

Minister's Office

Ministerial Decision No. (1408) dated 12/4/1436 H.

The Minister of Labor,

After having reviewed the Labor Law issued with Royal Decree No. (R/51) dated 23/8/1426 H, after having reviewed the telegram of his Royal Highness No. (38100) dated 15/8/1432 H, which includes the approval of program of incentivizing entities to localize jobs "Nitaqar", after having reviewed the decision of Council of Ministers No. (260) dated 5/8/1430 H. with the approval of Saudi Employment Strategy, after having reviewed the Ministerial Decision No. (4040) dated 12/10/1432 H, after having reviewed the results achieved in localization of labor market, job applicants database and Saudi strategic objective for Saudis employment, after having reviewed the results of studies carried out by the Ministry for all taken procedures to promote localization within the last three years, among which the current approach for calculating the localization percentage in entities and due to the necessity of modifying the method of calculating the percentage in a bigger manner expresses the employment of Saudis and their stability in the entity, which represent one of the Ministry's objective and after having reviewed the Ministerial Decision No. (4040) dated 12/10/1432 H. and based upon the powers legally granted theret, he **decides as follows:**

1. the mechanism of moving average on 13 weeks for the purpose of calculating Saudi in Nitaqat equation shall be terminated and Saudi person shall be calculated with one true immediately after his registration in General Organization for Social Insurance provided that his insurance deduction is paid and that for all sizes and entities, including micro entities, which its number of workers is nine and less.
2. this decision shall come into force as of date of 3/5/1436 H. and shall be published in the Official Gazette and the Ministry's website.

3. This decision shall repeal all contradicting previous decisions.
4. The Vice Minister shall take all actions necessary for its enforcement.

Minister of Labor
Adel bin Mohamed Faqeh