



ALL THE WAY

NEWSLETTER

Saudi Arabia News

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Saudi Crown Prince Named Prime Minister

On the 27th of September 2022, the Custodian of the Two Holy Mosques appointed by Royal Order No A/61 dated 01/03/1444H. the Crown Prince HRH Mohammed bin Salman bin Abdulaziz as Prime Minister.

The Crown Prince, leader of the Kingdom's Vision 2030, already chairs paramount government bodies such as the Council of Economic and Development Affairs and the Council of Political and Security Affairs.





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A Modernized Companies Law Fostering Investments and Entrepreneurship

A new Companies Law was enacted by Royal Decree No M/132 dated 01/12/1443H., published in the Official Gazette on 23/12/1443H. corresponding to 04/07/2022G. and set to come into force 180 days thereafter.

The new law established a consolidated legislative framework for commercial, professional and non-profit companies in the Kingdom and introduced a new form of company, the simplified joint stock company.

In a steady effort to align with international best practice, the new law introduces significant changes and improvements to the current framework. For instance, it recognizes the validity and enforceability of shareholders' agreements, authorizes the distribution of interim and dividends, and allows the issuance of different classes of shares for joint stock companies and tradable debt and financial instruments for limited liability companies. The new law removes restrictions related to shares lock-up period, caps on maximum number of board members as well as the requirement to conduct a constituent assembly for the establishment of joint stock companies.

The Minister of Commerce will issue the executive regulations that will provide further details as to the implementation of the law prior to its entry into force.



A Tourism Law to Spur and Enable Sector Growth

A new Tourism Law was recently approved by Royal Decree No M/18 dated 26/01/1444H. and will enter into force 90 days following its publication in the Official Gazette on 06/02/1444H. corresponding to 02/09/2022G.

The law adopted an all-inclusive holistic approach whereby it aims to safeguard and develop touristic destinations and services, protect and attract tourists, streamline licensing processes, promote investments in the sector, ease and ensure alignment and collaboration between public and private sectors' stakeholders.

Within the 90-day period following the publication of the law in the Official Gazette, the Minister of Tourism will issue the executive regulations which will enter into force concurrently with the law.



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The issuance of the new law along with other relevant initiatives and decisions adopted by the Government expresses its commitment to transform the Kingdom into a distinguished global touristic destination.



A Dedicated Authority to Promote Investment

The Council of Ministers approved by resolution No 13 dated 04/01/1444H. the establishment of the Saudi Investment Marketing Authority and its governing organizational arrangements.

The authority is organizationally linked to the Minister of Investment and aims inter alia to improve all businesses and services related to marketing investment, promote the Kingdom as an investment destination, highlight investment opportunities in all sectors, enhance and unify the efforts of both public and private sectors in this respect and ensure the establishment of necessary pillars to encourage and facilitate investment for the benefit of the national economy.

The authority, in coordination with the Ministry of Investment, shall prepare its draft regulations within a period not exceeding one year from the date of the above-mentioned Council of Ministers Resolution.