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**SUMMARY OF ‘REVOLVING DOOR’ RESTRICTIONS
IN THE ARAB MIDDLE EAST**

The term ‘revolving door’ refers to the movement of individuals back and forth between government sector and private sector employment, often in order to exploit their prior employment to benefit their current employer.¹ This movement between government and private sectors is not necessarily bad (and in some cases might be beneficial, for example, to bring different perspectives into government and business). However, a lack of regulation can also lead to conflicts of interest.

A former government official might be attracted to a private sector position due to his prior government experience, insider information and influence that could be used to unfairly benefit his new employer. Conflicts of interest may also arise when the official is still in public office, for example, if a government official makes biased decisions to benefit a prospective private sector employer.²

On the other hand, a former private sector employee who moves to a government position might exhibit bias favoring his former employer in forming public policy, making procurement decisions, and enforcing regulations.³

Of those Western countries with ‘revolving door’ laws, very few have enacted any restrictions governing an employee’s movement from the private sector to the public sector. However, a number of countries require ‘cooling-off’ periods to address potential conflicts

caused by an employee’s movement from the public sector to the private sector. This means that, for a specified period of time, former government employees are prohibited from work in the private sector relating to their previous duties in the public sector.⁴

‘Cooling-off’ periods are based on the notion that the interval between two jobs is relevant to the intensity of any potential conflict. By requiring the passage of a certain period of time after leaving government office, the former public official will theoretically have a decreased ability to benefit his new private sector employer with his previous government connections and inside information.

Most countries in the Arab Middle East have not enacted any ‘revolving door’ restrictions, whether in any criminal code, civil service law, or anti-conflict of interest law.⁵ Although many Arab countries have enacted civil service regulations that place restrictions on the outside commercial activities of current government employees, these restrictions do not extend beyond the employee’s term in government service.

As a notable exception, Egypt has enacted multiple laws containing ‘revolving door’ restrictions. For example, Article 3 "First" (E) of the Egyptian Commercial Agency Law⁶ provides that former employees of the government, local government units, public organizations, or public-sector units and companies, may not engage in commercial agency activities for a two-year ‘cooling off’ period from the date of leaving government service. (Commercial agency activities are defined in Egypt to include undertaking to submit bids or conclude purchasing and selling contracts, or provide other related services, in the name and for the account of producers and manufacturers.)

In addition, under Article 178 of the Egyptian Companies Law⁷, former government officials who were members of the executive management at their government departments or agencies prior to terminating their government employment, are prohibited for three years following their termination from owning an interest in, or working for, any company which is granted special benefits, subsidies, guarantees or which is party to concession agreements with any government entity.

Finally, the Egyptian government has enacted a relatively new Law Prohibiting Conflict of Interest of State Officials (“Egyptian Conflicts Law”)⁸, shortly after former President Mohamed Morsi was overthrown. Under the “Egyptian Conflicts Law”, certain government officials (including the heads of public entities) are prohibited from certain activities, including working within six months from leaving office for a private company that operates in the government official’s field of expertise. According to Article 1 of the “Egyptian Conflicts Law”, the law is applicable not only to the President and members of the cabinet, but also to other government and public entity officials.

In Jordan, the Ministry of Public Sector Development has prepared a Code of Ethics and Professional Conduct in Public Service. Article 9E of that Code, dealing with conflicts of interest, states that a civil servant shall not accept job offers, within one year after leaving work at her government department, or work at any institution with which that department had substantial transactions, unless upon written approval from the department. Moreover, after leaving work at the department, the civil servant is prohibited from offering any advice to any such institution based on private information related to the programs and policies of her former government department.⁹

Lebanon has also enacted a ‘revolving door’ restriction on government employees, under Article 100 of the Lebanese Law on Civil Servants¹⁰, which provides in relevant part:

The civil servant is prohibited, for five years as of termination of his [government] service, from working in any establishment that was subject to his oversight in the [government] department where he used to work, or that had regularly supplied products to such department, or had provided works to such department during the civil servant's employment. The civil servant is also prohibited, during the same period, from having any interest in such establishment, represent it or defend it before courts in litigation filed by such establishment against public departments and establishments. ...

For instance, a civil servant who was in charge of supervising the operation of restaurants and bakeries would be prohibited for five years from working for such business establishments after termination of his government service. This prevents the civil servant from using his authority (while in government service) to obtain private sector benefits following termination of his government employment.

Through application of Article 149 of the Lebanese National Defense Law¹¹, Lebanese military personnel are subject to the same ‘revolving door’ restrictions. (Article 149 states that “Military personnel shall be governed by the Rules on Civil Servants in all matters that are not addressed by the present Decree Law.”)

By way of contrast in Qatar, Article 72 of the Military Service Law¹² states that a military person shall not perform any paid work for others, or engage in commercial activities during his military service; however, these prohibitions are not expressly applicable after his discharge, and we believe they do not extend after that time. Article 72 of that law also states that a military

person shall not serve another country for five years after the end of his service, unless upon approval from the competent authority. However, that law does not expressly prohibit a military officer from working in the private sector after ending his Qatari military service.

Moreover, we are not aware of any general ‘revolving door’ restrictions in internal regulations, guidelines or standard employment contract terms imposed by any government ministry or department in the Arab Middle East. (In the event such internal rules exist, they would not be generally available for public review. In our view, any such internal rules would only bind the relevant former government official, not the company hiring that former official.)

Thus, in the case of hiring a former military official upon his retirement from military service, most Arab Middle Eastern countries do not require any special permission or approval. The end of service certificate that is customarily issued to the employee in each case by the relevant Ministry of Defense specifies the scope of prohibited activities, which usually are limited to a prohibition on serving in a foreign army. The former military officer is otherwise usually permitted to engage in all other civil or commercial activities without any need to apply for a special government approval.

In accordance with many civil service laws in the Arab Middle East, former government employees are forbidden from making personal use of confidential information obtained during government employment. For example, Article 25 of the Kuwaiti Civil Service Law¹³ forbids a government employee from divulging any information that should remain secret due to its nature or according to any special instructions. In addition, the government employee is forbidden from publicizing such information unless after obtaining written permission from the relevant Minister. These restrictions continue to apply even after government employment has ended,

i.e., a former government employee may not subsequently use confidential information obtained during his government employment.¹⁴

Similar rules apply to military personnel in many Arab Middle Eastern countries. For example, Article 72 of the Qatari Military Service Law states that a military person shall not disclose any information related to his work, which obligation is expressly stated to continue even after the end of his service.¹⁵

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As summarized above, most countries in the Arab Middle East have not enacted any ‘revolving door’ restrictions. However, there are exceptions in some of the more mature legal jurisdictions (such as Egypt, Jordan and Lebanon). In addition, rules combatting bribery, corruption and conflicts of interest are well-established throughout the Arab world – notwithstanding any vagaries in the actual enforcement and prosecution of violations. In that light, one might expect that additional Arab countries will enact ‘revolving door’ restrictions in the years ahead, at least as existing government employees increasingly move from public sector service to work in the private sector.

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ENDNOTES

¹Transparency International, “Regulating the Revolving Door”, Working Paper #6/2010, accessed at https://www.transparency.org/whatwedo/publication/working_paper_06_2010_regulating_the_revolving_door

²Transparency International, “Cooling-Off Periods: Regulating the Revolving Door”, Anti-Corruption Helpdesk (5 June 2015), accessed at

https://www.transparency.org/whatwedo/answer/cooling_off_periods_regulating_the_revolving_door

³Id.

⁴See, generally, Jack Maskell, Congressional Research Service, “Post-Employment, ‘Revolving Door’, Laws for Federal Personnel” (January 7, 2014), accessed at <https://fas.org/sgp/crs/misc/R42728.pdf> U.S. federal laws generally restrict only certain representational activities for private employers, such as lobbying, and which attempt to influence, current federal officials.

⁵For example, none of the following Omani laws contains any ‘revolving door’ restrictions: Omani Royal Decree No. 7 of 1974 (criminal code), accessed at <http://policehumanrightsresources.org/wp-content/uploads/2016/07/Penal-Code-Oman-1974.pdf>; Omani Royal Decree No. 120 of 2004 (civil service law), accessed at <http://www.oman.om/wps/wcm/connect/6d60e960-c690-42ea-838a-3c99ee25a25a/Civil+Service+Law.pdf?MOD=AJPERES>; and Omani Royal Decree No. 112 of 2011 (law for avoidance of conflict of interests), accessed at <http://www.pogar.org/publications/ac/compendium/oman/related-national-laws/conflict%20of%20interests-a.pdf>

⁶Egyptian Law No. 120 (1982), accessed at http://www.comercio.gob.es/es-ES/comercio-exterior/politica-comercial/obstaculos-comercio/con-terceros-paises/PDF/documentos-relacionados-portal-barreras-comercio-sec/Code94_1CommercialAgencyLaw120_1982.pdf

⁷Egyptian Law No. 159 (1981) as amended, accessed at <http://www.gafi.gov.eg/English/StartaBusiness/Laws-and-Regulations/Documents/Lawno159oftheyear1981.pdf>

⁸Egyptian Law No. 106 of 2013, accessed at <https://www.egypt.gov.eg/english/laws/>

⁹This Code was issued pursuant to Article 67A of the Jordanian Civil Service Regulation No. 82 (2013), and accessed at

<http://www.mopds.gov.jo/en/PDF%20Files/Code%20of%20Ethics%20and%20Professional%20Conduct%20in%20Civil%20Service.pdf>

¹⁰Lebanese Decree Law No. 112 (1959), copy available in the author’s Chicago office.

¹¹Lebanese Decree Law No. 102 (1983), copy available in the author’s Chicago office.

¹²Qatari Law No. 31 of 2006, accessed at <http://almeezan.qa/LawPage.aspx?id=3996&language=ar>

¹³Kuwaiti Law No. 15 (1979), accessed at www.ilo.org/dyn/natlex/docs/ELECTRONIC/39896/102917/F-2052937373/KWT39896%20Arab.pdf

¹⁴See also Article 34(2)e of the Bahrain Decision No. 51 (2012), the executive regulations to the Civil Service Law, accessed at <https://www.csb.gov.bh/media/document/Regexeeng-51-2012.pdf>; and Article 68 of the UAE Federal Human Resources Law, Federal Decree Law No. 11 (2008) as amended, accessed at <https://www.fahr.gov.ae/Portal/Userfiles/Assets/Documents/38e702a7.pdf>

¹⁵See also Article 104 of Egyptian Law No. 232 of 1959 as amended, regarding Service of Military Personnel, copy available in the author’s Chicago office.