تعريف
TAREEF
برنامج وزارة العدل لنشر الثقافة العدلية
معـرفة وإثـراء

Highlights on the Implementing regulations for licensing

FOREIGN LAW FIRMS

www.moj.gov.sa
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WHAT ARE THE GOALS OF LICENSING FOREIGN LAW FIRMS?

1. Enhance the Kingdom's competitiveness and improve the business environment
2. Attract wider foreign investments
3. Enrich and diversify the law practice with different law expertise
4. Encourage knowledge exchange and transfer in the practice

The Code of Law Practice and the implementing regulations for licensing

foreign law firms:

Creating the license for foreign law firm in the Kingdom, and setting up the appropriate regulatory framework

The firm will have to:

1

Have minimum of ten years of establishment.

2

Have a distinguished reputation for providing professional legal services.

3

Have previous international presence in a list of countries approved by the regulations.

4

Appoint two representative partners residing in the Kingdom.

5

Temporary licenses are granted for the provision of counsel for specific or specialized projects needed by the Kingdom.

6

Have the option to establish Professional companies with a Saudi practicing partner, or open a Saudi branch whose legal services are limited to the ones stated in the Code of Law Practice

7

Comply with the localization quotas for Saudi law firms and professional companies.

8

Be committed to knowledge transfer and training of Saudi staff, implementing programs for training university graduates, and participating in holding or sponsoring professional events and conferences in the Kingdom.

9

Abide by the percentage of the Legal counsel work transferred to an office outside the Kingdom which must not exceed 30% of the value of the firm's annual advisory work.

MAIN REQUIREMENTS FOR LICENSING FOREIGN LAW FIRMS

1

The firm has a distinguished reputation for providing professional legal services according to international competitiveness reports.

2

The firm has representation or partnerships in at least three different countries or three different regions in a single country according to the list of countries approved by the regulations and the firm must be authorized to practice law in them.

3

The firm must name at least two representative partners with at least ten years of experience. They must reside in the Kingdom for at least 180 days a year.

4

The firm must have been established at least ten years ago.

5

The firm has not been sentenced for an offense impugning honor and integrity, nor has it received any final decision for a gross professional violation, unless at least five years have passed since the full implementation of the sentence or decision.

WHAT ARE THE REQUIREMENTS REGARDING THE PARTNER REPRESENTING THE FOREIGN LAW FIRM?

1. Licensed to practice law under the Code of Law Practice or any foreign law governing law practice.

2. Having minimum of ten years of experience.

3. Have not been sentenced for an offense impugning honor and integrity, nor have received any final decision for a gross professional violation, unless at least five years have passed since the full implementation of the sentence or decision.

COMMITMENTS OF A FOREIGN LAW FIRM

1

Transfer of knowledge to Saudi lawyers and legal staff, providing at least 20 hours of training per year.

2

Adopting a policy for the secondment of Saudi staff to the firm's head office and implementing programs for professional development.

3

Implementing programs for training university graduates in legal work.

4

Participating in holding or sponsoring professional events, conferences and seminars in the Kingdom.

5

Engaging Saudi staff in the firm's various activities and departments.

6

Meeting the localization quotas for Saudi law firms and professional companies.

7

Providing legal counsel in the Kingdom through the firm's local staff. Legal counsel work referred to an office outside the Kingdom shall not exceed 30% of the value of the firm's annual advisory work.

8

Obtaining professional liability insurance

9

Upon the request of the competent department of the Ministry of Justice, providing approved financial statements and an annual report showing commitment to the knowledge transfer plan

10

A licensed office in a form of a professional company with minimum of one Saudi partner who is eligible to provide complete legal work while maintaining regulations as per the Saudi system.

Types of licenses and forms authorizing a foreign law

FIRM TO PRACTICE LAW IN THE KINGDOM

The form of Professional companies
with a registered Saudi practicing lawyer

The form of a branch of the foreign law firm
without partnership with a Saudi partner

The branch's practice shall be limited to the work stated in the Code of Law Practice:

- Counsel on international law
- Counsel on non-Saudi legislation
- Arbitration, mediation and conciliation services under relevant provisions
- Council for specific, specialized or legislative projects

TEMPORARY LICENSE

OF FOREIGN LAW FIRM

The temporary license is granted to a foreign law firm for a specific or specialized project needed by the Kingdom but for which sufficient expertise is not locally available. A foreign law firm may be granted one temporary license per year. With the Minister of Justice's approval, however, more than one temporary license may be exceptionally granted.

Notable obligations of a temporarily licensed foreign law firm

1. Abiding by the scope of the granted license; and assigning at least 10% of the project's legal work to a Saudi legal practitioner

2. Abiding by the rules of professional conduct for lawyers and the professional ethics stated in the Code of Law Practice, its implementing regulations and relevant legislation

3. Submitting a report to the competent department of the Ministry of Justice at the end of the project, indicating the services provided and any other information as determined by the competent department.

NON-SAUDI COUNSELOR

Any lawyer or foreign law firm licensed to practice law in the Kingdom and wants to seek the law practice services of a non-Saudi lawyer, he/she has to be registered in the registry of non-Saudi counselors.

Requirements for registration in the registry of non-Saudi counselors

1

Meeting the requirements for registration in the registry of practicing lawyers; and having a law practice license under any foreign law governing law practice provided that the licensing standards are not lower than the Saudi standards.

2

Having at least five years of law practice experience

3

Having a valid employment contract with a licensed professional law firm or office

4

Enrolling in the Saudi Bar Association

OBLIGATIONS OF NON-SAUDI COUNSELOR



Abiding by the rules of professional conduct for lawyers and the professional ethics stated in the Code of Law Practice, its implementing regulations and relevant legislation



The non-Saudi counselor shall not plead before Saudi judicial authorities or provide legal counsel on Saudi law

HOW THE FOREIGN LAW FIRM'S LICENSE ENDS

1

The license is cancelled upon the firm's request.

2

The license expires and no application is made for renewal.

3

A period of six months has passed from the licensing date and the firm has failed to take a form enabling it to practice law in the Kingdom, except for a valid reason accepted by the Ministry of Justice.

4

The firm has abstained from practicing law in the Kingdom for more than a year.

5

The issuance of a judicial decision or ruling imposing cancellation of license.

6

The end of the project for which a temporary license was issued.

7

The loss of one of the requirements for licensing.



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