



### **IMMIGRATION DEVELOPMENTS IN THE MENA REGION**

Please visit our dedicated microsite <https://www.fragomen.com/about/news/immigration-update-coronavirus> for details on worldwide immigration and travel restrictions due to COVID-19 pandemic.

United Arab Emirates
<p><b><i>12 January 2022 - New Business License for Freelancers Announced in the Dubai Airport Free Zone</i></b></p> <p>The Dubai Airport Free Zone Authority announced the introduction of a special business license for freelancers seeking to do business in the fields of art, consulting, education, marketing, media, technology, and education.</p> <p>The new license is called “Talent Pass” and is addressed to self-employed individuals with special skills and expertise. License holders can practice commercial activities within the Free Zone based on a three-year employment residence permit.</p> <p>Details related to eligibility conditions and the application process for the new license have not been announced yet.</p>
Saudi Arabia
<p><b><i>05 January 2022 - Amended List of Penalties Issued for Non-Compliance with Saudi Employment Regulations</i></b></p> <p>The Ministry of Human Resources and Social Development (MHRSD) implemented an amended set of penalties for employers non-compliant with the Saudi employment regulations.</p> <p>The new law provides a revised list of penalties for violation of select employment regulations, including sanctions for non-compliance with Saudization requirements, work authorization obligations, and the payment of wages, among others. It also provides a separate list of sanctions applicable to recruitment companies.</p>

The level of penalties depends on the employer's headcount and, in some instances, the penalties are multiplied by the number of workers affected by the employer's non-compliance. Depending on their size, companies are grouped into three categories:

- A – 51 workers and more; and
- B – 11 to 50 workers; and
- C – 10 workers and less.

Employers must settle (or appeal) all penalties within 60 days from the date of their imposition by the MHRSD, and failure to do so will result in the suspension of all services provided by the Ministry.

### ***05 January 2022 - Transit Visa Now Available to Foreign Nationals on A Cruise Ship***

Foreign nationals arriving to Saudi Arabia via a cruise ship can now obtain an electronic transit visa to enter the Kingdom for a short trip. This new policy comes after Saudi Arabia opened its first cruise ship terminal at the port in Jeddah in July 2021.

Foreign nationals on a cruise ship can obtain the visa through the Ministry of Foreign Affairs' electronic portal after purchasing a ticket with an accredited cruise company in Saudi Arabia. The exact mechanisms for granting the visa for passengers on a cruise ship, including the processing time, have not been announced yet.

Transit visas in Saudi Arabia are issued for a single entry and allow foreign nationals to remain in the Kingdom for either 48 or 96 hours. The shorter option was [introduced in November 2020](#) and costs SAR 100, while the longer option triggers a fee of SAR 300.

### ***25 January 2022 Update on the Regional Headquarters Program***

The Saudi Ministry of Investment (MISA) has published additional guidance on the Regional Headquarters program which seeks to incentivize foreign companies to set up their regional headquarters in the Kingdom.

According to the MISA's guidance, the initiative is directed at companies doing business in more than one jurisdiction, seeking to establish their presence in Saudi Arabia for the purpose of supporting, managing, and providing strategic direction to their branches, subsidiaries and affiliates operating in the Middle East and North Africa region (including the following countries Algeria, Bahrain, Egypt, Iraq, Jordan, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Saudi Arabia, Syria, Tunisia, United Arab Emirates and Yemen).

Such companies may obtain a Regional Headquarters business license which is issued by the MISA for up to five years under specific conditions, including the following:

- the investor must have a presence (either through subsidiaries or branches) in a minimum of two different countries other than Saudi Arabia and the country of incorporation of its headquarters; and
- the Regional Headquarters must operate as a registered foreign company in Saudi Arabia, and must perform strategic direction and management functions within six months from receiving the license (this includes formulating and monitoring the regional strategy, supporting mergers and acquisitions, and reviewing financial performance); and

- the Regional Headquarters must not conduct any commercial activities, but can perform select optional activities, including sales and marketing, training, and advisory services.

According to initial announcements, businesses with the Regional Headquarters license may benefit from certain incentives, such as exemption from select Saudization requirements and government fees waivers, although no specific details or mechanisms have been published yet.

Further details relating to the initiative, including the list of mandatory and optional activities, Regional Headquarters license fees and documentary requirements can be found [here](#).

As [reported by Fragomen in January 2021](#), international businesses without regional headquarters in Saudi Arabia may not be able to contract with agencies, institutions and funds owned by the Saudi government, effective January 1, 2024 when relevant laws in this regard are expected to go into force. However, according to the MISA, this new requirement will not affect new or existing investors' ability to enter the Saudi market, or to continue their business with the private sector.

## Egypt

### **04 January 2022 – Minimum Salary Level Introduced for Private Sector Employees**

The Ministry of Planning and Economic Development has introduced a minimum salary level for employees in the private sector in Egypt.

Employees in the private sector in Egypt are now subject to a minimum monthly salary of EGP 2,400 (approximately USD 153), according to a decision by the Ministry of Planning and Economic Development. Previously, the minimum salary level applied only for employees in the public sector.

Additionally, the law sets a rule that the minimum annual salary increase should not be less than 3% of the social insurance contribution paid by the employer as part of the worker's gross salary.

## **ABOUT FRAGOMEN**

*Fragomen is the world's leading single-focus provider of immigration services and support. Our firm is comprised of law practices and immigration consultancies that work together to support our clients across all regions globally. At Fragomen, we leverage our collective immigration experience to offer clients targeted and trusted solutions that help them achieve their local, regional and worldwide business goals.*

*Fragomen's team of dedicated immigration professionals has extensive experience in working with multinational businesses, local employers, start-ups and individual investors. We have a deep understanding of the region and maintain strong professional relationships with immigration authorities. Our MENA immigration team is supported on a global basis by over 3,800 immigration professionals in more than 50 offices worldwide. Together, we provide comprehensive immigration support in over 170 countries.*

*All we do is immigration, a sole focus that makes a considerable difference. Unlike many other providers, all of our thinking, passion and resources are dedicated to improving the immigration experiences of our clients and their employees. We have the track record, region specific experience and know-how to provide you with a streamlined and compliant immigration solution.*

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