

Ministerial Decision

The Minister of Human Resources and Social Development,

Upon the authorities authorized to the Minister by law

Having reviewed the provisions of Article 11 bis, and article no. 77 of the Labor Law issued by the Royal Decree no. (M/O1) dated 23 / 8 / 1427 AH, as amended by the Royal decree no. (M/78) dated on 12 / 0 / 1438 AH, as amended by the Royal Decree no. (M/1) dated on 22/1/1430 AH, as amended by the Royal Decree no. (M/87) dated on 0 / 6 / 1437 AH, as amended by the Royal Decree no. (M/18) dated on 22 / 2 / 1440 AH, as amended by the Royal decree no. (M/138) dated on 27/11/1440 AH, as amended by the Royal decree no. (M/O) dated 5 / 1 / 1447 AH; and after reviewing the cable of His Royal Highness no (3810) dated on 10 / 8 / 1433 AH, including the approval of "Nitaqat" program;

Having reviewed the ministerial decision no. (8.8) dated on 12 / 1. / 1437 AH regarding the approval of Nitaqat program document; having reviewed the ministerial decision no. (1 / 1 / 8788 / P) dated on 21 / 1. / 1433 AH regarding regulating the monthly wages and special categories in "Nitaqat" program;

Do hereby decide the following:

First: The special categories for the purpose of this decision mean:

- 1- Saudi students resident in the Kingdom and working part-time regularly.
- 2- Part-time Workers permanently.
- 3- Workers with a flexible working system.
- 4- Persons with disabilities able to work.
- 0- Released prisoners.

Second: This decision does not apply to illiteracy students or affiliated students or online students or summer training students or practical training students or field training students or work programs, which are considered part of requirements for graduation of students.

Third: In the application of this decision, the monthly wage means salary subject to subscription in the Public Authority for Social insurance.

Forth: To enroll a Saudi worker in the Localization percentage calculated in "Nitaqat" program as one worker, the monthly wage shall be at least (8,000 riyals).

Fifth: The Saudi worker, whose wage is (3,000), shall be calculated as half worker in the Localization percentage calculated in "Nitaqat" program.

Sixth: The Saudi worker, whose wage is less than (3,000), shall not be calculated in the Localization percentage calculated in "Nitaqat" program.

Seventh: The Saudi National, whose monthly salary is more than (3,000 riyals) and less than (8,000 riyals) shall be calculated as half worker in the Localization percentage calculated in "Nitaqat" program.

Eighth: The part-time worker Workers shall be calculated in the Localization percentage calculated in "Nitaqat" program as half worker in favor of the entity, for which the worker is working, provided that the subscriptions of social insurances shall be paid with a minimum monthly wage (٣٠٠٠) riyals and this worker shall not be calculated in more than two entities.

Ninth: The worker Workers in the flexible working system shall be calculated in the Localization percentage calculated in "Nitaqat" program as third worker in favor of the entity, for which the worker is working, provided that the worker completes ١٦٨ working hours and pay subscriptions of the social insurance with a minimum (٦٠) riyals per hour, taking into consideration the relevant ministerial decisions of the flexible working.

Tenth: The Saudi student shall be calculated in the Localization percentage calculated in "Nitaqat" program as half worker in favor of the entity, for which the worker is working, provided that the subscriptions of social insurances shall be paid with a minimum monthly wage (٣٠٠٠) riyals and this worker shall not be calculated at any other entity. To calculate the Saudi student in "Nitaqat" program, the number of students working at an entity shall not exceed (١٠٪) of the total number of Saudi worker Workers working in the entity. In case of exceeding this percentage, it shall be calculated as zero in the Localization percentage calculated in "Nitaqat" program.

Eleventh: In exception of the aforesaid clause no. (١٠), the percentage shall be (٤٠٪) instead of (١٠٪) for entities working in the activities of restaurants, cafes, beverage stores listed in "Nitaqat" program manual. In case of exceeding this percentage, it shall be calculated as zero in the Localization percentage calculated in "Nitaqat" program.

Twelfth: The first student even in excess of (١٠٪) shall be calculated from the Saudi Worker Workers for the purpose of clause no. (١٠) and even in excess of (٤٠٪), he shall be calculated from the Saudi worker Workers for the purpose of clause no. (١١).

Thirteenth: The Saudi worker from persons with disabilities, who are able to work, shall be calculated in the Localization percentage calculated in "Nitaqat" program as ٤ Saudi worker Workers in favor of the entity, for which the worker is working, taking into account the relevant ministerial decisions of "Mowaamah" program, provided that the subscriptions of social insurances shall be paid with a minimum monthly wage (٤٠٠٠) riyals and this worker shall not be calculated at any other entity.

Fourteenth: If the worker Workers from person with disabilities, who are able to work, exceed a percentage of (١٠٪) of the total Saudi worker Workers in an entity, each worker from persons with disabilities shall be calculated as any other Saudi nationals; in this case, the provisions of clauses (٤, ٥, ٦) of this decision regulating the monthly wages shall be applicable.

Fifteenth: In exception of clause (١٤), the first worker from persons with disabilities, who are able to work, shall be calculated from the number of Saudi worker Workers, even in excess of (١٠٪).

Sixteen: The Saudi worker Workers of the released prisoners shall be calculated in the Localization percentage calculated in "Nitaqat" program as two Saudi worker Workers in favor of the entity, for which the worker is working for two years from the date of being released, provided that the subscriptions of social insurances shall be paid with a minimum monthly wage (٤٠٠٠) riyals and this worker shall not be calculated at any other entity. The released prisoners shall be calculated in the Localization percentage calculated in "Nitaqat" program as any other Saudi national, after the passage of two years from the date of being released. In this case, the provisions of clauses (٤, ٥, ٦ and ٧) of this decision regulating the monthly salaries shall be applicable.

Seventeenth: If the number of worker Workers from the released prisoners, who could be calculated as two Saudi national as per the aforesaid clause no. (١٦) exceeds at the entity a percentage of (١٠٪) of the total Saudis working in this entity, each released prisoner exceeding this percentage shall be calculated as any other Saudi worker. In this case, the provisions of clauses (٤, ٥, ٦ and ٧) of this decision regulating the monthly wages shall be applicable.

Eighteen: In exception of clause no. (١٧), the first released prisoner shall be calculated from the Saudi worker Workers, even in excess of the percentage of (١٠٪).

Nineteenth: For the purpose of calculating the special categories in the Localization percentage calculated in "Nitaqat" program, the entity is not entitled to exceed a percentage of (١٥٪) from the Saudi worker Workers of the following categories (Persons with disabilities able to work, students, released prisoners) together. In case the above categories together exceed the percentage of (١٥٪) from the number of Saudi worker Workers, they shall be as special categories in the rates of Localization applicable in "Nitaqat" program to the maximum limit that serve the interest of the entity for realizing the highest possible percentage of Localization. The priority shall be given to persons with disabilities able to work and then each additional worker from persons with disabilities in excess of (١٠٪) of the total number of Saudi worker Workers (if any) shall be calculated as any other Saudi national. Then, the priority shall be given for the released prisoners and each additional worker from the released prisoners exceeds a percentage of (١٠٪) of the total number of Saudi worker Workers (if any) (Or together with the persons with disabilities able to work exceeds the total percentage) shall be calculated any other Saudi worker. In this case, the provisions of clauses (٤, ٥, ٦ and ٧) of this decision regulating the monthly wages shall be applicable. Additional students shall not be calculated in the Localization percentage within "Nitaqat" program".

Twenty: In exception of the aforesaid clause no. (١٩), and for the purpose of calculating the special categories in the Localization rates applicable in Nitaqat program, the percentage shall be (٤٠٪) instead of (١٥٪) for entities working in the activities of restaurants, cafes, beverage stores listed in "Nitaqat" program manual. The increase shall be in favor of students, so that a percentage of additional (٦٥٪) shall be calculated from the students. The additional students shall not be calculated in the percentage of Localization.

Twenty –one: The worker Workers in special categories shall be calculated as one worker in all cases for the purpose of calculating the volume of the Establishment.

Twenty –two: The provisions of clauses (٤, ٥, ٦, ٧) of this decision regulating the monthly wages shall be applied to all non-Saudi worker Workers, who are dealt as Saudis for the purpose of “Nitaqat” program, such as the Gulf nationals.

Twenty –three: This decision shall be come into force only ٥ months after the date of issuance and shall be listed within “Nitaqat” program manual.

Twenty –four: This decision shall cancel all conflicting previous decisions.

Twenty-five: The VICE Minister for Labor Sector shall take the necessary action to implement this decision.

God Bless,

Minister of Human Resources and Social Development

Eng. Ahmed bin Suleiman Al-Rajhi

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