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Saudi Arabia

Investing In

Contributor



HFW

Abdulahman ALOhaly

Partner | abdulahman.alohaly@hfw.com

Khaled Alsbhan

Associate | khaled.alsbhan@hfw.com

Norah Almousa

Trainee Solicitor | norah.almousa@hfw.com

Maha Alathel

Trainee Solicitor | maha.alathel@hfw.com

Meshal Alfawaz

Trainee Solicitor | meshal.alfawaz@hfw.com

This country-specific Q&A provides an overview of investing in laws and regulations applicable in Saudi Arabia.

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Saudi Arabia: Investing In

1. Please briefly describe the current investment climate in the country and the average volume of foreign direct investments (by value in US dollars and by deal number) over the last three years.

Over the past three years, Saudi Arabia has dramatically enhanced its investment climate and attracted record-breaking Foreign Direct Investment ("FDI"), owing to deep structural reforms and increasing global promotion. With Vision 2030 at its core, the Kingdom instituted sweeping legal and regulatory reforms, modernising relevant laws such as the Companies Law, Bankruptcy Law, and the issuance of the Civil Transactions Law.

In addition, granting 100 percent foreign ownership in most sectors, streamlining licensing via MISA, reforming the labor market, and progressing digitisation of government services (Absher, Etimad, Najiz). Major giga-projects (NEOM, Qiddiya, Red-Sea, Diriyah) and investments in infrastructure, tourism, entertainment, renewable energy (Saudi Green Initiative), logistics zones, and health and technology sectors reinforced this momentum. Complementary efforts like the Shareek program, Special Economic Zones, guaranteed profit repatriation, and dispute adjudication (effective 2025 Investment Law) continue to reinforce foreign investment confidence. As a result, the Kingdom has been transitioning from an oil-dependent economy to a diversified, competitive global investment hub with expanding non-oil GDP growth and robust global investor sentiment.

2. What are the typical forms of Foreign Direct Investments (FDI) in the country: a) greenfield or brownfield projects to build new facilities by foreign companies, b) acquisition of businesses (in asset or stock transactions), c) acquisition of minority interests in existing companies, d) joint ventures, e) other?

FDI in Saudi Arabia has significantly evolved following Vision 2030, offering diverse entry models for global investors. The most common forms include equity-based investments such as Greenfield projects, where foreign entities establish new operations, and brownfield acquisition of assets. Investors often pursue joint ventures to leverage local expertise, though recent

reforms allow 100% foreign ownership in many sectors, making wholly-owned subsidiaries increasingly popular. Regional headquarters and holding companies are also prevalent, as Saudi Arabia positions itself as a hub for MENA operations. Specialised economic zones (in what we believe, preparation for free zones) provide regulatory flexibility, while public-private partnerships (PPPs) dominate large-scale infrastructure. Beyond equity, FDI often incorporates debt instruments such as shareholder loans, convertible bonds and Islamic sukuk, alongside capital market investments through qualified Foreign Investor (QFI) programs. Legal structures typically involve Limited Liability Companies (LLC) for flexibility or Joint Stock Companies (JSC) for large-scale ventures, with approvals managed by the Ministry of Investment and, for listed entities, the Capital Market Authority. Incentives include tax breaks, rebates and localization requirements, complimented by streamlined visa processes and incentives encouraging foreign investment in many forms. Collectively, these mechanisms reflect Saudi Arabia's strategic push to attract foreign capital, diversify its economy, and integrate into global markets.

3. Are foreign investors allowed to own 100% of a domestic company or business? If not, what is the maximum percentage that a foreign investor can own?

In principle and in most cases, the answer is yes. The baseline policy is that foreign investors may own 100 percent of entities carrying out business in Saudi Arabia in most sectors, subject to investment registration with the Ministry of Investment of Saudi Arabia, usually through the Invest Saudi portal. The Ministry of Investment's current investor guide reflects this approach and sets an indicative processing time of around ten working days once a complete application is lodged. Sector approvals and additional conditions can still apply in regulated activities.

There remain areas where foreign investment is slightly restricted, namely some regulated activities that require a specific local ownership set by the relevant regulator. The applicable investment law has historically used a "negative list" concept for activities limited to Saudi ownership.

Recent policy papers and guidance refer to a successor

approach "excluded activities" under the new Investment Law framework. In practical terms, the effect is similar. Investors should not assume blanket access in activities of strategic sensitivity, and should plan for sector specific approvals and ownership thresholds where they exist. The relevant regulators tend to have authority to make exceptions and grant exemptions, subject to clear business case/plan. Representative illustrations that are consistently cited include upstream oil exploration and production, Hajj and Umrah related services, capture of marine living resources and some other lines of businesses.

Two further points often shape "go no go" analysis. First, commercial agency and distributorship have for decades been limited to Saudi nationals. The long standing rule is that only Saudi nationals may act as registered commercial agents, and while liberalisation has been discussed, at the time of writing foreign principals should still assume that a local Saudi agent will be needed if they want a registered agency. Second, real estate remains a special regime. Foreigners can invest in Saudi property within defined parameters and subject to licensing. A recent CMA change also permits non Saudis to invest, via listed companies, that have real estate in Makkah and Madinah. In parallel, the Real Estate General Authority has announced a new framework to take effect from 2026 that will broaden foreign ownership rules and define permitted zones.

4. Are foreign investors allowed to invest and hold the same class of stock or other equity securities as domestic shareholders? Is it true for both public and private companies?

In private companies there is no legal distinction between the rights that may be granted to Saudi and foreign shareholders. Class rights are governed by the Companies Law and the articles of association, and there is no rule that restricts a foreign shareholder to a different class or different voting or economic rights solely because it is foreign. In listed companies, foreign investment is governed by the Capital Market Authority's Rules for Foreign Investment in Securities. Under these rules, a non-resident foreign investor may not own ten percent or more of the shares of a listed issuer, and all foreign investors combined may not exceed forty-nine percent of the listed issuer's share capital. These limits do not apply to foreign strategic investors. These are ownership limits rather than differences in the classes or rights attached to shares.

In summary, local and foreign ownership are treated as

equals.

5. Are domestic businesses organized and managed through domestic companies or primarily offshore companies?

Most operating businesses are organised through Saudi entities. Foreign groups sometimes use offshore holding companies for regional structuring to enjoy applicability of foreign laws and practices, however with the Saudi Arabian laws' latest updates and reforms, it has been paving the way to setting up directly domestically, driving the concept of foreign offshore companies to an "excess cost". Further, government contracting rules, licensing, labour and tax considerations generally require a Saudi entity for onshore operations, and would favor the involvement of the parent entity or direct operating subsidiaries as opposed to a temporary "regional holding SPV".

The Regional Headquarters programme also encourages multinationals to establish a substantive Saudi presence to access public tenders, where such forms a significant target of foreign investors' plans. The number of RHQ licensed entities have now exceeded 400 within a period of two years since implementation.

6. What are the forms of domestic companies? Briefly describe the differences. Which form is preferred by domestic shareholders? Which form is preferred by foreign investors/shareholders? What are the reasons for foreign shareholders preferring one form over the other?

Saudi company law recognises a number of domestic forms. In corporate practice the workhorses are the limited liability company, the joint stock company and the most recent addition, a simplified joint stock company. The current Companies Law, effective since 2023, also retains partnerships and provides for non profit companies, but these are less common for foreign greenfield or M&A entry.

A limited liability company is somewhat of the default for wholly owned subsidiaries and joint ventures, especially entities with plans to be accustomed to local applicable laws prior to shifting to a slightly more 'governance heavy' entity, a joint stock company. A limited liability may be formed by one or more natural or legal shareholders. Liability is limited to the contributed capital and management can be vested in one or more managers or a board of managers. The Companies Law does not set

a statutory minimum capital, although licensing conditions or sector regulators sometimes do. For in kind contributions there is a mandatory valuation process by accredited appraisers. In practice, limited liability companies are valued for their flexibility, and light governance.

A joint stock company suits larger businesses, listings and capital markets plans. The Companies Law still prescribes a statutory minimum issued capital of 500,000 Saudi riyals for a joint stock company. It is run by a board of directors and a general assembly. It can issue multiple share classes and debt or financing instruments, and is the form required for a listing in stock markets. The new law also allows greater flexibility in authorised capital and capital increases.

A simplified joint stock company is the newest form and is often preferred for venture capital, founder led growth companies and complex shareholder arrangements. A simplified joint stock company has negotiable shares, no statutory minimum capital, and flexible governance in comparison with a regular joint stock company. It can be established by one or more shareholders and does not have to replicate the typical joint stock company board and general assembly model. This form is now frequently used where investors want joint stock style shares but with streamlined decision making and fewer corporate formalities. As this is a new type of vehicle introduced by the latest Companies Law, we expect a bit of a learning curve in the next couple of years, with views that such vehicle could be the next "default" go-to vehicle given the flexibility and the ease of ingress and egress.

Partnerships remain available: a general partnership exposes partners to joint and several liability, while a limited partnership splits liability between active partners and silent partners. These are less commonly used by foreign investors, but they exist, and the law sets out their formation, management and termination rules.

Foreign groups may also register a Saudi branch. Branches are governed by Companies Law and the investment regime. A foreign company must operate through a licensed form such as a branch or representative office and must comply with Saudi accounting and filing rules for the branch. The branch is not a separate legal person, which has liability and operational implications, including the tax consolidation element which is not usually a favorable option for some foreign investors in light of their country of origin's tax regime.

In brief, foreign investors most commonly choose a limited liability company for straightforward operating

subsidiaries and joint ventures, a simplified joint stock where investor protections, share classes and exit mechanics are needed without the full joint stock company apparatus, and a joint stock company for large platforms, capital market activity or where a listing is a near term goal or should the nature of activity deem it a requirement (some regulated activities). The choice is often dictated by governance preferences, future fundraising and regulator expectations rather than tax, since Saudi corporate income tax and Zakat follow status based rules rather than the company form per se.

7. What are the requirements for forming a company? Which governmental entities have to give approvals? What is the process for forming/incorporating a domestic company? What is a required capitalization for forming/incorporating a company? How long does it take to form a domestic company? How many shareholders is the company required to have? Is the list of shareholders publicly available?

Foreign investors start with investment registration at the Ministry of Investment. The process is electronic, but document legalization/apostillation and translation are usually required for overseas corporate owners. The Ministry's own guide indicates an indicative ten business day window for processing a complete application, although timing depends on sector and completeness. Once the investment certificate is issued, incorporation proceeds with the Ministry of Commerce through the Saudi Business Center e services, covering name reservation, constitutional documents, commercial registration and publication. In parallel or immediately after formation, investors complete tax, social insurance and municipal steps and, where relevant, sector licenses. Quite recently, name reservation climbed up the list to be a requirement prior the investment registration.

As to capitalisation, the Companies Law does not prescribe a minimum for a limited liability company or a simplified joint stock company. A joint stock company does have a statutory minimum issued capital of 500,000 riyals, and its bylaws must state the issued and paid up amounts. In kind contributions must be valued by accredited appraisers and recorded. Apart from companies in regulated sectors, there is no universal rule that capital must be paid into a bank before formation, but in practice authorities or banks may ask for evidence of paid up capital before certain post incorporation steps. Sector regulators such as SAMA or the Insurance

Authority or the CMA set their own capital floors for licensed activities, which sit on top of the Companies Law.

On timing, the bottlenecks are document preparation and formalities for the foreign parent, opening initial bank accounts and any sector approvals. The core company file with the Ministry of Commerce is typically processed quickly once prerequisites are met.

Regarding owners, the Investment Law and Companies Law require filing of shareholder particulars on formation. In addition, from April 2025 most Saudi registered entities must identify and keep up to date records of their ultimate beneficial owners and report those to the Ministry of Commerce, with penalties for non compliance. The Ministry has stated that access to UBO data is restricted to regulators and competent authorities under confidentiality rules, so the UBO register is not a public database. For listed companies, separate CMA disclosure rules apply to substantial shareholdings.

As to minimum numbers of shareholders, a limited liability company may be formed by one or more shareholders. A simplified joint stock company may also be formed by a single shareholder. The joint stock company form is used for larger or listed issuers and, in practice, will have multiple shareholders, though the new law permits a joint stock company to be incorporated with a sole shareholder. These flexibilities make single shareholder structures feasible where group governance or foreign ownership rules favor that approach.

One final practical point is procurement and government facing work. Since the 1st of January 2024, foreign investors seeking government contracts are required to maintain a regional headquarters in the Kingdom. This is not a company law rule, but it can be decisive for structuring and timing where the business plan involves participating in public tenders.

8. What are the requirements and necessary governmental approvals for a foreign investor acquiring shares in a private company? What about for an acquisition of assets?

If the target is or will become foreign owned, the Ministry of Investment registration must be obtained or amended to reflect the new foreign ownership. Limited liability companies share transfers are executed and recorded with the Ministry of Commerce and must be mirrored on the investment registration. Sector approvals may be required where the target is regulated, for example under the SAMA's rulebook for banks, the Insurance Authority

for the insurance sector. A competition filing may be mandatory with the General Authority for Competition if the updated thresholds are met. As such, asset deals, licences, permits and contracts must be reviewed to determine transferability and whether regulator consent is needed. Other regulators (such as SAMA and the Insurance Authority) will require prior written approval for mergers, acquisitions or transfers of ownership.

9. Does a foreign investor need approval to acquire shares in a public company on a domestic stock market? What about acquiring shares of a public company in a direct (private) transaction from another shareholder?

Foreign investment in Saudi-listed companies is governed by the CMA's 2023 Rules for Foreign Investment in Securities, which streamline eligibility for QFIs, foreign strategic investors, swap agreements, and discretionary portfolios.

QFIs typically require a minimum SAR 1.875 billion in assets under management, though exceptions exist for pension/endowment funds, government entities, market maker clients, and international organizations. Non-resident foreign investors remain subject to a 10% single-investor and 49% aggregate cap, unless they qualify as strategic investors—who are freed from ownership limits but must commit to a two-year holding period. Crossing or targeting 10% triggers mandatory disclosures and regulatory compliance under the CMA's Mergers & Acquisitions Regulations (MERs) and Offers Rules, while reaching 40%–50% control thresholds may provoke takeover obligations or require CMA clearance. Off-market transfers also fall within the joint jurisdiction of the Exchange (Listing Rules), the CMA, and the Ministry of Commerce, necessitating board/shareholder approval and public notification via amendments to the Articles of Association.

Furthermore, acquisition of shares in sensitive sectors like financial services or healthcare often demand permits from SAMA, SFDA, MoH, MISA, or other sector regulators. These sector-specific frameworks may impose ownership limits, licensing obligations, local supervision, or fit-and-proper requirements. Thus, while foreign participation is broadly liberalised, achieving control over a Saudi-listed company requires navigating a layered regulatory regime spanning capital market, competition, corporate governance, and sectoral approvals.

10. Is there a requirement for a mandatory tender offer if an investor acquired a certain percentage of shares of a public company?

Under the CMA's Merger & Acquisition Regulations, any acquisition that raises a person's (or concert party's) aggregate voting-held interest to 50% or more in a listed company triggers a mandatory tender offer obligation—requiring the acquirer to extend an offer to all remaining shareholders. Additionally, obtaining or controlling 40% or more of a single class of voting shares imposes a six-month standstill requirement: the acquirer may not further increase or exert control over the shares during this period without CMA consent. Purchases that reach 10% or more in a single class of shares are considered a "restricted offer or purchase," triggering mandatory announcements and disclosure. The CMA also permits partial offers (acquiring 30%+) with prior approval, provided they comply with pricing and timing rules.

Exemptions and interactions with other regimes further complicate the picture. Exempt offers apply to certain strategic investors, sovereign debt instruments, and institutions, but must still comply with the CMA's Rules on Public Offers. Meanwhile, the acquirer must also observe disclosure obligations under the Executive Bylaws and Market Conduct Regulations, including insider trading, market abuse, and related-party protocols.

Finally, Competition Law / GAC merger control thresholds (e.g., SAR 200 million combined turnover or SAR 40 million target turnover) impose parallel filing requirements for transactions crossing 40–50% control levels. The CMA regulations are frequently updated, mainly to stay in line with market trends, and most importantly to safeguard investors' rights, whilst maintaining profitable and sustainable business operations that adds value to the Saudi economy.

11. What is the approval process for building a new facility in the country (in a greenfield or brownfield project)?

Approvals for constructing a new facility on a greenfield or brownfield site in Saudi Arabia require compliance with multiple statutory regimes. Foreign investors must register with the Ministry of Investment and obtain prior approval for any restricted activities listed under Article 8. Construction works, including design, execution, modification, or change of use, must adhere to the Saudi Building Code (Royal Decree No. M/43 of 1438H, as

amended), with permits contingent on compliance and engagement of licensed professionals. Industrial projects cannot be established, expanded, or relocated without a licence from the competent authority pursuant to Articles 5–7 of the Industrial Regulations Law (Royal Decree No. M/20), which may require an economic feasibility study and provides for appeal rights. Environmental permits are mandatory under Article 3 of the Environmental Law for any activity with potential impact.

12. Can an investor do a transaction in the country in any currency or only in domestic currency? a) Is there an approval requirement (e.g. through Central Bank or another governmental agency) to use foreign currency in the country to pay: i. in an acquisition, or, ii. to pay to contractors, or, iii. to pay salaries of employees? b) Is there a limit on the amount of foreign currency in any transaction or series of related transactions? i. Is there an approval requirement and a limit on how much foreign currency a foreign investor can transfer into the country? ii. Is there an approval requirement and a limit on how much domestic currency a foreign investor can buy in the country? iii. Can an investor buy domestic currency outside of the country and transfer it into the country to pay for an acquisition or to third parties for goods or services or to pay salaries of employees?

There are no general foreign exchange controls on using foreign currency to pay for acquisitions or contractors, and there is no requirement to obtain central bank approval to convert or remit funds for such purposes provided anti money laundering and sanctions rules are observed. Salaries must be paid in the local currency under Article 90 of the Labour Law and through the Wage Protection System. Banks are regulated by the Saudi Central Bank and handle conversions and remittances in the ordinary course. There is no regulatory limit on the amount of foreign currency that can be brought in for an investment or on buying Saudi Riyals, and there is no tax or duty on simple foreign exchange conversion. For VAT purposes, dealing in money and currency exchange is an exempt financial service under the VAT Implementing Regulations.

13. Are there approval requirements for a foreign investor for transferring domestic currency or

foreign currency out of the country? Whose approval is required? How long does it take to get the approval? Are there limitations on the amount of foreign or domestic currency that can be transferred out of the country? Is the approval required for each transfer or can it be granted for all future transfers?

There is no general requirement to obtain prior approval to repatriate dividends, returns of capital or sale proceeds. Remittances are made through the banking system subject to routine compliance checks. Withholding tax applies to certain cross border payments and must be satisfied before remittance. Dividends to non resident shareholders are generally subject to 5 percent withholding, and other payments such as royalties and service fees attract rates between 5 percent and 20 percent depending on the payment type and treaty relief, albeit recently aimed to be fixed at 15% unless reduced by a tax treaty. There is no system of one off blanket approvals for future transfers.

14. Are shares in private domestic companies easily transferable? Can the shares be held outside of the home jurisdiction? What approval does a foreign investor need to transfer shares to another foreign or domestic shareholder? Are changes in shareholding publicly reported or publicly available?

Equity interests in limited liability companies are transferred through a formal process with the Ministry of Commerce and must be reflected on the investment registration for foreign owned entities. Pre emptio and transfer mechanisms in the articles are common and must be observed, in accordance with the Companies Law. Shares in Saudi companies are recorded domestically on the Commercial Register and cannot be "held" offshore in the sense of bearer instruments. Changes in shareholders are recorded on the register. Basic corporate information is viewable publicly, while full shareholder particulars are accessible through the government portals.

15. Is there a mandatory FDI filing? With which agency is it required to be made? How long does it take to obtain an FDI approval? Under what circumstances is the mandatory FDI filing required to be made? If a mandatory filing is not

required, can a transaction be reviewed by a governmental authority and be blocked? If a transaction is outside of the home jurisdiction (e.g. a global transaction where shares of a foreign incorporated parent company are being bought by another foreign company, but the parent company that's been acquired has a subsidiary in your jurisdiction), could such a transaction trigger a mandatory FDI filing in your jurisdiction? Can a governmental authority in such a transaction prohibit the indirect transfer of control of the subsidiary?

Foreign ownership in any Saudi entity requires an investment registration from the Ministry of Investment. The Ministry of Investment has a dedicated licensing team comprising of evaluators assessing and evaluating the added value of such foreign investment.

Separate from that, Saudi Arabia operates a mandatory competition filing regime for "economic concentrations" that meet three cumulative turnover thresholds: combined worldwide turnover of at least SAR 200 million, combined Saudi turnover of at least SAR 40 million and, for acquisitions, a target worldwide turnover of at least SAR 40 million. Joint ventures and mergers are tested under adjusted criteria in the latest guidelines. The General Authority for Competition can prohibit or condition a transaction. These rules apply to global deals with a Saudi nexus and can capture an indirect change of control at the Saudi subsidiary level even if the immediate target is offshore. Review timelines depend on the completeness of the filing and complexity.

16. What are typical exit transactions for foreign companies?

Exits are most often trade sales to local or regional strategic buyers, sales to financial sponsors, or initial public offerings on the Saudi Main Market or Nomu. Choice is driven by sector, regulatory status and valuation.

17. Do private companies prefer to pursue an IPO? i. on a domestic stock market, or ii. on a foreign stock market? iii. If foreign, which one?

Under the Capital Market Law and its Implementing Regulations (Royal Decree No. M/30 dated 2/6/1424H), private Saudi companies generally prefer to conduct IPOs domestically on Tadawul's Main Market rather than

abroad. This reflects the regulatory framework, which focuses on local listings and requires CMA approval, submission of a prospectus in Arabic, and compliance with governance and disclosure standards. Primary listings outside Saudi Arabia are not permitted. We have seen encouragement to consider cross-listing with the CMA issuing guides to give comfort and guidance to those in favor of such cross-listing in accordance with Article 10 of the Listing Rules, subject to CMA consent and additional conditions. While cross-border listings are legally possible, they remain rare and require prior IPO listing and CMA authorisation. In practice, domestic IPOs are the standard route for Saudi private companies.

18. Do M&A/Investment/JV agreements typically provide for dispute resolution in domestic courts or through international arbitration?

International arbitration is very common, often under SCCA or ICC rules, seated in Riyadh or in a neutral seat. The Arbitration Law and the latest 2025 Arbitration Rules and the Enforcement Law created a workable framework and Saudi Arabia has been a party to the New York Convention since 1994. A draft new Arbitration Law released in 2025 indicates further reform but is not yet in force. Parties still choose Saudi courts for certain matters where local relief is essential. With that said, we understand the SCCA (and arbitration in general) is becoming more favorable given the issuance of the Judicial Fees Law (i.e court fees) which used to be the key differentiator when filing a claim in Saudi Arabia.

19. How long does a typical contract dispute case take in domestic courts for a final resolution?

Timelines vary with complexity and forum. The commercial courts (and administrative courts for when a government authority is a party) have modernised procedures and electronic filings, but multi instance litigation can still take many months from filing to final judgment. We have witnessed a significant improvement in timelines by local courts, but where speed and cross border enforceability matter, arbitration would be the preferable option.

20. Are domestic courts reliable in enforcing foreign investors rights under agreements and under the law?

Saudi commercial disputes are heard in specialist commercial courts with appeal and Supreme Court

(Cassation) review, and judgments are executed by dedicated enforcement courts. Case filing, service and access to judgments are handled through the Ministry of Justice's Najiz platform. These measures have improved predictability, although overall timelines still depend on complexity, expert evidence and translation.

The Sharia principles are now largely codified. The Civil Transactions Law, in force since December 2023, sets out rules on contract formation, performance, remedies and limitation, and the Law of Evidence modernizes proof, including electronic evidence. This reduces uncertainty for foreign parties used to civil law systems, but the local laws operate alongside mandatory rules and public policy.

Two constraints shape outcomes. First, interest is not enforceable because "riba" is contrary to public policy. Parties can recover provable loss and may agree liquidated damages, but courts may reduce excessive amounts or refuse them where no loss is proven. Second, Arabic is the language of the courts, so parties should expect to file Arabic originals or certified translations, including when presenting foreign judgments or arbitral awards for enforcement.

Arbitration remains the safer route for cross border enforcement. Saudi Arabia acceded to the New York Convention in 1994 and the Arbitration Law aligns enforcement and setting aside grounds with the Convention, with execution through the enforcement courts. Awards are regularly enforced, although elements contrary to public policy, such as interest, are pared back.

Foreign court judgments can also be enforced under the Enforcement Law, but recognition depends on reciprocity and public policy, so the path is workable yet less predictable than arbitration.

21. Are there instances of abuse of foreign investors? How are cases of investor abuse handled?

The new Investment Law does not differentiate between a local or a foreign investor, and treats them as "an investor". Foreign investors with claims shall proceed to court (or mediation/arbitration) similarly to how a local investor would pursue a claim. The courts and tribunals do not differentiate between a local or a foreign investor, including claims against ministries or government authorities which fall within the jurisdiction of the Board of Grievances.

There however formalities in which a foreign investor may

need to comply with such as Arabic language prevailing, submissions in Arabic (or certified Arabic translation), court dealings are in Arabic. But this is in line with the Saudi Basic Law of Governance which provides: "The Kingdom of Saudi Arabia is a sovereign Arab Islamic State. Its religion is Islam; its constitution is the Book of Allah and the Sunnah of His Prophet (peace be upon him). Its language is Arabic."

The judicial system in Saudi Arabia supports not only foreign investors operating in Saudi Arabia, but also foreigners out of the Kingdom to submit their claims through the Najiz system and up to enforcement and collection.

22. Are international arbitral awards recognized and enforced in your country?

Foreign arbitral awards are recognised and enforced by

the enforcement courts under the New York Convention and in accordance with the Saudi Enforcement Law, subject to the limited Convention grounds and Saudi public policy. The process is more predictable than a decade ago but public policy screening is real and must be planned for.

23. Are there foreign investment protection treaties in place between your country and major other countries?

Saudi Arabia has an extensive network of bilateral investment treaties and is a member of multilateral conventions that facilitate investment protection and dispute resolution. Treaty protections and dispute mechanisms should be checked on a deal by deal basis in light of the investor's home state. The treatment and dealings are fair and supportive of equality.

Contributors

Abdulrahman AlOhaly
Partner

abdulrahman.alohaly@hfw.com



Khaled Alsbhan
Associate

khaled.alsbhan@hfw.com



Norah Almousa
Trainee Solicitor

norah.almousa@hfw.com



Maha Alathel
Trainee Solicitor

maha.alathel@hfw.com



Meshal Alfawaz
Trainee Solicitor

meshal.alfawaz@hfw.com

