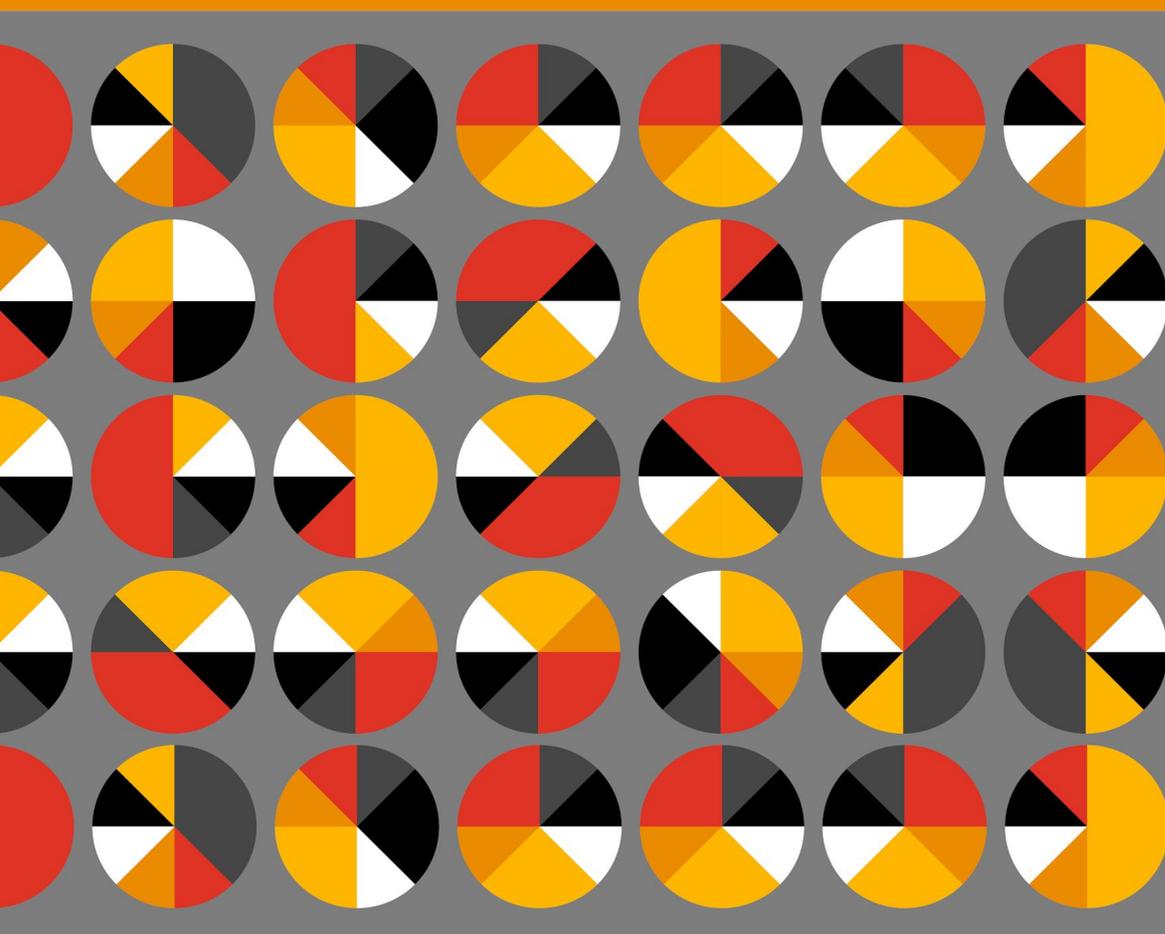


# Immigration Update: Changes in the GCC

November 2020



## In brief

Significant changes are on the horizon in Saudi Arabia, with a complete overhaul of the sponsorship system for private sector workers taking effect in March 2021. The change will allow employees to transfer to another company without permission from their existing employer, but only under certain circumstances.

Several GCC countries are planning for the eventual opening of international travel by relaxing visit visa rules, in the hope of boosting tourism in 2021.

## In detail

### Kingdom of Saudi Arabia (KSA)

#### Relaxation of Sponsorship Rules

Saudi Arabia has announced a significant reform to its “kafala” sponsorship system as part of its Labour Reform Initiative (LRI), effectively abolishing the requirement for millions of workers in the private sector to request permission from their existing employers to change job in “exceptional situations”, and travelling into and out of the Kingdom.

The change will take effect on 14 March 2021, and will ease restrictions placed on foreign workers.

Under the current law employees must work for an employer for at least one year before requesting to move jobs. The new provisions allow employees to transfer to another company without requesting permission from their employer in any of the following circumstances:

- where an employment contract has not been issued and certified within three months of an employee’s start date;
- if an employee has not received a salary for three consecutive months;
- if the employer is absent due to imprisonment or death;
- If the employer refuses to renew the employee’s work or resident permit;
- If the employee is a victim of human trafficking;
- If the employee has reported a commercial cover-up by their employer; and
- If the employer’s failure to turn up to two legal or arbitration sessions in the case of an employee-employer dispute.

In addition, there has also been a change with respect to the Exit and Re-Entry Visa and Final Exit Permit. From March 2021, employees in the Kingdom will no longer be required to seek permission from employers for the purposes of travelling internationally or to exit the Kingdom permanently. Five professions are excluded from the reforms: private drivers, guards, household workers, care workers, and gardeners.

The Ministry of Human Resources and Social Development aims to “achieve more inclusion for Saudis, attract [foreign] talent, improve the working conditions, make Saudi Arabia's labour market more dynamic and productive.”

We await further details as to how the transfer of employment process will work in practice, and will monitor and report on all developments in relation to this pivotal announcement.

## **Oman**

### **Changes to Visit Visas**

In an attempt to increase and drive both tourism and investment into the country, Oman's Ministry of Finance has announced that citizens from 100 countries will be able to visit Oman without a visa (on a visa waiver). The list of exempted countries has not yet been released, but we anticipate that a further announcement will be made in Q1 2021 or once visitors are allowed to travel into the country. At present, visit visas remain suspended due to the global pandemic.

## **Bahrain**

### **Visit Visa Extensions**

Bahrain's Nationality, Passports and Residence Affairs (NPRA) has announced that all categories of visit visas will be automatically extended until 21 January 2021, without charge, and this will enable individuals to either regularise their immigration status in the country or make arrangements to depart Bahrain without penalty. This is considered to be part of the country's national efforts to assist foreign nationals in light of COVID-19.

### **10 Year Multi-Entry Visas**

Last month, the NPRA also announced the introduction of a 10 year electronic multi-entry visa for USA nationals, with a maximum stay of 90 days for each visit. It is thought that this move has been designed to facilitate the ease of travel and relations between both countries, with the USA invoking a reciprocal arrangement for Bahraini nationals.

## Key takeaway

GCC countries continue to set out plans to open up to future tourism and investment post COVID-19 restrictions.

The changes that have been announced in relation to Saudi Arabia's sponsorship system, signals a massive shift in the country's position to ensure that they continue to attract foreign talent and investment.

We will continue to monitor legal and policy changes, and keep you updated on any developments.

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## How can we help?

We understand that this is a challenging and unpredictable time for many companies and their employees. We can help to:

- assist with drafting communication to employees on travel and visa requirements (in compliance with Government announcements and immigration requirements);
- assess the ability to hire locally from March 2021, under the new measures introduced by Saudi Arabia - this will be on a case by case basis;
- strategise your company's hiring needs into the GCC; and
- advise on and prepare documents (such as agreements with employees) which may be required in circumstances where emergency measures continue to be necessary.

## Let's talk

For a deeper discussion of how these issues might affect your business, please contact:

### **Mark Schofield**

Middle East Tax and Legal  
Services Leader  
T: +971 (0) 4 515 7250  
[mark.d.schofield@pwc.com](mailto:mark.d.schofield@pwc.com)

### **Darren Harris**

Middle East Legal Services  
Leader  
T: +971 (0) 4 304 3309  
[darren.harris@pwc.com](mailto:darren.harris@pwc.com)

### **Anir Chatterji**

Middle East Immigration Leader  
T: +971 (0) 4 304 3922  
[anir.chatterji@pwc.com](mailto:anir.chatterji@pwc.com)

### **Natalie Jones**

Middle East Employment Leader  
T: +971 (0) 56 177 7653  
[natalie.j.jones@pwc.com](mailto:natalie.j.jones@pwc.com)