



Global Immigration alert

May 2024

Saudi Arabia

Saudi Arabia relaxes requirements for companies hiring certain foreign nationals

Executive summary

On 11 April 2024, the Ministry of Human Resources and Social Development amended the Nitaqat regulations on the [Qiwa platform](#), making it easier for employers to hire qualifying foreign nationals.

Background

Nitaqat is a nationalization program implemented by the Saudi government. Nitaqat requires Saudi companies to hire a certain number of Saudi nationals. The number of foreign nationals that a company can hire depends on its Nitaqat level (i.e., Platinum, High Green, Mid Green, Low Green and Red), which is based on the company's nationalization percentage (i.e., percentage of Saudi employees) and its total number of employees.

Key developments

The amended Qiwa portal introduces the following changes:

- ▶ Foreign investors who own private companies in Saudi Arabia will no longer be considered foreign nationals for purposes of compliance with Nitaqat (as previously), but rather as Saudi nationals. In other words, one such individual will count as one Saudi national.
- ▶ Palestinians who hold an Egyptian passport and Balochis (i.e., people of Baloch) will count as one-fourth of a foreign national for purposes of compliance with Nitaqat. In other words, hiring four such individuals will count as hiring one foreign national.
- ▶ Nationals of Myanmar will also count as one-fourth of a foreign national for purposes of compliance with Nitaqat, except those residing in Makkah or Madinah, who will be counted as one foreign national.

Impact on employers

These developments are expected to benefit local companies by relaxing hiring compliance requirements.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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