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**Decision No. (53) of 2024**

**Amending Certain provisions of Decision No. (40) of 2021**

**Specifying the Commercial Activities that Foreign Capital Companies may be Licensed to Practice**

**Prime Minister:**

Having reviewed the Decision No. (40) of 2021 specifying the Commercial Activities that Foreign Capital Companies may be Licensed to Practice, as amended,

And upon the proposal of the Minister of Industry and Commerce,

And after the approval of the Cabinet,

**Hereby decides:**

**Article One**

The texts of Articles Four and Five of Decision No. (40) of 2021 Specifying the Commercial Activities that Foreign Capital Companies may be Licensed to Practice, shall be replaced with the following texts:

**Article Four bis:**

Companies that are wholly or partially owned - as the case may be - by non-Bahraini partners with an ownership percentage of up to (100%) may be exempted from the percentage requirement specified in Table No. (2) attached to this Decision, to practice the activity of the authorized distributor set forth in clause (21) of the same table, in any of the following cases:

1- The existence of a 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 global trademark distributes its products in the Kingdom, provided that the conditions set forth in Article Five of this Decision are met.

3- The company must have the right to distribute products or services of a trademark of economic importance, and in this case, the approval of the Cabinet is required.

**Article Five:**

It is permissible to license the establishment of companies that are 100% owned by non-Bahraini partners, to practice the commercial activities specified in Table No. (4) attached to this Decision, in accordance with the following requirements:

1- The capital of the company established in the Kingdom of Bahrain shall not be less than one hundred thousand Bahraini dinars or its equivalent in other foreign currencies.

2- The total revenues of the parent company shall not be less than 750 million euros or its equivalent in Bahraini dinars.

3- The company shall be present in ten markets.

**Article Two**

The application of the provisions of this Decision shall not prejudice companies that practice the activity of the authorized distributor of any trademark before 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.

The provisions of this Decision shall apply to the companies referred to in the previous paragraph on distribution contracts concluded after the provisions of this Decision come into effect regarding any new trademark.

**Article Three**

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

**Deputy Prime Minister**

**Khalid bin Abdullah Al Khalifa**

**Issued on: 14 Rabi` al-Thani 1446 AH**

**Corresponding to: October 17, 2024**