Welcome to this guide

The Kingdom of Saudi Arabia (KSA) is the largest economy in the Middle East with an economy historically driven by oil production. However, in April 2016, the KSA Government introduced the Vision 2030 plan which included a number of new initiatives aimed at diversifying the KSA economy.

The plan for Vision 2030 is to reduce KSA’s dependence on oil, and develop service sectors, such as health, education, infrastructure construction, and recreation and tourism. The sweeping reforms outlined in Vision 2030 and the National Transformation Plan affect vast areas of the government, the economy and foreign investors. The reform’s tax and legal policies will play a significant role as part of the government’s efforts to diversify revenues away from oil and address the broader social and economic objectives.

To help achieve Vision 2030, the Public Investment Fund, a sovereign wealth fund in KSA, was tasked with developing the “Giga Projects”. The biggest Giga Projects till date are Qiddiya Entertainment City, NEOM, the Red Sea Project and Amaala Resort. These projects are intended to shape the future of tourism and meet the social and cultural needs of Saudi Arabian citizens.

The implementation of Vision 2030 as well as the recent amendments to the KSA Companies Law, the new Bankruptcy Law and the new Professional Companies Law makes this guide timely.

This guide is intended to provide an introduction to the legal and taxation aspects of doing business in KSA, particularly items that an inbound investor may typically have in mind.

We would also like to add that as we release this, the world is still continuing to deal with the evolving COVID-19 crisis. This guide does not seek to address issues specifically relating to the business and economic impact of the ongoing pandemic, however, information and updates on those can be found on our website here.

All the latest information and updates on our website regarding the increased VAT rate from 5 to 15% can be found here and here and the changes to KSA Customs and excise regulations can be viewed here.

We hope you find this guide useful.

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