footnote-ref-1)