



المؤسسة العامة للتأمينات الاجتماعية
General Organization for Social Insurance

حَقُّ لَكُمْ

Unified Law For Extension Of Insurance Coverage

To Gcc Citizens Working In A Member State Other Than Their Own

1st Edition

1442H - 2020



The Council of Ministers,

Upon perusal of the correspondence incoming from the Office of the Presidency of the Council of Ministers with the number (45023/B), dated 4/11/1426H and including a copy of HE the Minister of Finance telegram no. (5/3/15606), dated 1/12/1425H regarding the Supreme Council of the Gulf Cooperation Council Resolution to extend insurance coverage to GCC citizens working in a member State other than their own, issued at the 25th session of the Supreme Council of the Gulf Cooperation Council held in the Kingdom of Bahrain on 8-9/11/1425H;

And upon perusal of Minutes no. (195) dated 19/5/1426H and Minutes no. (267) dated 1/7/1426H drafted by the Bureau of Experts;

And upon review of the Shura Council Resolution no. (60/46), dated 19/10/1426H;

And upon perusal of the Recommendation of the General Committee of the Council of Ministers no. (606), dated 10/11/1426H;

Has decided as follows:

First: Approval of the Unified Law for Extension of Insurance Coverage to GCC Citizens Working in a Member State Other Than Their Own, issued by Resolution of the Supreme Council of the Gulf Cooperation Council at its 25th session held in the Kingdom of Bahrain on 8-9/11/1425H, in the form enclosed herewith.

A draft Royal Decree has been drawn up in this respect in the form enclosed herewith.

Signature

President of the Council of Ministers

This translation is provided for guidance. The governing text shall be the Arabic text.

With the help of God Almighty
We, Abdullah ibn Abdulaziz Al Saud
King of the Kingdom of Saudi Arabia,

Pursuant to Article (70) of the Basic Law of Governance, issued by Royal Order no. (A/90), dated 27/8/1412H;

And pursuant to Article (20) of the Law of the Council of Ministers, issued by Royal Order No. (A/13), dated 3/3/1414H;

And pursuant to Article (18) of the Shura Council Law, issued by Royal Order no. (A/91), dated 27/8/1412H;

And upon perusal of the Civil Pension Law, promulgated by Royal Decree no. (M/41), dated 29/7/1393;

And upon perusal of the Social Insurance Law, issued by Royal Decree no. (M/33), dated 3/9/1421H;

And upon perusal of the Shura Council Resolution no. (60/46), dated 19/10/1426H;

And upon perusal of the Council of Ministers Resolution No. (286) dated 24/11 /1426H;

Have decreed as follows:

First: Approval of the Unified Law for Extension of Insurance Coverage to GCC Citizens Working in a Member State Other Than Their Own, issued by Resolution of the Supreme Council of the Gulf Cooperation Council at its 25th session held in the Kingdom of Bahrain on 8-9/11/1425H, in the form enclosed herewith.

Second: His Highness the Deputy Prime Minister and the Ministers, each in his respective capacity, shall implement this decree.

Abdullah bin Abdulaziz Al Saud



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Unified Law for Extension of Insurance Coverage to GCC Citizens Working in a Member State Other Than Their Own

Chapter One

Definitions, General Provisions and Scope of Application

Article 1

In applying the provisions of this Law, the following words and phrases shall have the following meanings:

1. Law: The Unified Law for Extension of Insurance Coverage to GCC Citizens Working in a Member State Other Than Their Own.
2. GCC: The Cooperation Council for the Arab States of the Gulf.
3. GCC States: Member States of the Cooperation Council for the Arab States of the Gulf.
4. State of Employment: A GCC State wherein an employee/worker subject to this Law is working.
5. Employee/Worker's Home State: The GCC State of nationality of an employee/worker.
6. Citizens of GCC States: Employees/workers holding the nationality of a GCC State and working in a member State other than their own.
7. Civil Pension/Social Insurance Institutions: The competent institutions in GCC States concerned with the application of the civil pension/social insurance law therein.
8. Civil Pension/Social Insurance Laws:
 - a. Civil pension laws in force in GCC States;
 - b. Social insurance laws in force in GCC States, including the law of insurance of overseas workers.
9. Employee: A GCC national working at a GCC State's administrative institution or public authority or institution to which the provisions of the law of civil service in the state of employment apply.
10. Worker: A GCC national working in return for a wage for a GCC State natural or legal employer to whom the labor law in force is applicable.
11. Employer: A natural or legal person hiring one employee/worker or more to whom the

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provisions of this Law are applicable; an employer shall include the following categories:

- a. State administrative institutions and public authorities subject to the provisions of the Civil Pension Law;
- b. Companies, establishments and institutions of the private sector and other sectors subject to the provisions of the Labor Law.

Article 2

In implementation of the provisions of this Law, the civil pension/social insurance laws in force in GCC States shall apply to their nationals working in any other GCC State other than their own.

Article 3

The civil pension/social insurance institutions in GCC States shall be entrusted with the application of this Law.

Article 4

The provisions of this Law shall be mandatory to the nationals of GCC States working outside their own states in any GCC member State, provided that they meet the following conditions:

1. They shall meet the terms and conditions set forth in the civil pension/social insurance law in their states.
2. They shall be working for an employer subject to the provisions of the civil pension/social insurance law in the state of employment.
3. They shall be holding the nationality of a GCC State, provided that they produce documents establishing proof thereof.

Article 5

The application of this Law shall be limited to the branches of retirement, old age, disability, disease and death insurance. However, this shall not preclude the application of the branches of

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work injuries and occupational diseases insurance for an employee/worker as per the provisions in force in the state of employment.

Article 6

The civil pension/social insurance institutions in an employee/worker's home state shall abide by the following:

1. Preparing a guide to introduce the provisions of the law in force therein, including the rates of contributions payable and the procedures to be taken to insure an employee/worker in accordance with the law of the employee/worker's home state, and circulating the same to civil pension/social insurance institutions in GCC States;
2. Providing civil pension/social insurance institutions in GCC States with the insurance forms used therein for the purposes of implementing this Law;
3. Opening a bank account in the state of employment for the purpose of enabling employers and civil pension/social insurance institutions to deposit the amounts due to them, in implementation of this Law;
4. Identifying the administrative institution or unit entrusted with following up the application of the provisions of this Law with the administrative bodies or units at the civil pension/social insurance institutions in GCC States.

Article 7

The civil pension/social insurance institutions in the state of employment shall comply with the following:

1. Taking the necessary measures to bind employers to implement the provisions of this Law;
2. Taking the necessary measures to inform employers of the provisions of this Law and providing them with the guide drafted by the civil pension/social insurance institutions in the employee/worker's home state and the insurance forms used for the purposes of implementing this Law;

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3. Identifying the administrative institution or unit entrusted with following up the application of the provisions of this Law from among the administrative bodies or units at the civil pension/social insurance institutions in GCC States.

Chapter Two

Registration Procedures

Article 8

An employee/worker subject to the provisions of this Law shall be insured with the competent insurance body – civil pension or social insurance institutions – pursuant to the procedures and forms approved in the civil pension/social insurance law in the employee/worker's home state.

Article 9

An employer in the state of employment shall insure an employee/worker and shall provide civil pension/social insurance institutions in the state of employment with the insurance forms of the GCC citizens working for him after completing their data. Such institutions shall thereafter notify the civil pension/social insurance institution in the employee/worker's home state of the same, in accordance with the principles and controls agreed upon between the civil pension/social insurance institutions in GCC member States.

Article 10

The civil pension/social insurance institutions in the state of employment shall keep special records and statistics on GCC nationals working therein, in light of the data delivered thereto from employers.

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Chapter Three

Contribution Collection Procedures

Article 11

Contributions shall be collected on the following basis:

1. An employee/worker and an employer shall bear their share of the contributions from the pensionable salary/wages in accordance with the rates applicable under the law of the employee/worker's home state, provided that the share of the employer does not exceed the percentage in force in the state of employment. In cases where the contribution of an employer is less than the required percentage, the employee/worker shall cover the difference in contribution to ensure full payment thereof to the civil pension/social insurance institution whose law applies to the employee/worker. In such case, the employer shall deduct the difference from the employee/worker's salary or wages, unless the employee/worker's home state decides to bear this difference in lieu of its citizens.
2. An employer shall deduct an employee/worker's share from his monthly salary or wages, including the contribution differences set out in the preceding paragraph, and shall deposit the same together with his due share in the bank account specified by the civil pension/social insurance institution whose law applies to the employee/worker, within the legally prescribed dates and in accordance with the procedures and controls in force in the state of employment.

Article 12

In the event that an employer fails to pay the contributions due under the provisions of this Law within the legally prescribed dates, the civil pension/social insurance institution in the employee/worker's home state shall notify its counterpart in the state of employment of such delay in order to take the necessary legal procedures to collect the contributions in arrears and any additional amounts ensuing from such delay on behalf of the civil pension/social insurance institution in the home state, in accordance with the rules and provisions in force in the state of

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employment. However, the civil pension/social insurance institution in the state of employment shall not be held accountable in any way in case the said contributions and the ensuing amounts thereof cannot be collected for any reason whatsoever.

Article 13

In case of an employer's failure to pay the contributions within the legally prescribed dates, non-registration of all or some of his employees/workers to whom the provisions of this Law apply, his failure to report the termination of service of any of his workers, or his payment of contributions based on false wages, such employer shall be subject to the penalties applicable in the civil pension/social insurance law in the state of employment. The amounts ensuing from the application of the provisions of this Article shall be deemed as rights to the civil pension/social insurance institution in the employee/worker's home state and shall be deposited in the bank account designated for this purpose.

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Chapter Four

Suspension or Termination of Contributions

Article 14

An employee/worker's contribution shall be suspended under the provisions of this Law if he loses any of the conditions that render him subject to the provisions of this Law set forth in Article (4) hereof.

Article 15

Subject to the provisions of Article (19) hereof, an employer shall notify the civil pension/social insurance institution in the state of employment of the termination of service of any of his employees/workers who are subject to the provisions of this Law within the prescribed dates in the law of the state of employment, using the form designed for such purpose; in which case the said institution shall, in turn, notify the civil pension/social insurance institution in the employee/worker's home state of the same.

Article 16

In the event of an employee/worker's disability, sickness or death, an employer shall notify the civil pension/social insurance institution in the state of employment of the same. The latter institution shall bear the burden of providing the medical reports and certificates required to prove the state of disability, sickness or death and shall send the same to the civil pension/social insurance institution in the employee/worker's home state for submission to medical committees, in accordance with the rules and procedures in force in the employee/worker's home state law in order to settle his entitlements or those of his beneficiaries, as the case may be, in accordance with the civil pension/social insurance law in the employee/worker's home state.

Article 17

In case of an employee/worker's disappearance, the provisions and controls in force in the civil pension/social insurance law in that employee/worker's home state shall apply. Such case shall be established pursuant to the procedures in force in the state of employment.

Chapter Five

Concluding Provisions

Article 18

The entitlements of an employee/worker or his beneficiaries shall be settled in accordance with the provisions in force in this regard in the civil pension/social insurance law in that employee/worker's home state.

Article 19

An employee/worker shall be subject to all the provisions set forth in the civil pension/social insurance law in that employee/worker's home state in cases not provided for in this Law and in a manner that does not conflict with the provisions hereof.

Article 20

The application of this Law shall not entail any financial obligations on the civil pension/social insurance institution in the state of employment towards an employee/worker or his beneficiaries or towards an employer.

Article 21

This Law shall not affect any rights or benefits guaranteed by the laws in force in an employee/worker's state of employment, unless the laws stipulate otherwise.

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Article 22

In the event that employers and employees/workers subject to the provisions of this Law violate the same, they shall be punishable by the same penalties set forth in the civil pension/social security law in the state of employment.

Article 23

GCC member States shall endeavor to issue the necessary legislations for the implementation of this Law, in order to ensure the entry into force of the provisions thereof as of 1st January 2006.

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