



مكتب التنظيم و الرقابة
Regulation & Supervision Bureau

Law No (17) of 2005 Concerning the Establishment of Abu Dhabi Sewerage Services Company (as amended)

This Law No (17) of 2005 as amended has been prepared by the Regulation and Supervision (RSB) to incorporate all amendments made to Law No (17) of 2005 to date. For ease of reference, the most recent amendments are shown in tracked changes

IMPORTANT NOTE

This is an unofficial English translation and should not be relied upon in the event of any dispute or legal proceedings. Where there is a conflict between the RSB's unofficial translation and the original Arabic Law, the Arabic Law will prevail

Law No (17) of 2005

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water, wastewater and electricity sector of the Emirate of Abu Dhabi

Law No (17) of 2005 Concerning the Regulation of the Water and Electricity Sector as amended by –

- **Law No (18) of 2007,**
- **Law No (12) of 2008, and**
- **Law No (12) of 2009 (shown in tracked changes)**

WE KHALIFA BIN ZAYED AL NAHYAN, RULER OF ABU DHABI

Having perused Law No. (1) of 1974 concerning the re-organisation of the Government System in the Emirate of Abu Dhabi and the amendments thereof;

AND Federal Law No. (8) of 1984 concerning commercial companies and the amendments thereof;

AND Law No. (2) of 1971, concerning the National Consultative Council and the amendments thereof;

AND Law No. (2) of 1998 concerning the regulation of the water and electricity sector in the Emirate of Abu Dhabi and the amendments thereof;

AND Law No. (17) of 2005, concerning the Establishment of Abu Dhabi Sewerage Services Company;

And Amiri Decree No. (3) of 1998 establishing the Board of Directors of Abu Dhabi Water and Electricity Authority.

AND in accordance with what has been submitted to the Executive Council and approved by the Executive Council;

WE issue the following Law-

Article (1)

Definitions

In this law, the following terms shall have the following meanings:

~~‘Authority’: the Abu Dhabi Water and Electricity Authority established under Law No. (2) of 1998 concerning the regulation the water and electricity sector in the Emirate of Abu Dhabi;~~

~~‘Board’: the Company’s Board of Management;~~

‘Company’: the Abu Dhabi Sewerage Services Company;

‘Department’: the Department of Municipalities and Agriculture;

‘Emirate’: the Emirate of Abu Dhabi;

~~‘Government’: the Government of Abu Dhabi;~~

‘State’: the United Arab Emirates.

Article (2)

It is hereby established as a Public Joint Stock Company, Abu Dhabi Sewerage Services Company.

Article (3)

The main branch of the Company is to be the city of Abu Dhabi, and it is the Board of Directors’ duty to establish branches or representatives inside or outside the Emirate.

Article (4)

The capital of the Company shall be AED 10,000,000 distributed over an equal number of shares, each at a nominal value of one UAE Dirhams, and all of which are nominal and cash shares paid entirely by the ~~Authority~~Government.

Article (5)

The Company shall fulfil the objectives under its foundation statement, particularly:

- (1) ownership of all sewerage service utilities and facilities including the sewerage network, pipelines and pumping stations in the Emirate which were owned by the Department, on the date this Law came into effect;
- (2) the collection, treatment, disposal and recycling of sewerage, and the maintenance and development of sewerage services utilities and facilities in the Emirate, which has been transferred to the ownership of the Company according to provisions of the previous paragraph of this Article.

Article (6)

- ~~(1) The Company shall not carry out any of its activities until it is granted a licence by the Regulation and Supervision Bureau for the water and electricity sector in the Emirate of Abu Dhabi. The issued licence shall determine the licensing conditions that must be complied with by the Company including the payment of the fees to be determined by the Regulation and Supervision Bureau.~~
- ~~(2) Provided it does not contradict the provisions of this Law, the Company shall be subject to all the provisions of Law No (2) of 1998, referred to.~~
- ~~(3) The Authority shall be responsible for the control and development of all of the Emirate's policies concerning the sewerage sector including its privatisation.~~
- ~~(4) The Company after attaining the prior approval of the Regulation and Supervision Bureau shall be responsible for the following,

a. collection of fees for providing sewerage services and for the connection of facilities to the sewerage system in the Emirate; and

b. selling of the treated waste water effluent.~~

Article (7)

- ~~(1) The Authority shall own all the Company's shares.~~
- ~~(2) The Board of Directors of the Authority shall form the Ordinary and Extraordinary General Assemblies, and shall be in charge of appointing the chairman and members of the Company's Board of Directors.~~

- (1) The Company shall be managed by a Board comprising of a chairman and a number of members, not less than five members. Their appointment and remuneration are determined by a resolution from the Executive Council.
- (2) The duration of the Board is three years and is subject to renewal.
- (3) The Chairman of the Company is the legal representative of the Company before the courts and others.

Article (8)

~~The Board of Directors of the Authority may alter the legal type of the Company, and increase or reorganize the Company's capital structure.~~

The Board is the authority that is responsible for managing the Company's affairs, performing its tasks and achieving all its objectives, and in particular, has the following tasks:

- a. setting the general policy of the Company and overseeing its implementation;
- b. developing rules, internal regulations and decisions necessary to implement the provisions of this law;
- c. proposal and discussion of the Company's annual budget and financial position;
- d. adoption of plans and projects that ensure the development of the Company and achieving its goals and objectives;
- e. setting criteria for assessing the performance of the Company's functions and controlling the level of the implementation of plans and completion of projects;
- f. developing rules and internal regulations concerning the Company's employees and staff;
- g. any other tasks mandated by the Executive Council.

Article (9)

- (1) The Company shall operate in accordance with the constitution established and determined by the Executive Council, which sets out the rules for the Board's meetings and the method of voting on its resolutions.
- (2) The Board shall form the regular and non-regular general assembly of the Company.

~~The Company shall operate in accordance with the constitution established and determined by the Authority's Board of Directors, provided that the Authority owns all the Company's shares.~~

Article (10)

- (1) The ownership of all the sewerage pumping and treatment units and networks, together with all related equipment and laboratories in the Emirate under the management and supervision of the Department, shall be transferred to the Company on the date this Law came into effect.
- (2) The Company shall connect to its networks and utilities other sewerage services providers licensed by the Regulation and Supervision Bureau, in accordance with terms and conditions determined by the Regulation and Supervision Bureau.
- (3) All employees of the Sewerage Directorate in the Department shall be transferred to the Authority and retain their employment rights and benefits.

Article (11)

~~Any agreements and contracts previously approved by the Department concerning sewerage shall be applied by the Authority.~~

Article (12)

~~(1) The Authority may, upon a decision by its Board of Directors, sell or dispose of all or some of the Company's shares or assets, through private or public offering or bidding.~~

~~(2) The proceeds from the shares or assets' sales, in accordance with paragraph 1 of this Article, shall be transferred to the Authority. The Authority has the freedom to dispose of these proceeds in a manner that it sees fit.~~

Article (13)

~~The Authority's Board of Directors, after obtaining the approval of the Regulation and Supervision Bureau, shall be authorised to merge the Company with any subsidiary company of the Authority, or it may sell any of the Company's assets in the manner deemed appropriate by the Authority's Board of Directors.~~

Article (14)

The duration of the Company is one hundred (100) Gregorian years starting from the date of the resolution of the Minister of Economy and Planning declaring the establishment of the Company, to be automatically renewed for a successive similar period, unless a decision is issued by the extraordinary general assembly to dissolve the Company.

Article (15)

The Company's financial year shall commence on the first of January and end on the thirty first of December of each year, excluding the first financial year, which commences at the Company's date of registration in the Commercial Register and ends on the thirty first of December of the year subsequent to the year of establishment.

Article (15A)

The Company shall undertake all activities and tasks related to sewerage services as mentioned in Law No. (2) of 1998, and as amended by Law No. (19) of 2007.

Article (16)

Any provision in conflict with the provisions of this Law shall be void.

Article (17)

This Law shall be effective from the date it is issued and shall be published in the Official Gazette.

KHALIFA BIN ZAYED AL

NAHYAN RULER OF ABU

DHABI

Issued by us in Abu Dhabi on

21 June 2005

14 First Jamadi 1426