

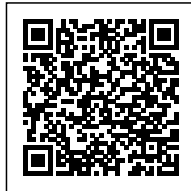
# AS&H ADVISES KSA MINISTRY OF COMMERCE IN DRAFTING NEW COMPANIES LAW

*Posted on 15 July 2022*



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AS&H in cooperation with [Clifford Chance](#) advises the Ministry of Commerce in relation to drafting the new Companies Law. The new Companies Law is considered a significant milestone towards achieving the Kingdom's Vision 2030 initiative.

The new Companies Law, which was approved by the Saudi Arabian cabinet on 28 June 2022, has been designed to support the objectives of Vision 2030 of the Kingdom of Saudi Arabia.

Given the current market conditions and anticipated continued growth in the economy, the new Companies Law provides for a new type of company - referred to as Simplified Joint Stock Company — that meets the needs of entrepreneurship and venture capital growth.

In light of the number of highly successful family businesses in the Kingdom, the new Companies law also allows for the issuance of a family charter that regulates ownership in family businesses, in addition to governance, management, work policy, employment of family members and cash profits to ensure the sustainability of these companies.

Under the new Companies Law, the legal requirements and procedures for SMEs have been reduced and the procedures for establishing companies have been simplified. Additionally, many restrictions in the incorporation, practice and exit phases and restrictions on company names have been removed.

The AS&H team was led by managing partner **Fahad Abuhimed** (pictured left) and partner [Hanan Hassanain](#) (pictured right) with support from senior associates **Saad Al-Dileym** and **Khalid Al-**

