



Invest Saudi

A G20 Economy... 3rd Fastest in Growth

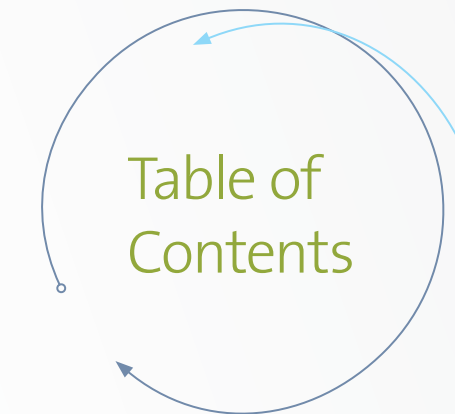


Saudi Arabian General Investment Authority

SAGIA

“Saudi Arabia is the largest and fastest growing economy in the Middle East and North Africa”

The World Bank - 2013



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Welcome to Saudi Arabia



A farsighted leadership committed to economic development and the well-being of its nation.

“The world we live in is constantly changing. For this reason, we are committed to continue with our work to develop the nation – liberating the economy, improving government and administration, and implementing balanced policies – developing, Allah willing, towards a bright future. As always, the quality of what we produce is more important than the quantity in enabling us to reap the maximum benefit. The Kingdom’s reforms in the economic, investment, and administrative fields, have raised the competitiveness of our economy and encouraged Saudi, foreign and joint investments providing them with a wide range of incentives and support. This is reflected in the increased investment by global companies, who have chosen the Kingdom as one of the most attractive and least risky destination for investment”

The Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al-Saud



Message from the Governor



Saudi Arabia has a stellar record of growth and transformation, offering a broad range of investment opportunities while growing and diversifying its economy. An exciting and rewarding venture for those who want to be part of our journey.

Our vision is to be a leading investment destination that promotes a diversified knowledge based economy and drives sustainable socioeconomic growth.

Our mission is to promote, attract and grow quality investments in untapped sectors while fostering an exceptional business environment.

We aim to leverage the Kingdom's resources, advantages and motivated human capital to emerge as a regional hub and a perfect place for globally leading innovative enterprises both large and small.

By capitalizing on our skills, capabilities, and successful partnerships; we in the Kingdom of Saudi Arabia are confident that our promise to investors for an exceptional and a rewarding experience will be a reality.

"Don't Settle for Less, Be Part of Our Exciting Journey"

Abdullatif Al-Othman

Governor, Saudi Arabian General Investment Authority (SAGIA)

10 Reasons to Invest

We have the...

- government's commitment and the determination
- market and location
- business environment and regulations



King Abdullah
Financial District
- Riyadh



Business Centers offer
investors efficient
services and customer
care

What We
Look For ?

Value Adding Investments for Saudi

- Contribute to economic development and diversification of targeted industries
- Create sustainable and quality jobs
- Transfer knowledge and expertise
- Enhance the Kingdom's competitiveness in exports and services
- Promote innovative SMEs



Our economy and business environment are both open. Business savvy investors can gain market access on their own

Starting a Business

To start a business in the Kingdom, there are 3 main phases:



Inception



Incorporation



Operations

Phase	Steps
1. Inception	Obtain an Investment License from SAGIA
2. Incorporation	Obtain Commercial Registration (CR) through SAGIA
	Open registration file at Labor Office (file 700) through SAGIA
	Obtain the General Manager's visa and residency permit (Iqama)
	Subscribe to the Chamber of Commerce (CoC)
3. Operations (Starting up)	Subscribe to the Department of Zakat and Income Tax (DZIT)
	Subscribe to the General Organization for Social Insurance (GOSI)
	Issue Municipal License

For further details on how to start a business in Saudi Arabia, please refer to the "Investors' Guide to Starting a Business in Saudi Arabia", which is located at the back of the brochure.



Foreign investors
can own businesses up
to 100%, local equity
ownership is only required
in a limited number of
business activities ^{*1}

Phase 1:

Inception

- Obtaining an Investment License

Investors are highly encouraged to apply directly on their own through our website (www.sagia.gov.sa) or visit our Business Centers.

The investor must define the type of business activity among the following 10 options:

- 1- Industrial
- 2- Commercial
- 3- Specialized services
- 4- Non-specialized services
- 5- Contracting
- 6- Real estate
- 7- Advisory
- 8- Agricultural
- 9- Temporary license
- 10- Scientific and technical office

Notes:

- Investments should not be on the negative list
- Some activities require preliminary approval of the ministries and departments concerned, such as financial services, insurance, media, tourism, health, education, training, food and medicine industry
- Local equity ownership is required for the following business activities:
Retail, Professional consulting, Insurance and Re-insurance, Telecom and Mortgage finance

Basic requirements for all activities

Complete the online investment license application on SAGIA website: www.sagia.gov.sa >>> [Investor Tools](#) >>> [Online Services](#) >>> [New Investment License](#). Upload the following documents (all translated in Arabic)

1. Board resolution, is to invest in the Kingdom stating: names of partners, capital, share of each partner, activity and appointment of General Manager- all certified by the competent authorities and the Saudi Embassy ^{*2}
2. Copy of the company's Commercial Registration (CR) in its native country certified by the competent authorities and the Saudi Embassy ^{*3}
3. Copy of the company's articles of association certified by the competent authorities and the Saudi Embassy ^{*4}
4. Partners ultimate ownership structure of the company
5. Entities applying should be established in the form of a corporation
6. Copy of the General Manager's passport
7. Company Profile
8. A copy of the Trade Name registration
9. If the activity requires the approval of a specific Saudi Authority (e.g. Financial Services - Insurance - Health - Information - Tourism - Education) then upload the preliminary approval of the relevant government entities

10. Summarized investment business plan describing nature of investments, financial requirements , source of funding, implementation schedule and economic contribution of the investment to the economy

11. Job labor localization plan

12. Major project milestones

13. Submit financial statements of the last 3 years....etc certified by the Saudi Embassy

^{*1} **Retail, Professional Consulting, Insurance and Re-insurance , Telecom and Mortgage Finance , all require participation of a local in equity ownership .**

^{*2} **All OECD countries are exempted from certification**

^{*3} **For inquiries, please visit: www.sagia.gov.sa and fill in the general inquiry form at the “Contact Us” page**

^{*4} **If you are already a licensed investor, you can log all your inquiries on your electronic account page**

Additional Requirements by Type of Activity

Industrial and Trading		Specialised Services and Non Specialised Services		Contracting and Real Estate	
Type of Activity	Additional Requirements	Type of Activity	Additional Requirements	Type of Activity	Additional Requirements
Industrial	<ul style="list-style-type: none">• Minimum capital required is SAR 1 million (USD 266,666)• Feasibility study	Specialised Services	<ul style="list-style-type: none">• Minimum capital required is SAR 500,000 (USD 133,333)• Obtain preliminary approval by relevant authority	Contracting	<ul style="list-style-type: none">• Demonstrated past experience developing quality projects in the same field• To be classified in country of origin in the same field with at least a level 3 category• To be notarized by Saudi Embassy for non (OECD) organization for economic cooperation and development
Trading	<ul style="list-style-type: none">• A minimum of 25% equity ownership by a local partner• Train 15% of Saudi employees yearly	Non Specialised Services	<ul style="list-style-type: none">• Minimum capital required is SAR 500,000 (USD 133,333)	Real Estate	<ul style="list-style-type: none">• Minimum value of property for each project should not be less than SAR 30 million (USD 8,000,000) in value (Capital required of minimum SAR 500 million)• Real estate developments in the cities of Makkah and Madinah are not allowed• Certification of the value of the real estate and cost of the project by an independent certified architect or engineer

Agricultural and Consulting		Temporary License and Technical and Scientific Office	
Type of Activity	Additional Requirements	Type of Activity	Additional Requirements
Agricultural	<ul style="list-style-type: none">• Minimum capital required is SAR 25 million (USD 6,666,666)• Must prove to have 25% minimum of the total capital	Temporary license	<ul style="list-style-type: none">• Copy of bid award from a government or semi government entity
Consulting	<ul style="list-style-type: none">• Approval from Ministry of Commerce and Industry (MOCI) for speialized proffessional consulting• The person requesting the license should have at least an MBA – certified by Saudi Embassy• Prior experience in same business field for at least 5 years	Technical and Scientific Office	<ul style="list-style-type: none">• Name of company of Saudi agent• Letter of no objection by Saudi agent of the company's opening scientific and technical office to provide scientific and technical services for the company's customers certified by Chambers of Commerce (CoC)• Demonstrate that parent company is industrial and specify number of technical employees required



Fast Track Service

The Saudi Arabian General Investment Authority (SAGIA) introduced a Fast Track service for foreign investors looking to invest in the Kingdom. Eligible investors will benefit from a faster and simpler application process and will be granted approvals on their investment applications within a maximum period of five working days upon receiving all required documents.

The Fast Track service is available to potential investors who meet one of the following criteria*:

- 1- A multinational company
- 2- A publicly listed company whose shares are traded on an internationally recognized stock exchange
- 3- A company that manufactures products that are certified by independent international agency, and utilizes an authorized or a licensed process technology
- 4- Innovative Small and Medium Size enterprises that own unique and registered Intellectual Property Rights
- 5- A company proposing to establish regional centers in the Kingdom of Saudi Arabia
- 6- A construction company classified as ‘first class’ in its country, or which has implemented a project with a value of not less than SAR 500,000,000 (USD 133,333,333), have manpower of not less than 2,000 employees and total assets of not less than SAR 50 million (USD 13,000,000)
- 7- A company that will be entering into partnership with other companies qualified by a Saudi Arabian government agency, or by a Saudi state-owned entity or an entity in which the government has ownership; or with a company listed on the Saudi stock market

* Eligible investors should provide proper evidence of their eligibility

The aim of SAGIA's Fast Track service is to attract Foreign Direct Investments (FDI) into targeted sectors within the Saudi economy. These sectors are: ICT; downstream petrochemical & mining; industrial manufacturing; Healthcare and Life science; Transportation and Infrastructure; Energy and Petrochemicals; and, Human capital Development.

To benefit from the Fast Track service, investors must provide the following documents:

- Shareholders’ resolution clearly stipulating the following: to invest in the Kingdom; the names of shareholders of the applicant; details of the share capital of each shareholder; details of the company’s headquarters; details of the applicant’s commercial activity; and the name of the proposed General Manager and Authorized Representative, duly legalized by the competent authorities and the Saudi Consulate
- Copies of the applicant’s Association and Commercial Registration certificate, duly authenticated by the competent authorities and the Saudi Consulate
- A completed application form and provision of a company profile, duly authenticated by the company’s seal

We welcome you to submit your application online via the following link:

www.sagia.gov.sa >>> [Investor Tools](#) >>> [Online Services](#) >>> [New License Special Track](#)

General Conditions:

Minimum Capital Requirements		
Type	Minimum Capital	Saudi Partner required?
Services	SAR 500,000 (USD 133,333)	No
Industrial	SAR 1,000,000 (USD 266,666)	No
Trading	SAR 26,666,700 (USD 7,111,120) (minimum 20 Million owned by Foreign entity)	Yes – minimum 25%
Real Estate	SAR 500,000 (USD 133,333)	No
Agricultural	SAR 25,000,000 (USD 6,666,666)	No

* Only one type of activity in one license is allowed, however investors can apply for multiple licenses.

Non-Permitted Activities	
<ul style="list-style-type: none">• Oil exploration, drilling and production, except the services related to mining sector listed at (CPC 5115+883) in International Industrial classification codes• Manufacturing of military equipment, devices and uniforms• Catering to military sectors• Security and detective services• Real estate investment in Makkah and Madina• Tourist orientation and guidance services related to Hajj and Umrah• Recruitment and employment services including local recruitment offices• Real estate brokerage• Printing and publishing except the following activities:<ul style="list-style-type: none">- Pre-printing services internationally classified at (CPC 88442)- Drawing and Calligraphy (CPC 87501)- Photography internationally classified at (CPC 875)- Radio and Television Broadcasting Studios internationally classified at (CPC 96114)- Foreign Media Offices and Correspondents internationally classified at (CPC 962)- Promotion and Advertising internationally classified at (CPC 871)	<ul style="list-style-type: none">- Public Relations internationally classified at (CPC 86506)- Publication internationally classified at (CPC 88442)- Press Services internationally classified at (CPC 88442)- Production, selling and renting of computer software internationally classified at (CPC 88)- Media consultancies and studies internationally classified at (CPC 853)- Typing and copying internationally classified at (CPC 87505 + 87904)- Distribution of recorded movies internationally classified at (CPC 96113)• Franchising internationally classified at (CPC 621)• Audiovisual and media services• Land transportation services, excluding the inter-city passenger transport by trains• Services provided by midwives, nurses, physical therapy services and quasi-doctoral services internationally classified at (CPC 93191)• Fisheries• Blood banks, poison centers and quarantines



Obtaining General Manager visa

1. Support letter from SAGIA
2. Complete visa application form
3. Undertaking to obtain Commercial Registration (CR)
4. Copy of General Manager (GM) passport
5. Copy of SAGIA license
6. Partners' resolution for GM appointment or a copy of articles of association highlighting the appointment of the GM
7. Legal empowerment of a law firm (should an investor chose to hire a legal firm)
8. Copy of ID of person with power of attorney
9. Certification of all official papers (translated into Arabic) from the Saudi Embassy in the country of the parent company

Issuing a residency permit (Iqama)

1. Complete the application form in print and stamp it with company seal
2. Copy of SAGIA license
3. Valid commercial registration number or in absence of that; signing of an undertaken to provide it within 1 month
4. Copy of the passport with entry visa
5. A complete medical examination
6. Payment of fees
7. Proof of Medical Insurance
8. Certified document of General Manager appointment (for the issuance of a General Manager iqama)

Obtaining Commercial Registration

• Issuing a Commercial Registration Number for Companies (LLC)

1. Complete application form
2. Copy of SAGIA license
3. Original and copy of Article of Association (AoA) certified by a notary
4. A copy of the official Gazette or local Gazette with summary of the AoA
5. Original bank statement for capital deposit
6. List of Partners and managers
7. The company's headquarters rent contract or property deed
8. Partner's decision to appoint directors
9. Power of attorney (certified) for the delegated applicant + his photo
10. Copy of license from the competent authorities if required by the company's activities, for example, (Ministry of Defense - Ministry of Information - Food and Drug Authority etc...)
11. ID of Saudi appointed directors . As for foreign directors, copy of passport + endorsement from SAGIA in absence of the Iqama

• Issuing a commercial registration number for the branch of a foreign company:

1. A copy of SAGIA license
2. Original bank statement for capital deposit
3. Copy of power of attorney to applicant + his ID
4. Power of attorney given to the Branch Manager in one of the local authorized banks
5. A copy of the company's certificate of incorporation (and the commercial registration) translated into Arabic and certified by the Saudi Embassy in the country of origin and the Ministry of Foreign Affairs
6. Partners' resolution to open a branch in the Kingdom of Saudi Arabia translated and certified by the Ministry of Foreign Affairs and the Embassy of Saudi Arabia
7. Copy of Branch Manager iqama

Opening file 700 at labor office

1. Fill specific form (file opening form) and stamp it with company seal
2. Address a letter to the Ministry of Labour representative at SAGIA service center requesting opening file 700 in the hiring department.
3. Copy of Commercial Registration
4. Copy of SAGIA license

Obtaining Chambers of Commerce's (CoC) membership

1. Fill Subscription form (Form 25) signed by the owner or empowered person
2. Original and copy of commercial registration
3. Original and copy of ID and iqama of the GM
4. Original and copy of power of attorney for delegated person
5. Original and copy of certificate of Incorporation
6. Pay fees

*** The membership must be renewed annually**



Subscribing to Department of Zakat & Income Tax (DZIT)

- 1. Fill out the subscription form available on-line at: www.dzit.gov.sa
- 2. Copy of main commercial registration and branches
- 3. Copy of SAGIA license
- 4. Copy of Saudi ID for Saudis or passport + iqama for each foreign partner or General Manager
- 5. A copy of the leases or title deeds
- 6. Bank certificate issued by the local bank for the capital deposit
- 7. AoA certificate registered by the notary

Subscribing to the General Organization for Social Insurance (GOSI)

- 1. Register on-line through the following website: www.gosi.gov.sa
- 2. Copy of CR, SAGIA license and Company's AoA.
- 3. Copy of passport and iqama of the GM
- 4. AoA stating appointment of GM or Company resolution of his appointment
- 5. Provide names of employees

Issuing Municipal License

- 1- Original and copy of valid commercial registration
- 2- Original and copy of the rent contract (provided by real estate office) valid for at least six months and certified by the Chamber of Commerce + copy and original of rent payment receipt
- 3- Copy of property title deed
- 4- Copy of building permit
- 5- Copy of electricity bill
- 6- Masterplan with location coordinates
- 7- A picture of the shop façade reflecting municipal specifications and photographs of the site internally + remote image showing the building and the general location from distance
- 8- Location map and mobile number
- 9- Approvals from the relevant government entities to start the business activity



Low Cost Financing & Incentives

- Saudi Industrial Development Fund (SIDF)

- The Saudi Industrial Development Fund (SIDF) offers low interest loans for up to 50% of project capital or up to SR 600 million (U.S. \$160 million) whichever is lower.
- Low interest loans for up to 75% of project capital for certain areas such as Southern and North-Western regions.
- Loans are provided for a maximum term of 20 years, including two years grace period with repayment schedules designed to match the projected cash flow of the project.

- Public Investment Fund (PIF)

- Since 1971, the Kingdom's Public Investment Fund (PIF) has provided over \$20 billion of medium- and long-term loans and guarantees for industrial and commercial projects. Administered by the Ministry of Finance, PIF loans are for projects not covered by commercial funding and can be for up to \$1.3 billion.
- Finance is available to both public and private institutions, regardless of whether the projects are undertaken independently or in partnership between governmental authorities and private institutions.
- PIF's funding is handled through loans or guarantees and in special cases, through allocations of public funds to specific projects.

- HRDF (Human Resources Development Fund)

Receive financial subsidy for up to 50% of new Saudi employees' salary based on the following maximum amounts in SR:

Year of Support	Platinum (in SAR)	Green (in SAR)
Year 1	4,000 (USD 1,066)	3,000 (USD 800)
Year 2	3,000 (USD 800)	2,500 (USD 666)
Year 3	2,000 (USD 533)	2,000 (USD 533)
Year 4	1,000 (USD 266)	0

Platinum companies can register to benefit from the program for up to 20% of their total Saudi employees, while green companies can register up to 15% of their total Saudi employees.

To register in the program, please visit the following link: <https://online.hrdf.org.sa/businessQ7/introduction.php>

For information about HRDF other incentive programs, please visit: www.hrdf.org.sa

- Other sources

- Islamic Development Bank: www.isdb.com
- Saudi credit & saving bank – www.scb.gov.sa
- British offset – www.offset.org.sa
- Inter-Arab Investment Guarantee Corporation – www.iaigc.net
- The Kingdom's commercial banks and specialized credit companies also offer project financing. Major commercial banks include Arab National Bank, Al Jazira Bank, National Commercial Bank, Riyadh Bank, SAMBA, Saudi British Bank and Saudi Investment Bank.
- Foreign banks licensed to operate in the Kingdom include BNP Paribas, JP Morgan, National Bank of Kuwait, National Bank of Bahrain, Emirates Bank, Gulf International Bank, State Bank of India, National Bank of Pakistan and Deutsche Bank.
- For Saudi and foreign companies seeking wider access to capital, the Saudi Stock Exchange (Tadawul) is the largest stock market in the Arab world

Human Capital & Labor Market

“Education and manpower training account for 25% of government spending (2014 budget)”

The Kingdom`s labor force is 8.5 million and expanding rapidly due to immigration and higher rates of Saudi male and female participation

- There are 80 vocational colleges, 24 public universities, 8 private universities and 20 private colleges
- 180.000 saudi students are studying in the US and in the UK and most of them will graduate in medicine and engineering

Jobs Saudization is a National Priority Regulated by the “Nitaqat” program

- Nitaqat means “bands” in Arabic, reflecting the company’s status in achieving required thresholds for number of Saudi employees out of the total company’s workforce.
- There are four bands: red, yellow, green and platinum.
- Saudization levels vary according to the size of the company and type of activity. For details, please refer to following link: http://www.emol.gov.sa/nitaqat/pages/Percentage_drop.aspx
- Green and platinum band companies receive more services and support from government bodies. For example, e-services from Ministry of Labor and access to additional support programs from Human Resources Development Fund.

- For more information on Nitaqat, please visit: www.emol.gov.sa/nitaqat/pages/default.aspx

Social Insurance

Social Insurance Components:

- Occupational hazards for all workers is 2% of the contributory wages of the employee and it’s paid by employer.
 - The annuities for Saudi workers is only 18% of the employee’s salary, in which 9% is paid by the employer and 9% is paid by the employee.
- Maximum contributory wage is set at 12,000 USD per month.
- More information available at www.gosi.gov.sa

Effective Employee Value Programs

- Attractive packages in relation to qualifications.
- 5-days working week and 8 working hours per day (preferably one shift).
- Opportunities for growth and learning through a clear and structured career path.
- Have a strong communication channels between top management and Saudi employees to understand and address their unique needs.
- Flexibility in tailoring international HR systems to meet unique needs of Saudi job seekers. E.g. tailoring job descriptions to make some jobs more acceptable to Saudi job seekers.
- Provide suitable work environment for female job seekers. For example having transportation and day-care company support.
- Career planning, mentoring, training, and advancement and provide career growth line of sight.

Where to Recruit Saudis?

Channel	Description	Remarks
Taqat Online	Online job matching portal with database of job seekers	www.taqatonline.org.sa
Taqat Grads	Online job matching portal dedicatedto job seekers with university degrees from outside the Kingdom	www.taqatgrads.org.sa
Mehna	Online job matching portal dedicatedto graduates from vocation schools	www.mehna.tvtc.gov.sa
Recruitment Offices & Job Placement Centers	Government and private sector offices that have a large Number of trained job seekers ready for work	

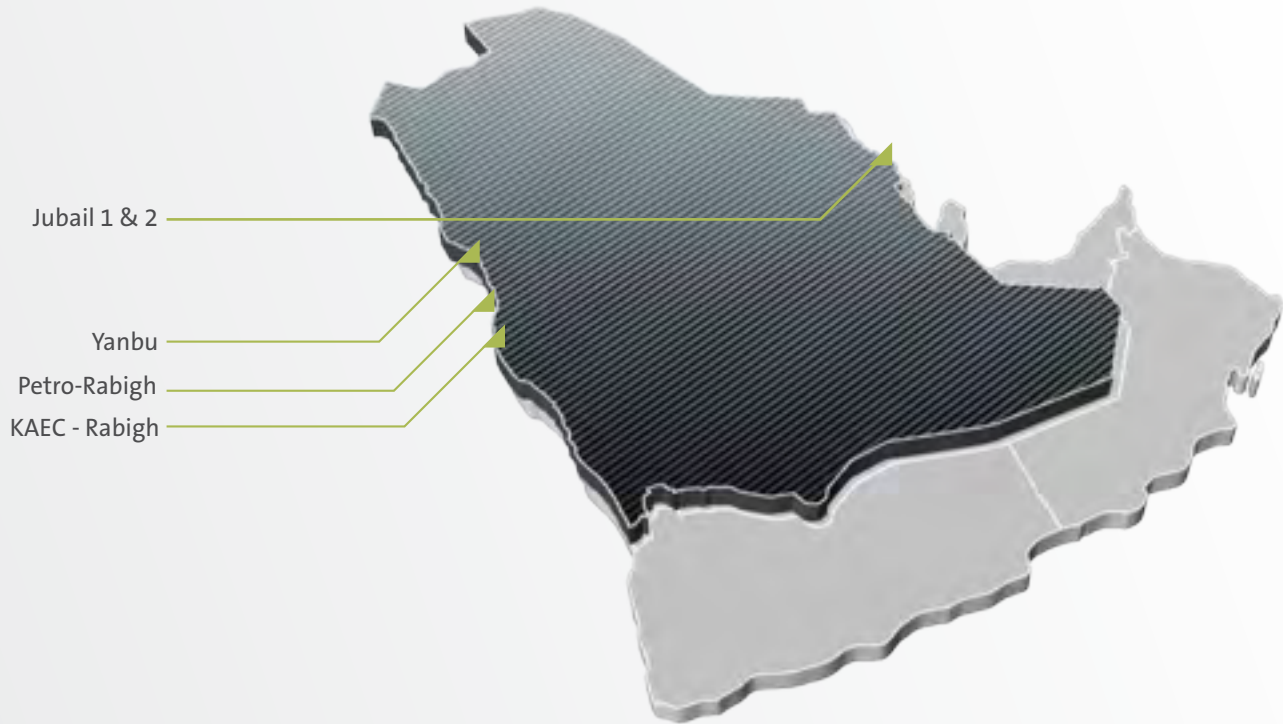
Education and manpower training account in 2014 for 25% of government spending



Princess Nora bint Abdul Rahman University - Riyadh



World - class industrial & Economic Cities & Clusters



Location	Unit	KAEC - Rabigh	Modon Across KSA	Jubail& Yanbu	Jubail II (Sadara)	Petro-Rabigh
Industrial Land allocation fee	US \$/sqm	N/A	13.33-1.06	N/A	N/A	N/A
Industrial land rental fee	US \$/sqm	4 00	0.53-0.26	1.20	1.20	1.60
Comercial/offices land rental fee	US \$/sqm	13.40	N/A	N/A	N/A	N/A
Labour housing land fee	US \$/sqm	4.30	N/A	N/A	N/A	N/A
Developer website		www.eca.gov.sa		www.rcjy.gov.sa	www.sadara.com	www.petrorabigh.com

Source: NICDP data provided by land developers



Environment

“Saudi Arabia ranks 7th Global and 3rd Regional in the ease of paying taxes”

Ease of Doing Business Report –World Bank 2014

- Companies pay a flat tax rate of 20% on corporate profits above SR 100,000 (U.S. \$26,700)
- VAT / Sales Tax: Saudi Arabia does not impose any Sales Tax or VAT
- Saudi Arabia does not impose payroll or income taxes
- Allow companies to indefinitely carry forward losses on their balance sheets, effectively relieving companies of the tax burden until they become profitable
- Loss carry forward: Losses may be carried forward indefinitely provided the maximum amount deducted in each tax year does not exceed 25% of the annual profit as per the tax return
- Natural Gas Investment Tax - Based on the NGIT rates table, the NGIT rate can range from a minimum of 30% to a max of 85%

Tax Incentives in Less Developed Regions

Tax deduction against the annual tax payable in respect of the following costs incurred on Saudi employees to be calculated as follows:

- 50% of the annual cost incurred on training of Saudi employees.
- 50% of the annual salaries paid to Saudi employees, if there is any balance of tax payable after applying above.
- For industrial projects, investors will be granted a tax credit for 10 years equal to 15% of the paid up capital whether in cash or in kind as well as in case of capital increase
- The above incentives are subject to the following conditions:
- The project must be located in one of the following areas: (Hail, Northern Border Jizan, Najran, Asir, Al-Jouf, industrial areas and economic cities located therein)
- The project's paid capital must be no less than SAR 1 million in cash or in kind

- The granted deduction must not exceed 15% of the total project capital whether in cash or in kind and of the licensed capital expansions granted by the competent authorities, if any
- The total tax deduction for training and recruiting Saudis must not exceed the project's due tax for the same tax year. It is also not allowed to transfer any residual difference from training or recruitment expenses to subsequent years
- Not less than 5 Saudi employees hired or trained, all in technical and managerial positions, excluding guards, drivers, workers, reviewers and non-technical labour
- Minimum one year contracts signed with Saudi's to be trained or employed
- The work residence of recruited or trained Saudis must be in the area where the project is held
- The training party - inside or outside the Kingdom of Saudi Arabia - must be accredited by the competent authorities

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Competitive Utility Prices

Utilities Indicative Prices

Indicative prices	Unit	US\$/unit
<i>Gas</i>	mmBtu	0.75
<i>Diesel</i>	Liter	0.10
<i>Refined fuel oil</i>	Liter	0.033
<i>Portable water up to</i>	m ³	1.76
<i>Process water</i>	m ³	1.76
<i>Sea water cooling</i>	m ³ (000)	15.14
<i>Sanitary wastewater up to</i>	m ³	1.432
<i>Industrial wastewater up to</i>	m ³	0.44

Source: Royal Commission for Jubail and Yanbu

Industrial Power Consumption Tarriff

Type of Consumption period	Tarriff for Factories with Electromech. meters		Tarriff for factories with digital meter	
	Cons. Hours	\$/kwh	Cons. Hours	\$/kwh
<i>Oct- Apr.</i>	All	0.032 for small consumers	All	0.032 for small consumers
		0.037 for large consumers		0.037 for large consumers
<i>May-Sep.</i>	All	0.04	Off-peak hours Sat.thur 00:00-8:00 Fri 9:00-17:00	0.026
			Peak hours Sat-thur. 12:00-17:00	0.069
			Other times	0.04

Source: ECRA

Saudi Arabia ranks #15 globally for getting electricity

World Bank "Ease of doing business report 2014"

Olaya Street
- Riyadh

Legal Framework

Saudi Legal Instruments

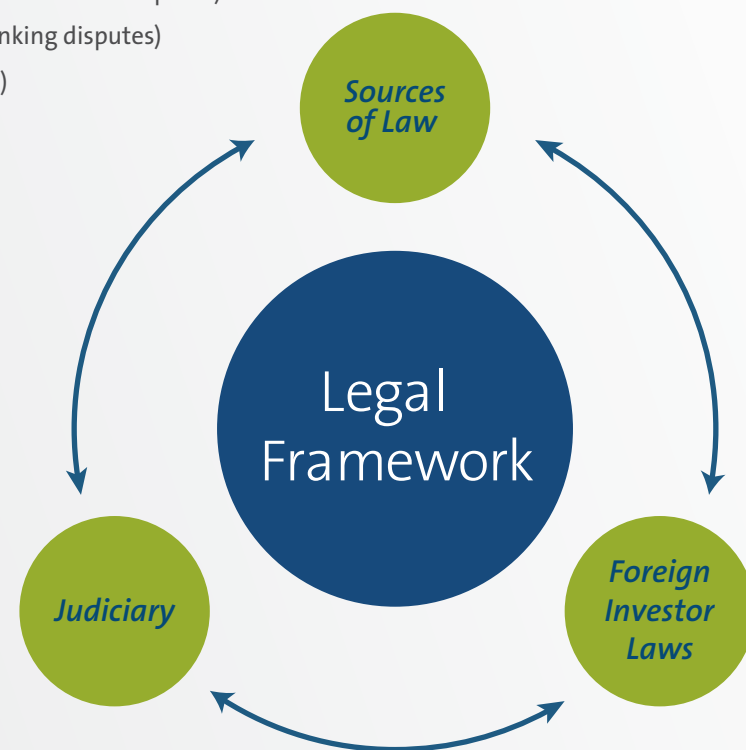
- Shari'a Law
- Royal Decree
- Royal Order
- Council of Ministers Decisions
- Ministerial Decisions
- Circulars

Foreign Investor Laws

- Foreign Investment Act and Executive Rules 2000
- Companies Regulations Law 1965 (as amended)
- Income Tax (Income Tax Act of 2004)
- Labour Law 2005
- Regulation of Ownership and Investment in Real Estate by:
 - Non-Saudis 2000
 - Intellectual Property Laws – (Copyright Law 2003; Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Models 2004; and law of Trademarks 2002)

Judiciary

- General Courts (civil and criminal)
- Board of Grievances (commercial disputes)
- SAMA Committee (banking disputes)
- Arbitration Law (2012)



Business Visas

There are many options for obtaining a commercial visa to visit the Kingdom for exploring business opportunities, such as:

- Approaching one of the Saudi Embassies and completing an application for a commercial visit
- Contacting SAGIA directly to request a visit visa
- Applying through the Saudi Chambers of Commerce
- Issued by a sponsored company in operation in the Kingdom



Export & Import Regulations

Trade Agreements

WTO / Saudi Arabia has been a member of the World Trade Organization (WTO) since December 11th, 2005. Pursuant to its membership, Saudi Arabia agreed to undertake a series of commitments to further liberalize its trade regime and accelerate its integration into the world economy, while offering a transparent and predictable environment for trade and foreign investment in accordance with WTO rules.

Free Trade Agreement with Other Economic Blocks (Gulf Cooperation Council (GCC) Agreements)

The GCC Customs Union came into effect on January 1st, 2003 and transformed the six GCC member states (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, UAE) into a single customs zone. The Customs Union implemented a common customs tariff of 5% on all foreign goods imported into the GCC and the principle of “single point entry” adopted for the Customs Union. Furthermore, the Customs Union established the free movement of goods among the GCC States and the treatment of the goods produced in any of the GCC States as national products. GCC countries have already signed a Free Trade Agreement with Singapore and European Free Trade Association (EFTA) which include Switzerland, Norway, Iceland, and Liechtenstein and is currently negotiating with several other countries like China, South Korea, Australia and New Zealand.
www.gcc-sg.org

Greater Arab Free Trade Area (GAFTA)

The Greater Arab Free Trade Area (GAFTA) is a Trade Facilitation and Development Agreement established by the Social and Economic Council of the Arab League. Under the terms of the agreement, there is a full exemption of customs duties and charges between members of GAFTA, for goods with a local content exceeding 40%. Some GAFTA members do not require authentication of certificates of origin and accompanying documents by embassies and consulates. GAFTA Countries are: Algeria, Palestine, Bahrain, Qatar, Egypt, Saudi Arabia, Iraq, Sudan, Jordan, Syria, Kuwait, Tunisia, Lebanon, UAE, Libya, Yemen, Morocco.

Double Taxation Avoidance (DTA)

Saudi Arabia signed the DTA with France, China, India, Malaysia, Pakistan, Austria, Belarus, Greece, Italy, Russia, South Africa, South Korea, Spain, Britain, Turkey, Netherlands, Uzbekistan, Syria, Singapore, Tunisia, Japan, Bangladesh, Sri Lanka, Romania Ireland and Malta.

Bilateral Investment Treaties

These agreements aim to promote and protect the investments of nationals and enterprises of one contracting party in the territory of the other contracting party by providing an appropriate legislative environment to stimulate and increase investment, trade and industrial activities. The agreement also provides adequate guarantees to nationals or enterprises of the other contracting party to transfer their profits, dividends, and other current income. The investment will not be subject to expropriation except for a public purpose and against prompt and adequate compensation.

Saudi Arabia has signed Investment Promotion & Protection Agreements with the following 21 countries: Austria, Japan, Azerbaijan, Malaysia, Belarus, Philippines, Belgo-Luxembourg Economic Union, Singapore, China, South Korea, Czech Republic, Spain, Sweden, France, Switzerland, Germany, India, Turkey, Indonesia, Ukraine and Italy.

Duties Exemptions

- The general rate of import duty is 5%. Some limited numbers of products have tariff rates of either 12% or 20%
- Industrial projects in Saudi Arabia may import machinery, tools, equipment, and spare parts free from Customs duties
- Customs duty exemption is available on all authorized imports for industrial establishments, equipment, machinery, tools, spare parts, raw materials (whether primary or semi manufactured) or packaging materials if local supply does not exist or the local supply is not up to the specifications of the manufacturers
- The Saudi customs regulations also allow for temporary admission (under certain conditions) of heavy machinery and equipment, which are not available in the market and are required for the completion of projects or the conducting of practical and scientific tests relating to those projects
- Semi-manufactured materials, raw materials, and packaging materials may also be imported duty-free by industrial projects, but only to the extent that such materials are not available in Saudi Arabia

For more details visit: www.customs.gov.sa



Jeddah Islamic Seaport- Jeddah



King Abdullah Seaport - King Abdullah Economic City



Useful Links

- Department of zakat and Income Tax (*DZIT*)
www.zakat.gov.sa
- General Organization for Social Insurance (*GOSI*)
www.gosi.gov.sa
- General Organization for Technical Education and Vocational Training (*TVTC*)
www.tvtc.gov.sa
- Ministry of Commerce and Industry (*MCI*)
www.mci.gov.sa
- Ministry of Finance (*MOF*)
www.mof.gov.sa
- Ministry of Labour (*MOL*)
www.mol.gov.sa
- Ministry of Petroleum & Mineral Resources (*MOPM*)
www.mopm.gov.sa
- National Industrial Clusters Development Program (*NICDP*)
www.ic.gov.sa
- Public Investment Fund (*PIF*) (via)
www.mof.gov.sa
- Royal Commission for Jubail and Yanbu (*RCJY*)
www.rcjy.gov.sa
- Saudi Arabia General Investment Authority (*SAGIA*)
www.sagia.gov.sa
- Saudi Arabian Oil Company (*Saudi Aramco*)
www.saudiaramco.com
- Saudi Basic Industries Corporation (*SABIC*)
www.sabic.com
- Saudi Electric Company (*SEC*)
www.se.com.sa
- Saudi Industrial Development Fund (*SIDF*)
www.sidf.gov.sa
- Saudi Industrial Property Authority (*MODON*)
www.modon.gov.sa
- Saudi Ports Authority (*SPA*)
www.ports.gov.sa

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