



2025

Relocation to Saudi Arabia

Practical Guide for Employees & Contractors

OUR ACCREDITATIONS & ASSOCIATIONS:



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Country overview

Saudi Arabia is a rapidly transforming nation and has become an increasingly popular destination for foreign professionals. Under its Vision 2030 reforms, the Kingdom is diversifying its economy beyond oil and welcoming international talent, leading to new opportunities in sectors like IT, finance, engineering, and tourism. Expats in Saudi Arabia enjoy tax-free income, high salaries, modern infrastructure, and world-class healthcare, making it a financially rewarding place to work.

This comprehensive guide is designed to make your transition to life and work in Saudi Arabia as smooth as possible. It walks you through essential steps – from obtaining the correct work visa and residence permit to setting up a bank account, accessing healthcare, and understanding taxes and the cost of living. Whether you're still planning your move or already packing your bags, this practical, step-by-step guide will help you navigate the key aspects of Saudi bureaucracy and daily life with confidence.



Saudi Arabia

Here are some key facts and figures about Saudi Arabia to get you acquainted:

| | |
|------------------------------|--|
| Capital: | Riyadh |
| Official Language: | Arabic (English is widely used in business and by expats) |
| Currency: | Saudi Arabian Riyal (SAR) |
| Population: | ~36.9 million (2025, including citizens and residents) |
| Total Expatriate Population: | ~13.4 million |
| Climate: | Desert climate with extremely hot summers and mild winters. For example, Riyadh's average July temperature is around 36°C (daily highs often 43–45°C), and average January temperature is about 14°C. Coastal cities like Jeddah are hot and humid in summer. Rainfall is sparse and mainly occurs in winter |
| Largest Cities: | Riyadh, Jeddah, Mecca, Medina, Dammam |
| Minimum Salary Levels: | There is no universal minimum wage for expatriates in Saudi Arabia; salaries are usually determined by market and negotiation. However, for Saudi citizens the official minimum wage is SAR 4,000 per month |

Your Relocation Checklist for Moving to Saudi Arabia

A practical, step-by-step checklist covering pre-departure preparations and post-arrival tasks:

- ☒ Familiarise yourself with the cost of living in Saudi Arabia and typical salary levels for your role
- ☒ Decide Where to Live
- ☒ Secure a Job or Assignment
- ☒ Check Visa Requirements
- ☒ Complete any required medical tests for the visa
- ☒ Housing Arrangements
- ☒ Get a local SIM card
- ☒ Residence Permit Process: In Saudi, your work visa is just an entry visa – you must apply for the Iqama (residence permit)
- ☒ Local Registrations (fingerprints, national address registration, absher account, etc.)
- ☒ Open a Bank Account

SECTION 1:

Immigration

The basics of Saudi Immigration

Saudi Arabia's immigration system is employer-driven. Unlike some countries, there is no points-based or independent work visa – you must have a Saudi sponsor (usually an employer or an umbrella company like Access Financial) to live and work in the Kingdom. There are a few exceptions (like the investor visa or family residency if you marry a Saudi).

Who needs a visa?

Essentially all foreigners entering Saudi Arabia need a visa. Saudi Arabia is not part of any free-movement area like Schengen or the EU. However, GCC nationals (citizens of Gulf Cooperation Council countries like UAE, Bahrain, Kuwait, etc.) have a special status – they do not need entry visas and can live/work in Saudi by obtaining a residency permit relatively easily through a local sponsor (the GCC is working towards more integration). For everyone else, a visa is mandatory.

Saudi Arabia now offers various visa categories:

- **Tourist Visas:** Introduced in 2019 for citizens of dozens of countries (e.g., US, EU, UK, etc.), available as e-visas or visa-on-arrival. Valid for tourism, limited business meetings, or visiting friends, but not valid for employment.
- **Business Visit Visas:** For attending conferences, short business meetings, or exploratory business visits. These do not allow you to receive a salary in KSA.

- **Work Visas / Employment Visas:** The main route for expats taking up a job in Saudi. This leads to the Iqama (residency) and is our focus here.
- **Residency (Iqama) without Work:** There are a few programs like the Premium Residency (PR) (a long-term residency for investors or wealthy individuals, often called the Saudi “Green Card”), but it requires a large financial investment or fees and is not common.
- **Dependent Visas:** For spouses and children of a work visa holder. These allow residence in Saudi (and schooling for kids, etc.) but not direct employment.

Saudi Arabia's Work Visa and Residence Permit Process

Saudi Arabia follows a two-step immigration process for expatriate workers, similar in concept to some European systems:

1. **Obtain an Entry Work Visa (Employment Visa) from a Saudi embassy/consulate in your home country**, using the work authorization documents provided by the employer.
2. **After arriving in Saudi, obtain the Residence Permit (Iqama) within 90 days**, which is your long-term legal status to live and work in the Kingdom.

Here's a breakdown of the process:

1. Work Authorisation (Block Visa & Visa Number):

Your Saudi employer (or an umbrella company) must secure permission to hire a foreigner. They typically apply to the Ministry of Human Resources for a “block visa” or work visa allocation. Saudi companies have quotas and requirements (they must prove compliance with Saudization and that the role fits allowed job categories for expats). Once approved, the Ministry and the Ministry of Foreign Affairs issue a Visa Authorization Number or Work Visa Referral for you.

When approval is granted, an electronic visa authorisation is sent to the Saudi embassy/consulate in your country (or a number is given to you to present).

2. Medical and Document Attestation:

Before you can apply at the embassy, you must:

- Complete a **medical examination** form. Saudi embassies provide a medical report form that a certified doctor must fill out. Tests typically include HIV, hepatitis B/C, TB, and a general exam. You'll attach lab results and doctor's signature. The report may need to be stamped by your country's health authorities and the Saudi consulate.
- Obtain a **Police Clearance Certificate** (criminal background check) and have it authenticated. Saudi Arabia increasingly asks for this to ensure no criminal record. Like the medical, it might need Foreign Ministry and Saudi embassy attestation.

- Ensure your **education certificates** are notarized and attested by Saudi cultural mission or embassy. For example, if you're hired as an engineer, your engineering degree must be verified and stamped "Saudi Embassy Attested". This usually involves: notary > foreign ministry attestation > Saudi embassy attestation.
- Have **passport photos** (recent, white background) as required.
- Sign the **employment contract** if not already done – sometimes needed for embassy application.

These steps can take time (especially the attestations), so start early. Agencies can help with the attestation process.

3. Work Visa Application at the Embassy/Consulate:

With the visa authorisation from Saudi and all required documents in hand, you submit your application to the designated Saudi consulate or visa processing center in your country. This usually entails:

- Filling out the visa application form.
- Providing your passport (with at least 2 blank pages and 6+ months validity).
- Passport photos.
- The visa authorisation number/reference from your employer.
- Medical report and Police certificate (with all stamps).

- Copy of your work contract might be required.
- Paying the visa fee (often the employer has paid via MOFA, so you might just provide proof).
- If you have family going with you immediately, their documents and applications will go in as well (including marriage cert, birth certs – all attested).

The consulate will issue a Work Visa stamped in your passport. It's usually a one-time entry visa, valid for entry within 90 days of issuance and may show your employer's name and your job title (as per Saudi classification) on the sticker.

4. Entry and Iqama (Residence Permit): Travel to Saudi Arabia using this work visa. Upon arrival, your employer's Government Relations Officer (GRO or "Mandoob") will begin the Iqama application. This involves:

- Undergoing a local **medical test** again (at an authorised Saudi clinic/hospital). This double-checks for communicable diseases; it's mandatory for Iqama issuance.
- Registering your **fingerprints** and biometrics at a Passport Office (Ministry of Interior). Often done at airport immigration now or soon after arrival.
- Submitting your passport with the work visa, medical results, and relevant forms to the Ministry of Interior (Jawazat) or via the online platform **MUQEEM**.

- The employer also must enroll you in **medical insurance** (a policy number is required in the system before Iqama issuance, since insurance is compulsory).
- Once processed, your **Iqama ID card** is issued. Nowadays cards are delivered by mail to your employer, or you might get a digital Iqama initially.

The Iqama is typically valid for **1 year** and renewable annually (some employers may do 2-year). It will have your **unique Iqama number** (10 digits) which is used in all government systems.

Important: The work visa only allows entry; the Iqama is what grants you legal residency and work authorisation long-term. You must not forget to convert your status by getting the Iqama within the 90-day window, or you'd overstay. In practice, employers handle it within a few weeks of your start date.

During the Iqama process, your passport may be with government offices for stamping. Employers no longer legally keep employee passports, so you should get it back once formalities are done.

5. Post-Iqama Steps:

After receiving your Iqama, there are a few more things:

- **Multiple Exit/Re-Entry Visa:** If you plan to travel in and out of Saudi during your employment (vacations, business trips), you need an exit/re-entry visa each time. Nowadays, employers can grant a multiple-exit

visa (valid for 6 months or 1 year) or single-exit visas on request via the Absher or Muqem system. Discuss this with your employer – policies differ, but you cannot just leave Saudi freely without this visa (unless you are on the new mobility program which, as of 2021, allows exit with notification in some cases).

- **Family Iqamas:** If your family came on entry visas, you'll apply to convert those to Iqamas for each dependent. This requires medical insurance for them and paying the yearly dependent fee (Saudi imposes a monthly fee per dependent, currently about SAR 400/month per dependent, paid usually by the expat or employer).
- **Work Permit Card (if separate):** In most cases, the Iqama itself is proof of work authorization. Some professions might also get a **work licence** from their professional council (like a card from Saudi Engineering Council or Medical Council), but that's separate from the Iqama.

Types of Work Visas and Entry Permits

Saudi Arabia's work visa types can be categorized by the nature of work assignment. Here are the most common routes for expats:

- **Regular Employment Visa:** This is the standard work visa leading to Iqama as described above. It is typically tied to a specific job position that matches one of the categories allowed for expats.

The visa in your passport might say "Labor" or a specific profession (e.g. "Engineer", "Consultant") depending on what quota it was issued under. Once you have the Iqama, you can work until your contract ends or Iqama is not renewed. This is by far the most prevalent path.

- **Temporary Work Visa:** Saudi Arabia has introduced new visa options for short-term work. One such is a Temporary Work Visa (distinct from a business visit). This can be a 3-month or 6-month permit, sometimes issued as a digital document (no Iqama). It's meant for short assignments and is obtained by companies through an online portal (the "Qiwa" platform). It allows legal work without transferring to a full Iqama, but it's time-limited and not intended for long stays. If you're on a contract that's just a few months, your company might use this route.
- **Secondment or Consulting Visas:** In some cases, foreign companies doing projects in KSA send employees on a Work Visit Visa (Commercial Visa). These are labeled as "Working Visit" on the visa. Historically, they were common for consultants or technicians coming for a few months. They don't lead to an Iqama, and have a defined validity (e.g., 90 days, extendable to 180). Saudi authorities prefer people to use proper work visas now, but these are still used for short-term needs. Note that on such a visa you remain on your home company's sponsorship, technically.

- **Intra-Company Transfer (ICT):** Saudi Arabia implemented an ICT visa category for multinational companies transferring employees to their Saudi branch. This is akin to the ICT in other countries. It requires the person to be employed by the company's home office for a certain period before transfer. ICT visas bypass some local hiring restrictions. They still result in an Iqama, but often without needing a local labor contract (your contract remains with the foreign entity). This is useful for big companies rotating staff into Saudi short-term. The **advantage** is no local labor contract needed, and often no local payroll (you can be paid offshore). However, they have specific criteria.
- **Family Residence (for work):** If your spouse is being hired and you come on a dependent visa, you cannot legally work unless you transfer to a work visa. There is a possibility of transferring a dependent to an employee sponsorship if you find a job in KSA – it requires permission and going through the work authorization steps. So dependents should not work on a dependent Iqama without conversion.

SECTION 2:

Settling in Saudi Arabia

Settling in Saudi Arabia

Local SIM Cards

One of the first things to do is get connected with a local mobile number. SIM cards in Saudi Arabia are easily available, but are tied to your identity:

- You can buy pre-paid SIM cards even as a visitor at airports, mobile shops, etc., using your passport for ID. This is great for initial days. For example, Zain (one provider) offers a visitor SIM for ~SAR 40 with some data included.
- Once you have your **Iqama**, you can opt for either continued prepaid use or switch to a postpaid (contract) plan. To get a postpaid mobile contract, you'll need your Iqama and often proof of address and a bank account/credit card. Postpaid plans typically come with monthly bills and often more data/minutes for the price.

Major telecom operators:

- **STC (Saudi Telecom Company)**: the largest, with very extensive coverage (especially in remote areas). They offer packages under the brand "Sawa" for prepaid and "Mofawtar" for postpaid.
- **Mobily**: the second operator, good coverage in cities, competitive pricing on data.
- **Zain**: the third major, with some attractive pricing, and good urban coverage.
- Also, **Virgin Mobile KSA** and **Lebara** are MVNOs (virtual operators) targeting expats with special international calling plans.

Where to Live

Deciding where to live in Saudi Arabia will depend on your work location, family needs, and lifestyle preferences. Here's a breakdown of the main options:

1. Residential Compounds (Expats' top choice):

Many expatriates, especially Westerners, live in gated compounds. These are secure, self-contained housing communities often featuring amenities like swimming pools, gyms, mini-markets, restaurants, and schools. Within a compound, the lifestyle is more liberal – dress codes are relaxed (you can wear shorts, etc.), women can move around freely, and there are community events. It can feel like a "little bubble" of home.

Compounds range from luxurious (villas with gardens, multiple pools, tennis courts) to more basic apartment complexes. Some famous ones: In Riyadh, **Al Hamra Oasis Village**, **Kingdom City Compound**, **Arizona Compound**; in Jeddah, **Al Basateen Village**, **European Compound**; in Dhahran/Khobar, **Aramco camp** (if you're an Aramco employee) or **Al Rushaid Village**.

2. Apartments or Villas in Local Neighborhoods:

Outside compounds, you can rent an apartment (flat) or even a standalone villa in the city. This immerses you more in local life. Housing off-compound is cheaper – for instance, a modern 2-bedroom apartment in a good Riyadh area might be SAR 50,000–80,000 per year, which is a fraction of compound rates. Villas (often 3-5 bedrooms) can range widely, say SAR 100k–180k depending on size and area.

In cities, neighborhoods are often mixed-use with shops and mosques on each block. **Riyadh** areas popular with expats include **Olaya** (central, high-rises), **Sariyah**, **Diplomatic Quarter (DQ)** – note DQ is a quasi-compound with many embassies and housing, very secure and green, popular for diplomats and some expats, offering a compromise with liberal environment. **Jeddah** expats like **North Jeddah** districts (near the Corniche for sea proximity, or areas like **Al Hamra**, which are diverse). **Khobar/Dhahran** expats often choose neighborhoods near the corniche or near **Aramco compound** for convenience.

3. Company-Provided Housing:

If you work for a large company (like Saudi Aramco, SABIC, etc.), they might have their own housing compounds or leased apartments for employees. For example, **Aramco employees** often live in **Aramco camps** (which are basically American-style suburban neighborhoods with schools, golf courses, etc.). If you're provided this, it simplifies your search a lot – you get a ready-made community and don't pay rent (or it's deducted at a nominal rate). can get a tourist SIM package (often comes with some data and local calling credit). This is great for immediate use during your first days. Tourist SIMs are usually valid for 1 week to 1 month. You can later convert it to a regular prepaid line.

How to Find Accommodation

Finding a suitable home in Saudi Arabia can be a challenge, but knowing where to look and how the rental market works will help. Here are several ways and tips to find accommodation:

- **Company/Relocation Assistance:** First, check if your employer offers help. Many mid-to large companies either assign housing or have agreements with certain compounds or real estate agents. They might cover an agent's fees or provide you with a list of recommended compounds. Always leverage HR's help if available – they have local experience and may fast-track the process.
- **Online Property Portals:** In recent years, online listings have grown. Popular property listing sites (in English and Arabic) include:
 - [Bayut.sa](https://www.bayut.sa) – a leading real estate portal in KSA. You can filter by city, property type, price, furnished/unfurnished.
 - [Esimsar](https://www.esimsar.com) – listings for apartments and villas.
 - [Property Finder Saudi](https://www.propertyfinder.saudi) – part of a Gulf-wide property site, with decent English interface.
 - [Zaahib](https://www.zaahib.com) – another platform with lots of listings.

Bank Account Setup

Opening a bank account in Saudi Arabia is an important step to manage your finances, especially since most employers will require a local account to deposit your salary. The Saudi banking system is modern and well-regulated by the Saudi Central Bank (SAMA). Here's how to get your banking in order:

When to Open: You can only open a local bank account after you have your Iqama (residence permit), because the bank will need your Iqama ID number as identification. (Some banks might allow a temporary account with just the passport and visa, but it will be very limited and usually they prefer to wait for Iqama). So, plan to do this soon after receiving your Iqama card.

Choosing a Bank: Major banks in Saudi include:

- **Al Rajhi Bank** – one of the largest Islamic banks, very popular for payroll (many companies use Al Rajhi to pay salaries). Has extensive ATM network.
- **National Commercial Bank (NCB / “AlAhli”)** – largest bank by assets, now merged with Samba to form Saudi National Bank (SNB).
- **SABB (Saudi British Bank)** – affiliated with HSBC, good for expats especially those with HSBC accounts back home.
- **SAB (Saudi Awwal Bank)** – formerly AlAwwal/Deutsche Bank tie-up, now merged with HSBC/SABB? [Banks merged recently; currently SNB, SABB, Al Rajhi, Riyadh Bank, and others like Banque Saudi Fransi, Arab National Bank, Alinma Bank, etc.]
- **Emirates NBD & Gulf International Bank (GIB)** – foreign banks with presence; might cater to expat professionals.
- **Digital banks** (like STC Pay planning to be a bank) – up and coming but for now, stick to a traditional bank for salary.

Documents Needed: Generally, to open a personal current account (checking account) you'll need:

- **Original Iqama + a copy.**
- **Passport copy** (showing your entry visa page).
- **Letter of Introduction/No Objection Letter (NOC) from your Employer:** This is a letter on company

letterhead addressed to the bank stating your position, salary, and that the company has no objection to you opening an account. (Sometimes the bank asks specifically for a salary confirmation because they want to know the expected deposits).

- **Proof of Address:** Some banks might ask for your national address printout or a copy of your lease. If you've registered your address with the National Address system (which you should, as it's required), you can provide the confirmation.
- **Photos:** A couple of passport-sized photographs (though with everything digital, this is less often needed now, but good to have).
- **Completed Account Opening Form:** The bank will have you fill this at the branch or online.
- If opening a **joint account** (e.g. with spouse), the spouse would need to be present with their Iqama and documentation too.

Local Registrations and IDs (National Address, Absher, etc.)

After settling in, there are a few local registrations and bureaucratic tasks you should complete to fully integrate into the system:

- **National Address Registration:** Saudi Arabia has a national address system that assigns a standardized address to every residence (needed for mail, deliveries, and many official purposes). As a resident, you are required to register your National Address (Al Adresse Al Watani) within 30 days of getting your Iqama.

This is done via the Saudi Post's website or app. It involves entering details like your building number, street, district, city, and zip code. Many times, if you're in a newer building, you can find your national address details on a sticker near your building entrance or ask your landlord. Registering generates proof of address which you use for things like bank accounts or certain government services. It's free for individuals (a small annual fee is waived for individuals currently). Once registered, you'll get an address ID and can even get things delivered via Saudi Post.

- **Absher Account (Ministry of Interior eServices):** This is extremely important. Absher is an online portal (and app) for Ministry of Interior services, used by expats and citizens to manage a host of things: issuing exit/re-entry visas, renewing your Iqama, driver's license, paying traffic fines, etc. To create an Absher account, you need your Iqama number, a valid mobile number, and often you must visit an Absher kiosk or bank kiosk for initial activation. Many banks and public places have Absher self-service machines where you insert your Iqama, set up fingerprint and confirm the account. Alternatively, some banks allow Absher registration through their ATMs or online banking (they verify you since you have a bank account and Iqama). Absher is used for:

- Exit/Re-entry visa applications for dependents.
- Final exit visa for leaving KSA permanently.
- Transferring sponsorship (if you change jobs, though new systems like Qiwa also handle this).
- Personal status queries (e.g., how many SIMs are on your ID, your driver license info, etc.).

Without Absher, you'd have to do things in person – which is increasingly not possible as they digitize everything. So ensure you register. Keep your Absher login details secure; it's like your key to government services.

- **Muqem (Expatriate Portal):** This is more for your employer's use to manage your residency. However, you as an expat can use the Muqem service to print out your Iqama information or check your exit/re-entry visa status. It's a sister system to Absher (Absher is for individuals, Muqem for companies).
- **Medical Insurance Card:** Not exactly a registration, but once your employer issues your health insurance, you should receive an insurance card from the provider. Always carry it or have a digital copy for hospital visits. Also, register on the insurer's app or portal to locate hospitals in network and view coverage.
- **Dependent Iqamas:** If you brought your family, make sure each dependent gets their Iqama and you register them on Absher as well (Absher has a feature to manage dependents). Dependent children won't need separate Absher, but your spouse might want their own Absher account to, say, use government e-services independently.

Professional Regulations for Working Expats

If your job falls under a regulated profession, you may need to navigate local professional regulations or licensing beyond just the work visa. We touched on some above, but let's go into detail:

- **Engineering and Technical Professions:** Saudi Arabia requires all expat engineers (and related technicians/architects) to register with the Saudi Council of Engineers (SCE). You must have your degree attested and pay a fee to get an SCE membership ID. In fact, as a policy, the work visa for an engineer won't be issued until you obtain at least a provisional SCE approval. Additionally, Saudi has tightened criteria to ensure quality: since 2018, expat engineers need minimum 5 years experience and must pass a competency exam/interview by SCE. The aim is to bar junior expat engineers and promote hiring Saudis. So, as an expat engineer, ensure you maintain your SCE membership renewed annually, because the Labor Ministry links it to your Iqama – you can't renew your Iqama if the SCE membership lapses. The SCE also might require continuing professional development for long-term practice.
- **Medical and Healthcare:** All doctors, nurses, pharmacists, and allied health professionals must be licensed by the Saudi Commission for Health Specialties (SCFHS).
- **Lawyers:** Foreign lawyers cannot directly practice Saudi law unless they have a local license (which generally requires being a Saudi or a foreigner with specific credentials and Arabic fluency).
- **Accounting and Finance:** In 2021, Saudi Arabia started requiring certain finance professionals (accountants, auditors) to register with SOCPA (Saudi Organization for Certified Public Accountants). If you're an accountant, you might have to take an exam or at least be a member of SOCPA for your work permit.

Cost of Living in Saudi Arabia

Housing

This is usually the largest expense – if you have to pay it yourself. Compound rents can be exorbitant (as mentioned, anywhere from SAR 100,000 to 250,000+ per year for family-sized units). Regular apartments/villas are cheaper: e.g., a 2-bedroom apartment in a good area might be SAR 60k/year, a small villa maybe SAR 100k. There are also cheaper options in older parts of town or further from city center (you can find apartments for SAR 30-40k). Many expats negotiate a housing allowance or have it fully provided, which greatly affects their cost of living. If your employer covers housing, that's a ~30% cost of living reduction right there. If not, factor the rent in – and remember you often pay semi-annually upfront.

Utilities

- **Electricity:** Historically very cheap due to subsidies, but tariffs have risen a bit. Still, it's inexpensive compared to global standards. A typical apartment might have an electric bill of SAR 150-300/month except in peak summer where AC use can drive it up to maybe SAR 500 (if you blast AC 24/7 in a villa, could be higher). Government villas have much subsidized rates. Tariff is roughly 18 halal (0.18 SAR) per kWh for most usage tier.
- **Water:** Also subsidized. Many places have a flat minimal fee. If on city water, you might pay maybe SAR 30-50 a month for decent usage. In some compounds or houses not on network, you order

water truck deliveries (a tanker of 5,000 gallons might cost SAR 100 or so). But overall, not a big expense.

- **Gas:** Many homes use gas cylinders for cooking (about SAR 80 to refill a large cylinder that lasts months). Some compounds have piped gas.

Groceries

Grocery costs are moderate. Local staples like rice, meat, vegetables are reasonably priced. For example:

- 1 liter of milk ~ SAR 6,
- 1 kg of chicken ~ SAR 15 (whole chicken),
- 1 loaf of local bread ~ SAR 2,
- 12 eggs ~ SAR 10,
- 1 kg apples ~ SAR 6-9 depending on origin.

Transportation

- **Public Transport:** Outside of a limited bus network and the new Riyadh Metro (which might cost e.g. SAR 5-10 per ride once operational), public transit is not widely used by expats.
- **Taxis/Ride-hailing:** Uber and Careem are widespread and not too expensive given the fuel price. A 20-minute intra-city ride might be SAR 20-40. There's also an abundance of local taxi apps. Many expats who don't drive rely on these daily – which can add up but still likely cheaper than owning a car when all costs considered.

- **Intercity Travel:** Flying between cities (Riyadh-Jeddah ~2h) costs ~SAR 300 one-way if booked advance. Buses (SAPTCO) are cheaper, e.g., SAR 150 but longer. There's also a new high-speed train Jeddah-Riyadh via KAEC, priced around SAR 150-200.

Childcare & Schooling:

- **School Fees:** If you have children, international school fees are a big ticket. For instance, British International School Riyadh or American School can charge SAR 50k-80k per child per year for tuition. Add to that registration fees, uniforms, books. Some moderately priced schools (following Indian or Filipino curricula, or newer IB schools) might be SAR 20k-40k. Many expat packages include an education allowance due to these high costs.
- **Daycare/Nursery:** Not as common formally; many expat families hire a nanny (often a live-in maid who also watches kids). Salaries for full-time live-in housemaids/nannies from e.g. Philippines, India, or Africa range ~SAR 1,500-2,500/month (plus you provide accommodation, food, etc.). Daycare centers exist in some compounds or communities, costing maybe SAR 1,000-2,000/month for half-day programs.

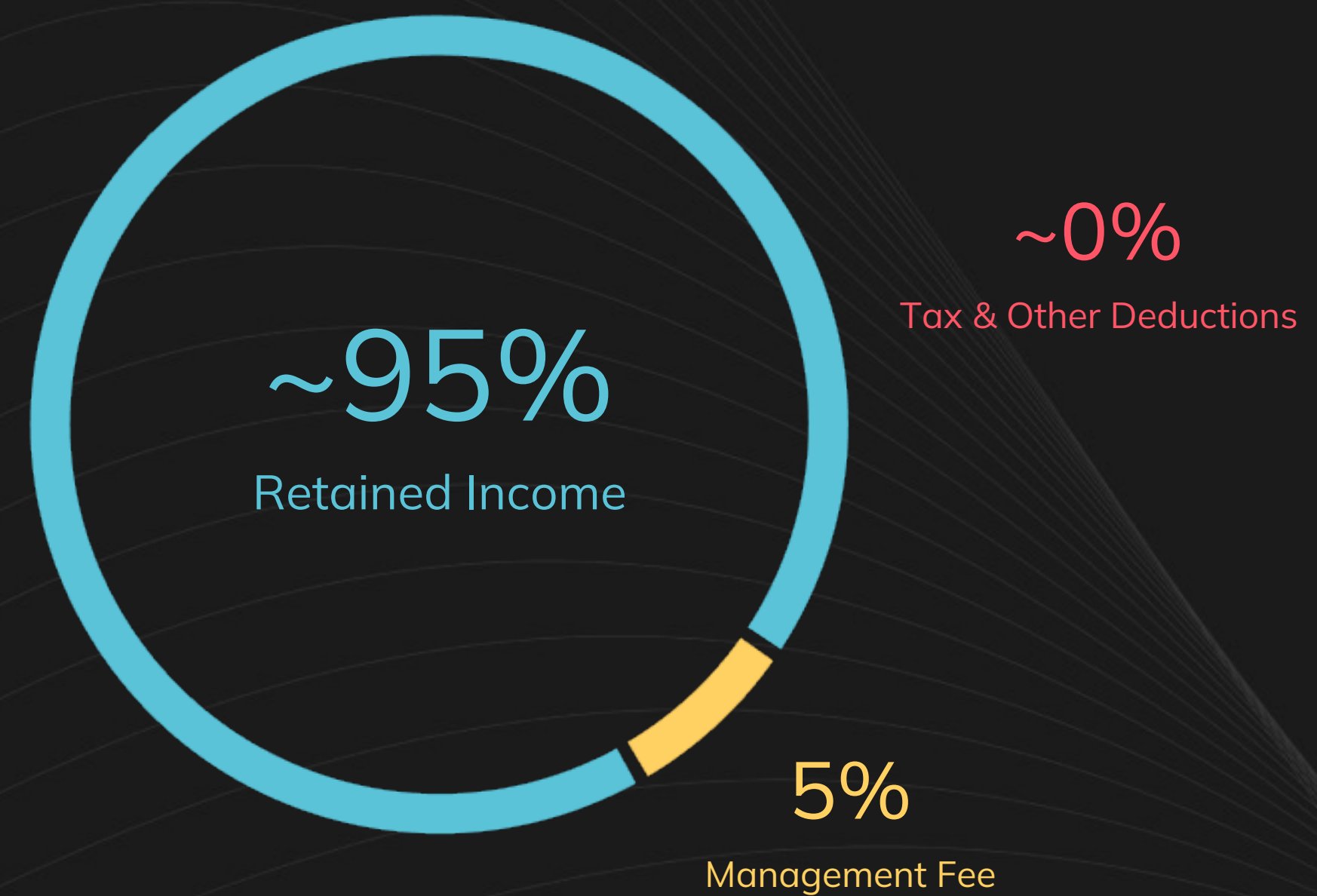
SECTION 3:

Working in Saudi Arabia

Take-home pay simulation

*The percentage shown is an illustration based on various assumptions and is intended to provide an indication of what you may take home as net pay. For a more detailed projection, please [contact our sales experts](#).

**In an EOR solution, the management fee is paid by the end client.



Employed / EOR

Employment Contract Types in Saudi Arabia

Saudi Arabia recognizes both **fixed-term** and **indefinite-term** employment contracts. Understanding which one you have is important for rights like notice and end-of-service benefits.

- **Fixed-Term Contract:** Many expats are on fixed-term contracts, often matching their Iqama or project duration (commonly 1 or 2-year contracts). These contracts have a specific end date. According to labor law, if a fixed-term contract expires and is not formally renewed but you continue working, it becomes an indefinite contract by operation of law. Also, if a fixed contract is renewed three times or the total duration exceeds 4 years (whichever comes first), it automatically converts to an unlimited (non-fixed) contract. This is something to be aware of: an employer can't keep someone on endless renewals without eventually it becoming indefinite.

Example: You sign a 2-year contract in 2025, it renews in 2027 for another 2 years, and then in 2029 for 2 more. After the third renewal (or hitting 4 years), in 2029 you effectively are considered indefinite term. This is per Article 55 of the Labor Law.

- **Indefinite (Open-Ended) Contract:** No specified end date. It continues until either party terminates it with notice as per law or mutual agreement. Many local hires (especially Saudis) are on indefinite terms. Some expats after years of service end up indefinite due to the rule above.

Probation Period: Regardless of contract type, initial hiring often includes a probation period (up to 90 days

normally, extendable to 180 days now with agreement). During probation, either side can terminate with minimal notice (usually as short as a day or immediate as per contract). After probation, the full contract terms kick in.

Working Hours, Workweek, and Overtime

The standard working hours and patterns in Saudi Arabia are governed by the labour law, but also influenced by local custom (like prayer times and Ramadan adjustments).

- **Standard Hours:** The normal working limit is 8 hours per day, 48 hours per week (for a 6-day workweek). Many companies opt for a 5-day week (Sunday through Thursday), in which case typically it's about 9 hours per day (with a lunch break) to make ~45 hours a week. Some companies consider 45 hrs/week the norm for 5 days. Government offices work fewer hours (7-hour days).
- **Workweek:** Sunday to Thursday are the official workdays in Saudi Arabia. Friday is the weekly day of rest (holy day), and Saturday is the second day off for most sectors. So the weekend is Friday-Saturday. Retail, hospitality, and some other services often require work on weekends, but then employees get alternate days off.

Overtime, Holidays, and Leave Policies

Saudi labour law provides various types of leaves to employees – some paid, some unpaid – and stipulates premium pay for overtime and holiday work. Here's what you need to know:

Overtime Pay: Overtime is 150% pay for hours beyond normal. If you work after-hours, you should either get overtime pay or time off in lieu (if mutually agreed). Many offices discourage overtime; it usually needs prior approval from management.

Working on Weekends: If you are asked to work on your weekend (Friday/Saturday), the law treats that as overtime. Typically:

- Either you get another day off in compensation, plus 50% extra pay for those hours.
- Or if no extra day off, then pay at double rate (your normal pay for the day + another 100%). Often companies will opt to give a day off later because it's easier than calculating double pay.

Public Holidays: Saudi Arabia officially has relatively few public holidays, but they're of decent length. Official holidays (for private sector) include:

- **Eid al-Fitr** – end of Ramadan. Private sector usually gives around 4 days off (the government gets 10 days, private typically less, around 3-7 days). It starts from the 29th of Ramadan or 1st of Shawwal depending on moon sighting.
- **Eid al-Adha** – falls about 2 months after Eid al-Fitr. Private sector typically gets 4 to 5 days off around the Hajj (9th Dhu al-Hijjah through 12th or 13th).
- **Saudi National Day** – 23 September (1 day off).
- **Founding Day** – 22 February (1 day off, introduced in 2022). There's no New Year's Day or Christmas as official holidays, obviously. Weekends are fixed as weekly "holidays."

If a public holiday (like National Day) falls on a weekend, often the next workday is given off in lieu. The Ministry usually announces the exact dates each year.

If you must work during a public holiday (say you're in emergency services, hospitality, etc.), then by law:

- You are entitled either to **150% pay plus a day off later**, or
- **200% pay** (double pay) for those holiday hours. This is similar to weekend overtime rules.

Annual Leave (Vacation): By law, minimum 21 days of paid annual leave per year if you have worked at least one year. After 5 years with the company, this minimum rises to 30 days per year. Many companies grant 30 days from the start for expats as a competitive practice. These are calendar days, not working days (so 30 calendar days ~ 22 work days). Often you'll see contracts saying "30 days annual leave per year."

You generally must take your leave within the year or next. The employer can't arbitrarily cancel your earned leave but scheduling is usually by mutual agreement. Some expats take leave in one go to visit home for a month. Others split it.

Sick Leave: Legally, you're allowed up to 120 days of sick leave per year (if needed) with the following pay structure:

- First 30 days – full pay,
- Next 60 days – 75% pay,
- Next 30 days – unpaid.

This is a generous allotment. It resets each year for a new illness period. However, you must provide medical certificates for sick leave, especially if more than 1-2 days. Employers may have internal policies like requiring a doctor note if >2 consecutive days.

If you have a major illness or injury, these extended sick leave provisions protect you from immediate termination. If you exhaust those 120 days and still are unable to work, then the employer could consider ending the contract due to health (with end-of-service benefits due).

Maternity Leave: Saudi labor law now provides 12 weeks (70 days) of fully paid maternity leave. Of these, at least 6 weeks must be after delivery. Women can start maternity leave up to 4 weeks before due date. In practice, many take about 4 weeks before and 8 after. This leave is at full pay (assuming the woman has been with employer for 1+ year; if less than a year, some employers might give half pay — but the law now says fully paid regardless of tenure). There's also an option to extend maternity leave by additional unpaid time (often you can add extra month unpaid).

During pregnancy, a woman is entitled to take time off for prenatal doctor visits, and by law after the child is born, female workers are allowed either to come one hour late or leave one hour early for breastfeeding for 24 months (with pay) – basically a nursing break each day.

Paternity Leave: Fathers get 3 days of paid paternity leave for the birth of a child. This must be taken within the first week of the baby's birth. It's short, but that's the law (it was recently clarified).

Notice period and Termination

Notice Period (After Probation): Once you're past probation, if on an indefinite contract:

- If the employer wants to terminate, they must give you **60 days' notice** (if you're paid monthly). For hourly/daily wage workers it's 30 days.
- If you want to resign, you are required to give **30 days' notice** (for monthly wage employees).

Contracts can specify longer notice periods if both parties agree, but cannot be shorter than the law. Many senior expats might have 90 days notice stipulated for both sides, which is legal since it's longer (the law sets a minimum, not exactly fixed if contract says more).

For fixed-term contracts: if one party wants to end it early without breach from the other, the law doesn't require notice per se (because the expectation is the contract runs its term). However, practically, if you want to resign a fixed-term early, giving notice is recommended (like 30 days) to maintain goodwill. If employer wants to cut short a fixed contract, they often negotiate an end with notice or payout.

Immediate Termination (No Notice) for Cause: Saudi Labor Law Article 80 lists reasons an employer can terminate without notice or ESB – e.g., if the employee assaults someone, or is caught in theft, or absent 10 days in a row without valid reason, etc. Those are severe cases. Similarly, an employee can quit without notice if employer abuses him/her or fails to fulfill contract obligations etc. These are exceptional.

Barring those, notice should be given. If an employer terminates you on indefinite contract without proper notice, they should pay in lieu of notice (i.e., 2 months' salary if they cut you immediately).

Resignation: If you resign, submit in writing (keep a copy or email trail with acknowledgment). The 30-day notice count starts from submission or acceptance per contract terms. The employer can waive the notice or part of it if they choose (like let you go earlier).

Final Settlement and Exit: Whether termination or resignation, once notice is served and finished, the employer should prepare your final settlement – this includes last salary, payout for any unused leave, your End-of-Service Benefit (gratuity), and any other owed benefits. They should also provide you with a Service Certificate (experience letter) stating your role and tenure.

Severance/Gratuity

This is mandatory for any employee who completes 2 or more years of service with the employer. Even if you resign, you may get part of it (if ≥ 2 years service). The formula:

- Half a month's wage for each of the first 5 years, and
- One month's wage for each year beyond 5. It's based on the **last wage** (which includes basic plus fixed allowances like housing & transport). If you worked less than 2 years and resign, you actually get zero ESB (unless termination by employer,

in which case some companies may give something out of goodwill, but law doesn't require for under 2 years except in special cases like termination for force majeure or female resign within marriage/birth windows).

If you resign between 2 and 5 years, you get $\frac{1}{3}$ of the ESB. If you resign between 5 and 10 years, you get $\frac{2}{3}$ of ESB. If you resign after 10+ years, you get full ESB.

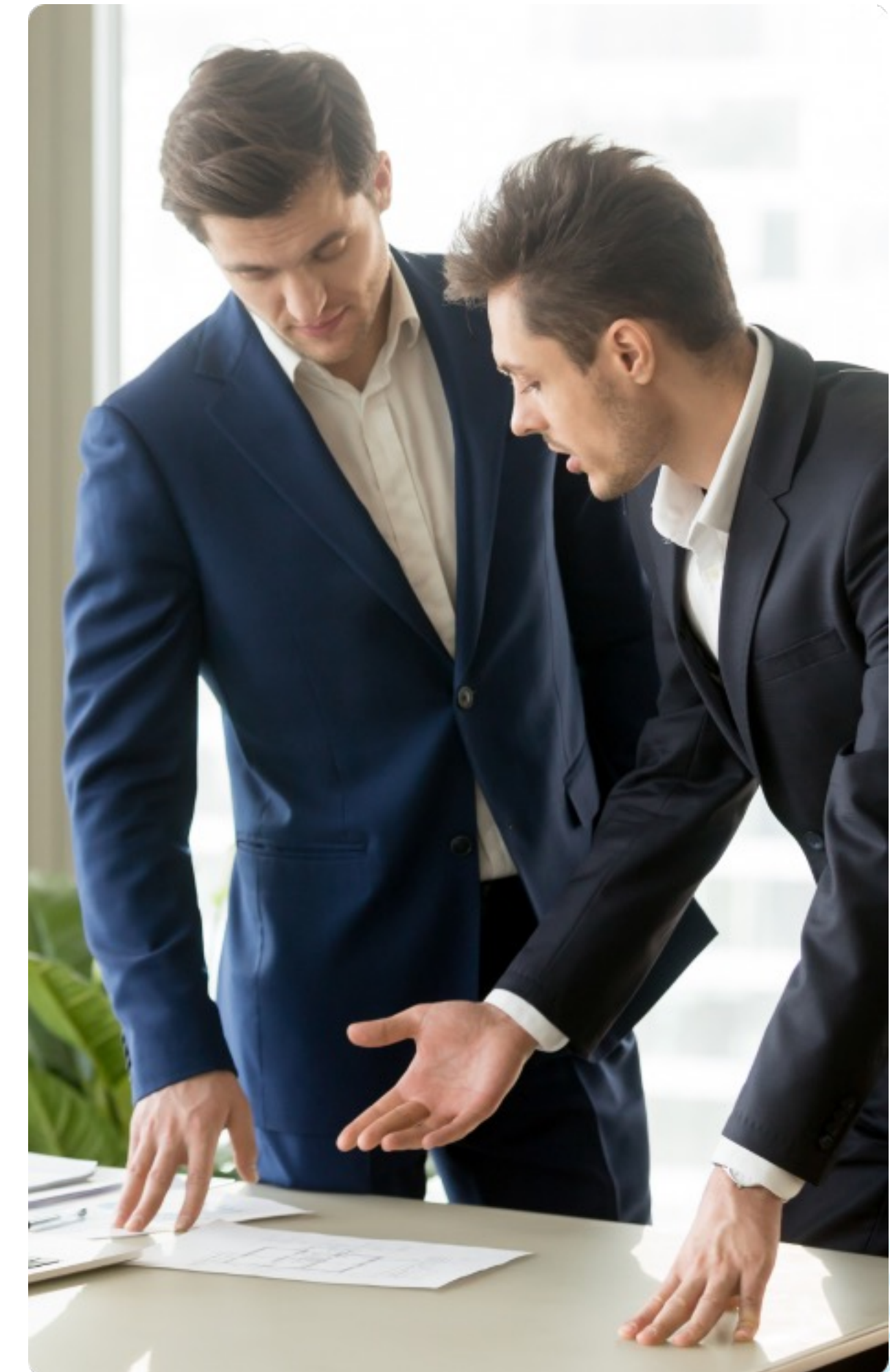
These reductions don't apply if the employer terminated you or if you left due to force majeure or certain female resignation cases (like a woman leaving within 6 months of marriage or 3 months of childbirth gets full ESB).

Thus, if you resign at, say, year 4, using above example, full ESB would be 2.5 months pay, but you only get one-third: ~ 0.833 month pay.

If terminated by employer at year 4, you get full 2.5 months.

If you resign at year 7, you get $\frac{2}{3}$ of $4.5 = 3$ months pay.

ESB for Fixed-term contracts: If a fixed term ends normally, you are entitled to ESB same as above. If you resign at end of fixed term, some interpret that as completion, so full ESB (others might argue it's still resignation; common practice is if you complete the contract term and choose not to renew, you still get full ESB because you honored the contract length).



SECTION 4:

Tax & Social Security

Income Tax in Saudi Arabia

Saudi Arabia does not levy personal income tax on wages and salaries. No monthly withholdings, no annual tax filings for your employment income. This applies to both expats and Saudi nationals. So, as discussed, your take-home pay is your full salary (aside from maybe nominal GOSI deduction if you were Saudi, but expats have none from their paycheck).

Social Security Contributions (GOSI)

Saudi Arabia's social insurance system is administered by GOSI (General Organization for Social Insurance). It covers pensions, disability, and unemployment (for Saudis under a sub-scheme called SANED), plus occupational injury insurance for all.

- For Saudi employees: 22% of their salary goes to GOSI: 11% from employer (including 2% unemployment) + 11% from employee (including 1% unemployment). That covers pension and unemployment.
- For Expat (non-Saudi) employees: Only the Occupational Hazards Branch of GOSI applies at a rate of 2% of wage. This 2% is paid entirely by the employer. It provides insurance in case of work-related injury or death (like workers' compensation).
- Expats do not contribute to the pension system, and therefore do not accrue any Saudi pension or unemployment benefits. The rationale is that expats are on fixed-term stays and presumably will rely on their home country's pensions or personal savings, plus they get the ESB gratuity from employer as an end-of-service benefit (which somewhat acts like a retirement saving).

- This means, as an expat, you'll see no GOSI deduction on your payslip. Only your employer pays 2%. If you ever have a work injury, GOSI will cover medical treatment and compensation as needed.
- You won't get a GOSI pension. When you leave, there's no refund or anything (since you didn't pay in).
- Some expats voluntarily invest in private retirement plans or continue contributing to home country schemes if possible. Saudi doesn't prevent that but doesn't have a mechanism to do it for you.

Double Taxation Treaties

Saudi Arabia has tax treaties with many countries. The purpose is normally to avoid double taxation of income. Since Saudi doesn't tax personal income, these treaties often deal with corporate and non-salary income (e.g., they might define that your home country cannot tax your Saudi employment income if you're considered resident of KSA under treaty tie-breaker, or relieve certain other taxes).

For example:

- The Saudi-UK treaty would ensure a Brit expat in KSA isn't taxed by the UK on their Saudi income if they are non-resident in UK, etc.
- The Saudi-India treaty covers similar to avoid Indian expats being taxed in India (though India tends to tax global income of residents, the treaty might ensure an Indian in KSA is considered resident of KSA not India if conditions met).

- The US has no treaty, but US citizens have their own domestic provisions (Foreign Earned Income Exclusion ~ \$120k/year can be excluded if you qualify, plus foreign tax credit if any taxes were paid which in KSA they aren't, but at least the FEIE helps).



SECTION 5:

Insurances

Mandatory Health Insurance

Saudi law requires that all non-Saudi residents (and their dependents) have private health insurance provided by the employer. There is no free public healthcare entitlement for expats. When your employer applies to issue or renew your Iqama, they must input a valid medical insurance policy number into the system (through the Council of Cooperative Health Insurance portal).

Our partners at [IMG](#) are equipped to assist you in selecting the most suitable private health insurance for you and your family.

Professional Liability Insurance

Professional Liability Insurance (PLI), also known as Professional Indemnity Insurance, protects you if a client or third party claims they suffered losses due to your professional error or negligence.

In Saudi Arabia:

- For certain professions, having PLI is either required or strongly advisable.
 - E.g., doctors must have malpractice insurance (usually hospitals provide this for staff doctors). It's essentially PLI for medical professionals.
 - Lawyers in private practice would ideally carry liability insurance in case of client lawsuits (though I believe the Saudi Bar might not mandate it yet, it's just prudent).
 - Consultants, architects, engineers working independently or on projects might want PLI. Some large project contracts will require consultants to show proof of PLI coverage for a certain amount.



SECTION 6:

How Access Financial can help

How Access Financial Can Help

It can be challenging to determine which visa is suitable, how to choose the optimal solution for your contract, deciding who will handle payroll calculations, etc., in Saudi Arabia; this requires great attention to detail and a profound understanding of local best practices.

At Access Financial, we don't just handle payroll — we're your partner in business growth. We provide a full set of services allowing corporate clients, recruitment agencies and professional contractors to operate in an optimal manner while ensuring that all local compliance obligations are taken care of. In addition to payroll services, we offer:

Contract Management: We take care of all onboarding procedures, compensation and benefits, tax filings, and, when applicable, off-boarding requirements (e.g. local deregistrations).

Tax & Legal Compliance: We offer personalised consultations to evaluate your specific needs prior to your relocation to Saudi Arabia, throughout your stay, on departure, and on your arrival back home.

Work Permits & Immigration Assistance: Our immigration experts will navigate you through local visa/permit requirements and processing times, ensuring that you have the necessary right to work in Saudi Arabia.

Our solutions in Saudi Arabia

Employed / EOR: One of our solutions for workers in Saudi Arabia is to operate through our umbrella company. We handle all billing, payroll and withholding deductions (e.g. income tax/social security) and payments on your behalf. You'll receive full administrative support from us, while remaining responsible for your client work and deliverables.

If you're ready to take advantage of our services/solutions, reach out to us today.

Together, we'll ensure your contract runs smoothly and your business thrives in 2025 and beyond.

Saudi Arabia is a vibrant and diverse country, attracting expatriates from across the globe. While relocating involves various practical considerations, the experience of living in Saudi Arabia is deeply rewarding and full of opportunities for personal and professional growth.

Have a great trip!

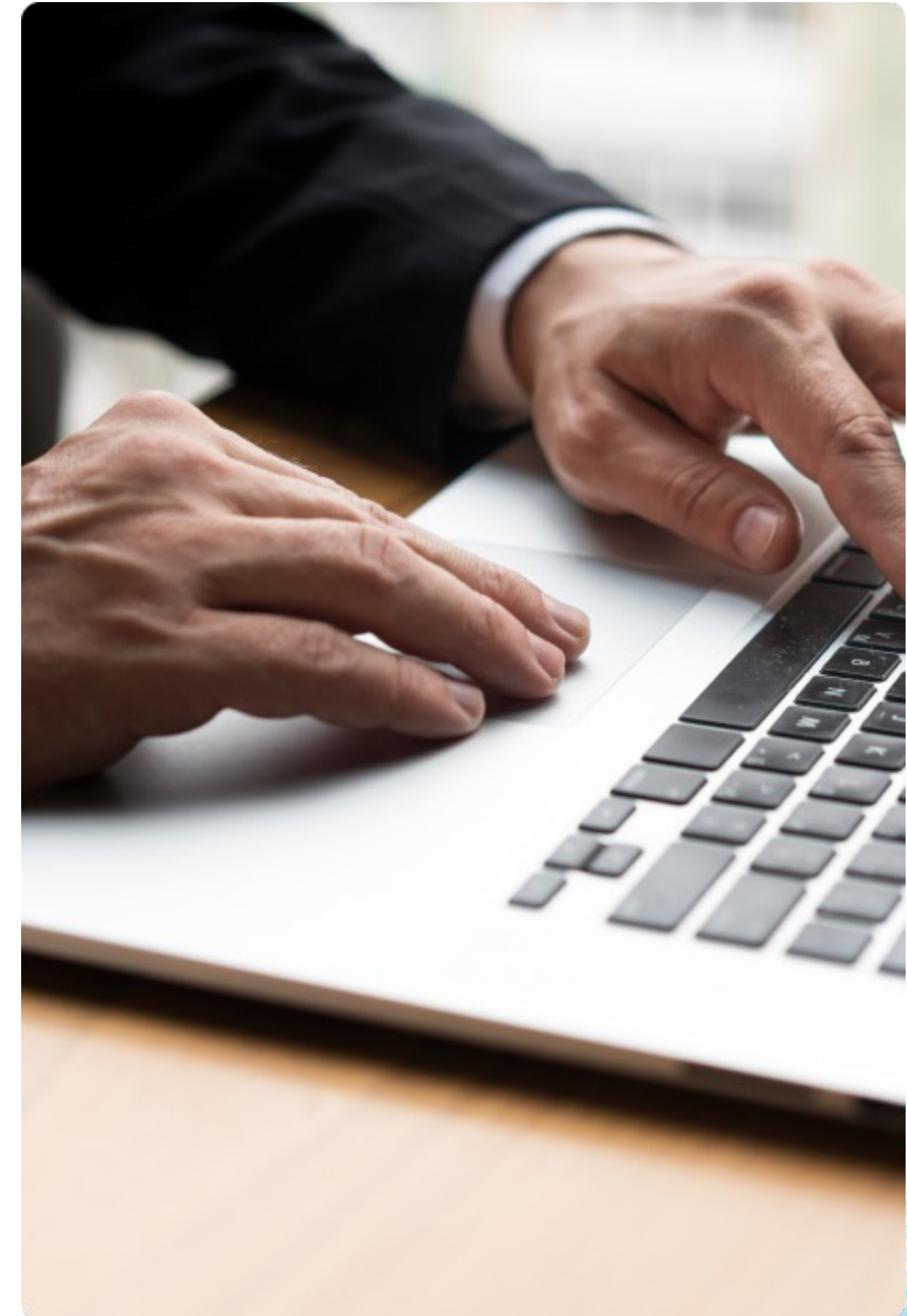


SECTION 7:

Useful Resources

Useful Resources

- **Ministry of Foreign Affairs – Visa Services:** The MOFA site and its Enjazit portal provide information on visa requirements and allow you (or your sponsor) to verify/modify visa application details.
Website: www.mofa.gov.sa
- **General Organization for Social Insurance (GOSI):** The portal where you can, for example, check your GOSI status. While as an expat you don't contribute for pension, it's useful if you want to see your injury insurance coverage or if your employer has registered you.
Website: www.gosi.gov.sa
- **Absher Portal (Ministry of Interior E-Services):** Your one-stop for personal government services – from issuing exit/re-entry visas to renewing your driving license or Istimara (car registration). Available as website and app.
Website: www.absher.sa
- **Saudi eGovernment Portal (Saudi):** A comprehensive directory of online services across all ministries – great if you're looking for how to pay a utility bill, inquire about traffic fines, or get information on starting a business.
Website: www.my.gov.sa
- **Healthcare Providers: IMG Health Insurance:** [IMG](#)
- **Access Financial Saudi Arabia:** If you have any questions about the services we provide or need assistance with your work setup in Saudi Arabia, feel free to contact Access Financial.
Website: <https://www.accessfinancial.com>



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