



Human Resource and
Social Development

وزارة الشؤون البلدية
والقروية والإسكان
Ministry of Municipal Rural Affairs & Housing



Procedural Guide for
The Decree on Engineering Profession Saudization
2024

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Introduction

Purpose

As the Ministry of Human Resources and Social Development (HRSD) is keen on providing simulative, productive and stable employment opportunities for both male and female citizens across the Kingdom, increasing their engagement in the labor market. Along with the HRSD's direction to Saudize sectors and target activities and professions in accordance with the objectives of Vision 2030, and with reference to the Ministerial Decree No. (99895), dated 09/07/1445 H. (21/01/2024 G.) on Engineering Profession Saudization to enable national cadres to get employment opportunities in private sector by imposing a (25%) Saudization on the engineers working in the establishment as of 15/01/1446 H. Corresponding to 21/07/2024 G. to participate in this vital sector.

This Decree is deemed one of the Saudization Decrees on which the HRSD has worked in partnership with the Ministry of Municipal, Rural Affairs and Housing, the relevant government and supervisory authorities to provide an appropriate and stimulating work environment for national human resources. Besides expanding the partnership with the private sector in line with the Saudization Strategy for Human Capital Development and enhancing the contribution to the economic system. This Saudization Decree shall not be deemed an alternative or contrary to the HRSD's previous Saudization Decrees.

The Decree considers the labor market conditions of targeted professions and activities. In addition, it considers the number of the current jobseekers who graduated from the relevant specializations. Besides, the Decree takes into consideration the current leaners of the specializations related to the targeted professions who will join the labor market within the next few years, and the reality of the Private Sector and its ability to accommodate the national cadres of professional specialties.

This Guide has been prepared for clarifying all the details of targeted profession Saudization, including the imposed rates, the targeted activities and professions, and the mechanism for calculating the rates of labors and penalties. In addition, it clarifies the Support Programs introduced by the system of the human resources and the specialized agencies for supporting the Private Sector in enforcing the Decree. Besides, the Guide replies to the frequently asked questions (FAQs).

Definitions

Engineering Professions	All the professions classified as engineering professions according to the professional classification approved by the Ministry of Human Resources and Social Development, as exclusively detailed in this Guide.
Decree on Saudization	Means the Decree of the Minister of Human Resources and Social Development on Engineering Profession Saudization in the Private Sector.
Profession Saudization Rates	Means the number of Saudi labors (of the specific profession) in an establishment, in proportion to the total number of labors, either Saudis or expats, (of the same profession) in the same establishment.
Target Establishments	A legal entity registered in the records of the Ministry of Human Resources and Social Development, employing (5) labors, and above, of those to whom the targeted profession definition applies to.
Execution Period	The period during which the establishment is committed to execute the Decree, as the establishment is subject to legal procedures and penalties in the event of non-compliance with the Saudization percentage referred to in this Decree (kindly review the mechanism for executing penalties and legal procedures)
Grace Period	It is the period between the date of publishing the Ministerial Decree and the date of the Decree enforcement. During such period, an establishment may do its best for rectifying its status.
Support and Employment	Means the support and employment program provided by the Human Resources System for motivating and supporting the Sector.
Professional Accreditation	It is a professional accreditation membership for anyone who holds a bachelor's degree in one of the engineering, engineering technical, or architecture disciplines accredited from a regular scientific study program in a recognized college or university in the country of graduation, or its equivalent, according to registration requirements.

General Requirements of Decree on Saudization

Imposed Percentages

Saudization of 25% of the total number of employees within the targeted professions in the establishment.

Scope of Decree Enforcement

This Decree shall apply to all the private-sector establishments operating in the Saudi labor market, which employ (5) engineering professionals and above. If engineering professions are targeted in previous decrees and subsequent decrees on a specific profession(s) at different rates in line with labor market's changes and needs, the higher Saudization rate shall be applied.

Professional Accreditation

Engineers shall obtain the professional accreditation from the Saudi Council of Engineers according to the provisions of the Engineering Professions Practice Law and the Implementing Regulations of the Engineering Professions Practice Law. Unaccredited engineers shall not be included in the imposed Saudization rate.

Minimum wages for Saudization percentage calculation

For the purpose of including a Saudi engineer in the imposed Saudization rate, the monthly salary (which is subject to insurance contribution), registered in the Social insurance, of such engineer shall not be less than 7,000. A Saudi engineer who receives a lower salary shall not be included in the Saudization rate.

Targeted Professions

The Decree shall apply to all the professions classified as engineering professions according to the professional classification approved by the Ministry of Human Resources and Social Development, as exclusively stated in the following table:

Professions targeted for the Engineering Profession Saudization according to the Saudi Standard Classification of Occupations:

Profession Code	Profession	Profession Code	Profession
2218091	Materials Engineer	2218121	Flight Engineer
214904		214404	
2212021	Civil Engineer	2213061	Wiring Electrical Engineer
214201		215108	
2217021	Mining Engineer	2217071	Minerals Engineer
214601		214602	
2211011	Architect	2215041	Welding Mechanical Engineer
216101		214407	
214409	Heavy Machinery Mechanical Engineer	214102	Production Engineer
214103	Technical Production Engineer	2212051	Civil Engineer (Bridges)
214202	Technical civil Engineer	2212031	Civil Engineer (Metal Construction)
214204	Geotechnical Engineer	2215131	Agricultural Machine Engineer
214205	Construction Engineer	2217061	Metal Extraction Engineer
214302	Water Treatment Engineer	2211991	Engineer
214303	Sanitary Engineer	2217091	Quarry Engineer
214402	Technical mechanical Engineer	2216011	General Chemical Engineer

214408	Rail Mechanical Engineer	2216031	Oil Industry Chemical Engineer
214411	Turbine Engineer	2216051	Foodstuff Industry Chemical Engineer
214412	Mechatronics Engineer	2216041	Fertilizer Industry Chemical Engineer
214502	Technical Chemical Engineer	2216021	Research and Development Chemical Engineer
214504	Water Desalination Engineer	2213111	Prevention Electrical Engineer
214603	Oil and Gas Engineer	2213031	Transmission and Distribution Electrical Engineer
214902	Cost Engineer	2213041	Transmission Electrical Engineer
214903	Explosive Engineer	2213091	Control Electrical Engineer
214906	Quality Control Engineer	2213011	Electrical Engineer (General)
214908	Research and Development Engineer	2213071	Maintenance Electrical Engineer
215102	Tech. Electrical Engineer	2213021	Electric Power Generation Electrical Engineer
215104	Electromechanical Engineer	2213051	Distribution Electrical Engineer
215105	Automation Engineer	2213081	Precision Instruments Electrical Engineer
215106	Power Generation Engineer	2219031	Water Analysis Efficiency Engineer
216102	Interior Architect	2215141	Nuclear Power Engineer
214206	Road Engineer	2218011	Industrial Engineer (General)
214207	Bridge Engineer	2219011	Sanitary Engineer (Water & Sewage)
2215211	Airplane APU Engineer	2218131	Time and Motion Study Engineer
2217031	Petroleum Engineer	2218151	Cathodic Protection Engineer
2214091	Microwave Engineer	2217041	Well Digging Engineer
2215071	Hydraulic Seals Mechanical Engineer	2217011	Geology Engineer
2215081	Automotive Mechanical Engineer	2215281	Gearbox Engineer (Aircraft and Artillery)
2215181	Mechanical Engineer (engines and machines other than marine)	2211021	Site Engineer/Landscape Architect
2215151	Mechanical Engineer (General)	2217051	Explosives and Blasting Engineer
2215101	Mechanical Engineer, train maintenance	2218071	Development and Specifications Engineer
2215111	Train Maintenance Mechanical Engineer	2215251	Aircraft workshop production development engineer
2215121	Vessel Maintenance Mechanical Engineer	2218041	Manufacturing Engineer
2215061	Maintenance Mechanical Engineer	2211041	Interior Design Engineer
2215161	Shipbuilding Mechanical Engineer	2218031	Industrial Equipment Installation

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			Engineer
2215031	Casting Mechanical Engineer	2215231	Aircraft Landing Gear Engineer
2215051	Central Air Conditioning Mechanical Engineer	2218021	Factory Planning Engineer
2215011	General Production Mechanical Engineer	2211031	City Planning Engineer
2215021	Production Mechanical Engineer	2219021	Environment Engineer
2215091	Road Machinery Mechanical Engineer	2218111	Vessel Marine Engineer
2215171	Equipment and Industrial Machine Mechanical Engineer	2212211	Senior Surveyor
2212121	Soil Mechanics Engineer	2212261	Senior Mapping Program Engineer
2218061	Material Handling Engineer	2214011	General Electronics Engineer
2217081	Mines Engineer	2214071	Maintenance Electronics Engineer
2215261	Military Airplane Calibration Engineer	215101	Electrical Engineer
2215221	Aircraft Brake Component Processing Engineer	214401	Mechanical Engineer
2212131	General Surveyor	216201	Landscape Engineer
2212141	Air Surveyor	214101	Industrial Engineer
2212151	Marine Surveyor	215201	Electronics Engineer
2215271	Thrust Propeller Engineer (Military Aircraft)	214301	Environmental Engineer
2218081	Quality Control Engineer	214406	HVAC Engineer
2212071	Civil Engineer (Ports)	214410	Automotive Engineer
2212061	Civil Engineer (Airports)	214501	Chemical Engineer
2212111	Civil Engineer (Traffic)	214915	Nuclear Engineer
2212041	Civil Engineer (Roads)	214405	Naval Architect
2212081	Civil Engineer (Railways)	215107	Power Transmission and Distribution Engineer
2212091	Civil Engineer (Dams)	1122131	Marine Chief Engineer
2212101	Civil Engineer (Irrigation)	2521101	Interior Designer

Saudization Rate Calculation Mechanism

- Upon applying the Decree, the following details shall be considered:
 - A. The Decree shall only apply to the engineering professionals stated in the Engineering Profession Detailed Table.
 - B. The Decree shall not apply to any establishment employing (4) four or less expat engineers.
 - C. The Decree shall not conflict with the other rates of Saudization applied to the total employees in an establishment according to Nitaqat.
 - D. Upon calculating the 25% of the total engineers in an establishment, percentages shall be rounded to tens. From 0.49 and below shall be rounded to zero. From 0.5 and above shall be rounded to 1.

- The following example clarifies the binding Saudization rate calculation mechanism for engineering professions in establishments:

	Establishment (A)		Number of employees (93)
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▶ Employees assignments in Establishment (A) within different professions

Profession	Cleaner	Administrator	Technician	Engineer
Number of employees	5	14	51	23

▶ Number of engineers with different job titles (23 engineers)

Profession	Industrial Engineer	Road Engineer	Civil Engineer	Electrical Engineer
Saudis	1	1	1	1
Expats	5	3	7	4

The rate of 25% shall apply to the establishment for the engineering professions

Total number of Saudi engineers in the establishment



4

Total number of expat engineers in the establishment



19

Total number of engineers in the establishment

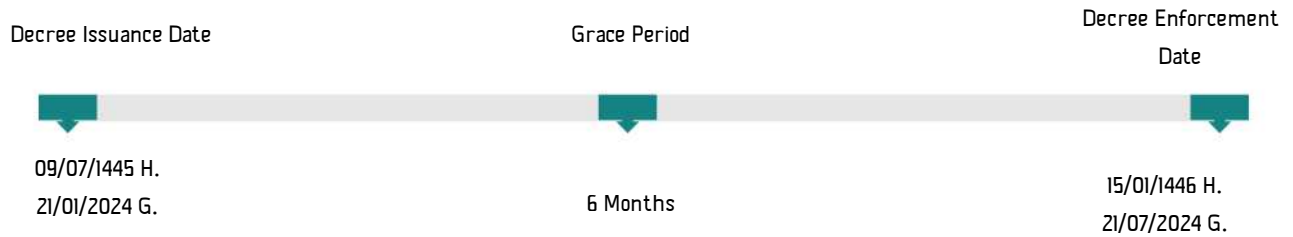


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The equation:	$(\text{Total number of engineers} \times \text{Saudization Percentage}) - \text{Saudi engineers in the establishment}$
Application of Saudization Percentage (25%)	$(23 \times 25\%) - 4 = 1.75$
Rounding to the nearest whole number	2
Application of Saudization Percentage	The establishment shall employ (2) Saudi engineers within the grace period for applying the Saudization rate of the engineering professions in the establishment

► Date of Decree Enforcement and Grace Period:

The grace period is the time granted for the establishment to work on obtaining the targeted Saudization rates in order to meet its specified goals. After this period expires, the penalties outlined in this guidance, in addition to the statutory fines, will be imposed on any establishments that have not met the required Saudization percentage.



Support and Employment Programs

A package of incentives and support shall be offered for supporting private sector establishments in employing Saudi engineers. It includes the following packages:

- Headhunting and talent attraction support for available jobs.
- Required training and qualification support for Saudi employees.
- Employment process and job stability support.
- The priority to benefit from all the Saudization support programs available within the system.
- Support and employment programs through the Human Resources Development system.

Penalties and Legal Procedures Enforcement Mechanism

In the event that an establishment does not comply with the required Saudization rate, or assigns any of the tasks of those Saudized professions to a non-Saudi employee - directly or indirectly - under any job title, the penalties for Saudization violations stipulated in the Ministerial Decree No. 75913 dated 19/05/1445 H. as amended will be imposed. In addition, the work permit renewal shall be suspended based on the provisions of Article (35) of the Labor Law which prohibits the renewal of work permits for any establishment which fails to comply with the Saudization criteria. The Ministry will also take all other necessary measures to ensure Implementation of the ministerial Decree:

Change Career from	Suspension as per profession change measures
Change Career to	Suspension as per profession change measures
Transfer service to establishment	Suspended
Recruitment	Suspended

Should a worker be appointed to a targeted engineering position with a job title that is different from the job title specified in the work permit, the penalty of (The employer enables the non-Saudi worker to serve in a profession other than the one set out in the work permit) stipulated in the Ministerial Decree No. 75913 dated 19/05/1445 H. as amended shall be imposed.

FAQs

Shall the Profession Saudization Decree be applied in parallel with Nitaqat?

Yes, the Profession Saudization Decree shall apply to the professions targeted by the Decree within the establishment, as well as the penalties stipulated by the law regardless of the establishment range in Nitaqat, meaning that the establishment range within Nitaqat does not affect the calculation of the percentage of Saudization of the engineering professions.

Shall the Decree apply to job titles only or to the worker's actual work?

The Decree shall apply to the job titles and the worker's actual work.

Shall the Saudization percentage be amended in the future?

The Ministry of Human Resources and Social Development works on reducing unemployment and contributing to provide suitable jobs for the Saudi citizens through many initiatives to be launched. For this purpose, the Ministry, on a periodic basis, reviews the required Saudization percentage through quantifying the number of graduates and jobseekers and the labor market capacity for ensuring the automatic engagement of the graduate into the labor market.

What is the calculation mechanism?

Compliance with Saudization rates is monitored in a completely automated manner through the system, which applies an equation based on professional titles in the social insurance database and then verifies wages and professional accreditation via technical linkage with supervisory authorities. In the event of noncompliance by the establishment, the penalties shall be imposed based on the provisions of the abovementioned Penalties and Legal Procedures Enforcement Mechanism.

Does the Decree include occupational safety and health professions?

Occupational safety and health professions are governed by Ministerial Decree No. 76509 dated 15/04/1441 H.



For more information

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