Annual Update 2019:

Kingdom of Saudi Arabia

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
Immigration		
Increase in annual fees payable when hiring non-KSA nationals	The annual fees payable by employers when sponsoring foreign employees for work permits have increased as follows:	Ensure the correct fee is paid by assessing the nationalities of existing and incoming staff.
	(1) from SAR 3,600 to SAR 6,000 per employee (where the total number of foreign national employees do not exceed Saudi national employees).	
	(2) from SAR 4,800 to SAR 7,200 per employee (where foreign national employees exceed Saudi national employees).	
	Further increases are expected to take place on an annual basis.	
	Effective date: January 1, 2019.	
Immigration		
Increase in annual dependent fees	Foreign employees can sponsor a dependent subject to a fee. The fee per dependent will increase from SAR 2,400 to SAR 3,600 in July 2019. The fee is payable by the employee, but staff sometimes ask their employer to cover the cost as part of the 'expat package'.	No action required but be aware of the increased fees if hiring a non- KSA national with a dependent.
	Effective date: July, 2019.	
Labour standards		
Further legal reform is expected	A Resolution was recently passed, which may amend the Labour Law. At the time of writing, there are no clear details regarding what has been amended and whether or not the changes are immediately effective. This is often the case in KSA but we expect more information to be available in the next few weeks.	No action required but keep track of any updates.