



Law No (17) of 2005

Concerning the Establishment of Abu Dhabi Sewerage Services Company

**Unofficial Translation by the
Regulation and Supervision Bureau**

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We Khalifa Bin Zayed Al Nahyan, the 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 1998 concerning the regulation of the water and electricity sector in the emirate of Abu Dhabi;

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 of the water and electricity sector in the emirate of Abu Dhabi;

'Company': the Abu Dhabi Sewerage Services Company

'Department': the Department of Municipalities and Agriculture;

'Emirate': the Emirate 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 Dirham, and all of which are nominal and cash shares paid entirely by the Authority.

Article (5)

The Company shall fulfil the articles in its constitution, and especially;

1. the possession and control over all sewerage utilities and private facilities, including the sewerage network of pipes and pumping stations in the Emirate;
2. the collection, treatment and recycling of sewerage and the maintenance and development of the sewerage utilities and private facilities in the Emirate.

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 licence stipulates the conditions to be complied with including the payment of the fees to be determined by the Regulation and Supervision Bureau.
2. The Company shall be subject to all the clauses of the referred to Law No (2) of 1998, provided that it does not contradict with the clauses of this Law No (17) of 2005.
3. The Authority shall be responsible for the control and development of the Emirate's policies concerning the sewerage sector and its privatisation.
4. The Company may, after the approval of the Regulation and Supervision Bureau;
 - a) collect fees for providing sewerage services and for the connection of facilities to the sewerage network in the Emirate; and
 - b) sell the treated wastewater effluent to the Department.

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.

Article (8)

The Board of Directors of the Authority shall alter the legal type of the Company, and increase or recognise the Company's capital structure.

Article (9)

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 treating units, network and stations and all its related laboratories and equipment, shall be transferred to the Company.
2. All the employees working at the management of sewerage in the Department shall be transferred to the Authority, while maintaining 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 discard 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 Board of Directors of the Authority shall have the right to merge the Company with any of its subsidiary companies, or to sell any of the Company's assets, in a manner as the Authority's Board of Directors sees fit.

Article (14)

The duration of the company is one hundred (100) Gregorian years starting from the date of the resolution of the Ministry 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 (16)

Anything that contravenes this law shall be null and void.

Article (17)

This law shall become effective on the date of issue 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**