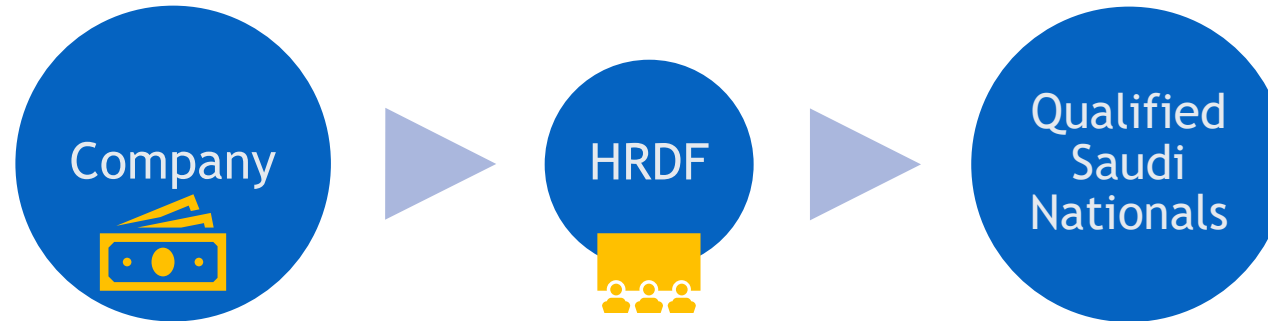


# PARALLEL NITAQAT

The Parallel Saudization Program

- ▶ Ministry of Interior and Social Affairs has launched Parallel Nitaqat Program to help companies who face difficulties in Saudization.



▶ What is Parallel Nitaqat:

Parallel Nitaqat aims to help establishments increase their Saudization rate temporarily while they look for the required Saudi employees. Companies have to pay a certain amount to Human Resources Development Fund (HRDF) to benefit from this service. HRDF uses the money to train Saudi Nationals to participate in the workforce.

# Eligible Establishments:

- ▶ Establishments that are unable to recruit Saudi Nationals due to the nature of the work.
- ▶ Establishments that want to participate in the Saudization program but unable to wait through the recruit and training process, and in urgent need of workers.
- ▶ Start-up businesses that the Saudi Nationals do not easily accept working for.

## Parallel Nitaqat Comes as a Developed Version of What the Ministry of Labor and Development previously introduced under the name “Backup Nitaqat”

▶ The Parallel Nitaqat service has the same objectives as the Backup Nitaqat. Backup Nitaqat was replaced with this service to achieve the following objectives:

1. Changing Backup Nitaqat’s name to avoid confusing it with the main Nitaqat program.
2. Enhancing the way the program works, such as cost calculating, in addition to improving the service to meet the market standards with immediate increase of Saudization rate when paying 6 months in advance.

# Details have been taken care of to make Parallel Nitaqat a suitable choice for private sector



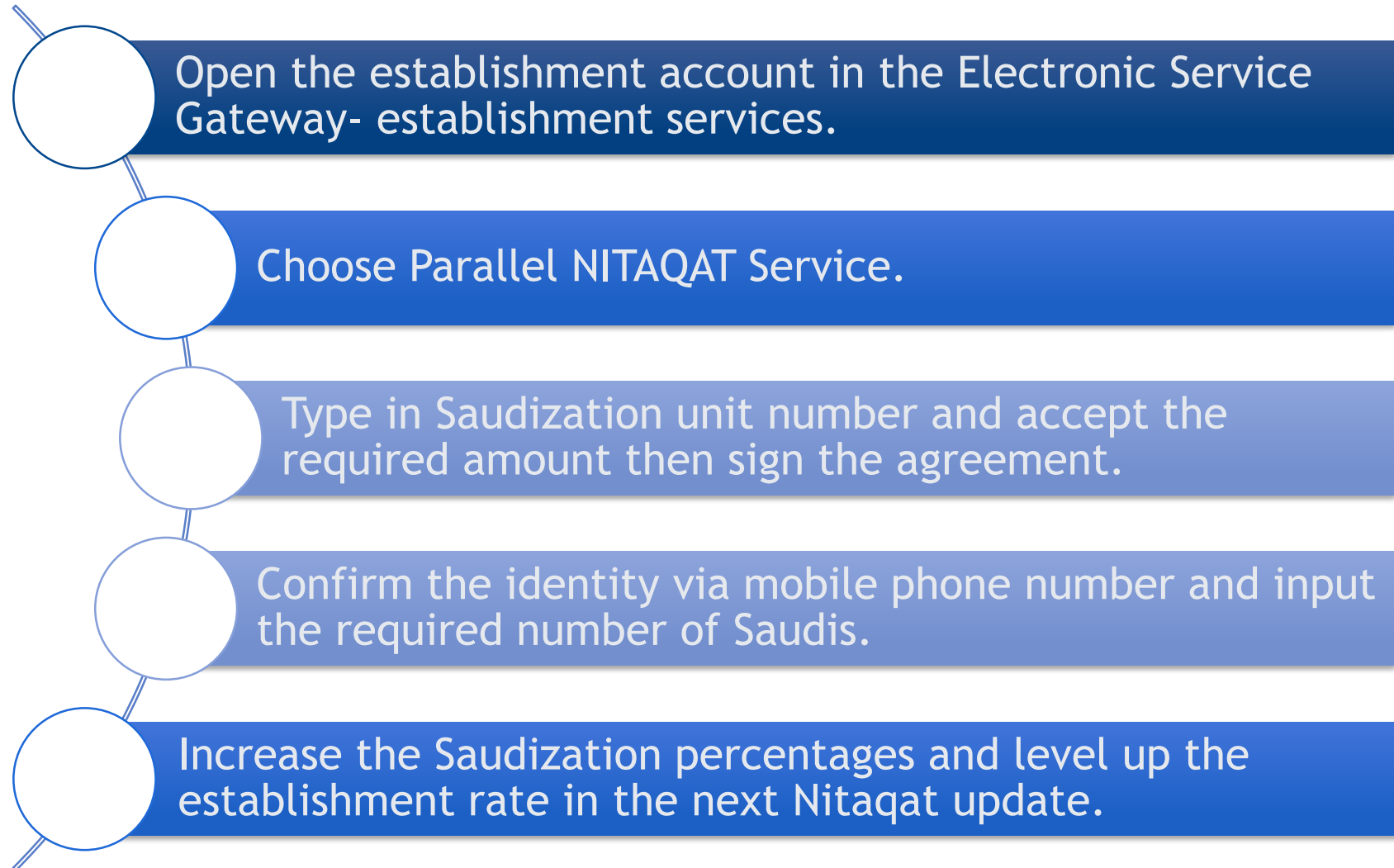
## Implementation Mechanism:

1. Parallel Nitaqat does not cancel out the actual process of Saudization. Establishments can still increase their Nitaqat rate by recruiting more National workers, pay for Parallel Nitaqat Units, or both.
2. A Saudization Unit is defined as a single Saudi worker:  
one unit= a Saudi worker in the Nitaqat program.

3. Joining the program is done through two ways:
  - ▶ The payment is made monthly to increase Saudization percentage gradually in 26 weeks in the Nitaqat program. The rate rises in the same way as when recruiting Saudi Nationals in Nitaqat. Thus, the units will drop gradually once the company does not renew its membership.
  - ▶ Paying 6 months in advance which helps increase the percentages immediately and then gradually decline from the establishment account.
4. When the invoice is issued, it must be paid within 10 days from the date of issuance. Establishments are not responsible to pay any bill unless it benefits the establishment. The invoice will be canceled if not paid within 10 days after the issuance date.
5. Establishments can cancel their subscription any time Though they cannot get refunded.

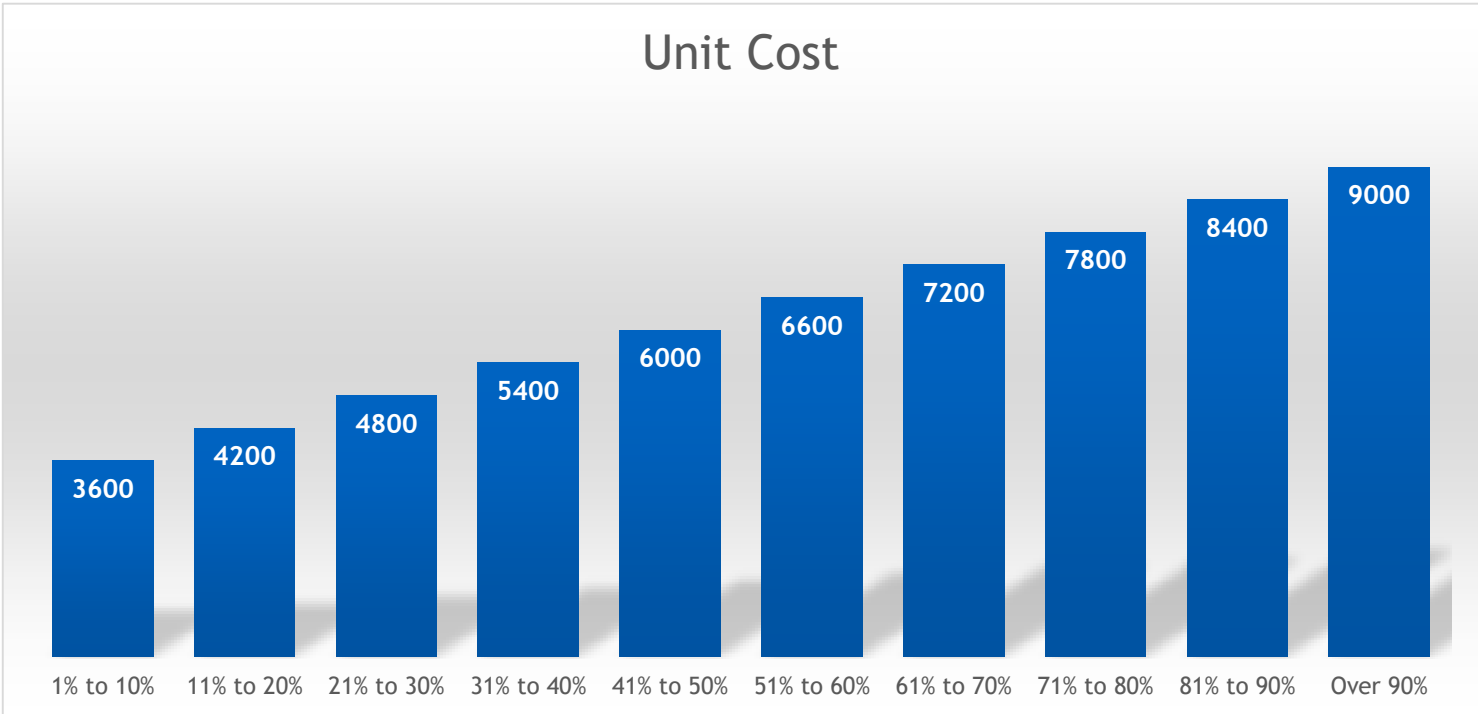
6. The percentages are being updated weekly along with The Nitaqat program.
7. This service benefits establishments that are unable to reach the Saudization rate, and at the same time supports unemployed Nationals by providing HRDF with the money to train Saudi Nationals.
8. The increase of Parallel Nitaqat percentages affects only the Nitaqat program. It does not affect other programs related to Saudization, such as Dependents Fee program and others.
9. The Parallel Nitaqat Service does not exempt the company from posting job vacancies in Taqat Program. When reaching green or platinum class, the company must post the vacancies on Taqat website for a week for platinum and 2 weeks for green before issuing a Visa for workers.
10. Refer to [Mowazi.mlsd.gov.sa](https://mowazi.mlsd.gov.sa) for further information.

## Subscribing to the program is done directly online:



Parallel Nitaqat is designed to sustain the development and promote Saudization.

Saudi Nationals	1% to 10%	11% to 20%	21% to 30%	31% to 40%	41% to 50%	51% to 60%	61% to 70%	71% to 80%	81% to 90%	Over 90%
Cost per Unit	3600	4200	4800	5400	6000	6600	7200	7800	8400	9000



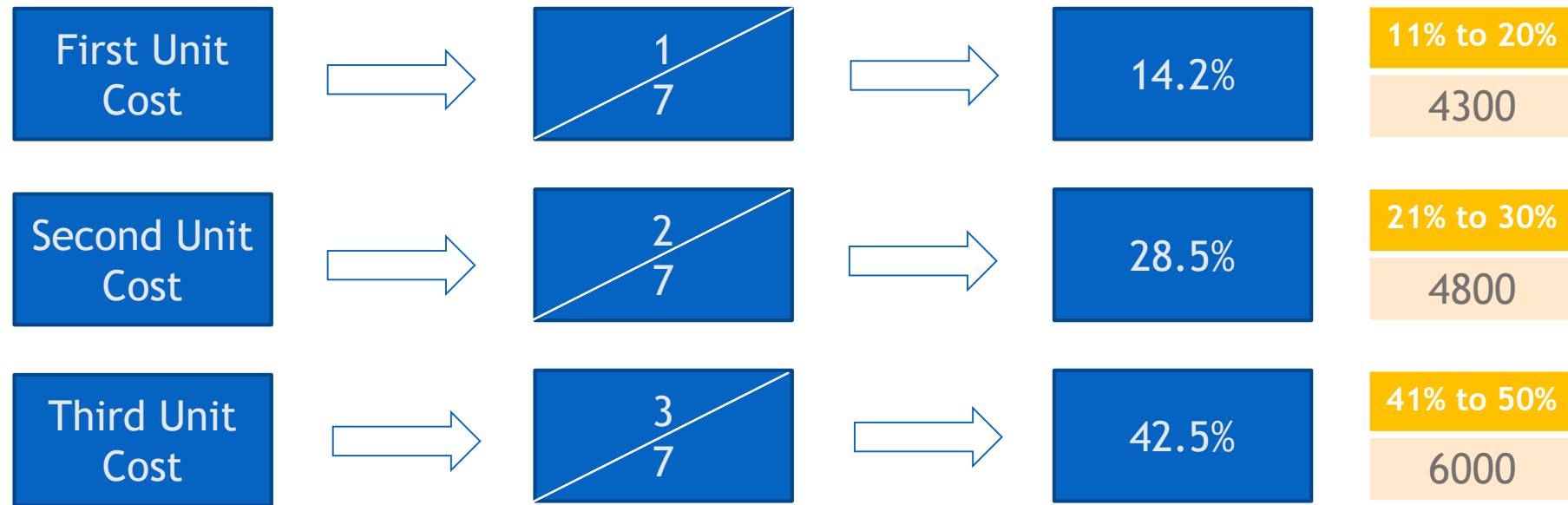
## A Mechanism for Effective Cost-Calculation Has Been Developed

1. Counting the required Saudi Nationals number to reach the appropriate range.
2. Calculating the cost for each Saudization unit by dividing the unit order by the number of the Saudi nationals in the company. Then find the unit cost according to the following table:

Saudi Nationals	1% to 10%	11% to 20%	21% to 30%	31% to 40%	41% to 50%	51% to 60%	61% to 70%	71% to 80%	81% to 90%	Over 90%
Cost per Unit	3600	4200	4800	5400	6000	6600	7200	7800	8400	9000

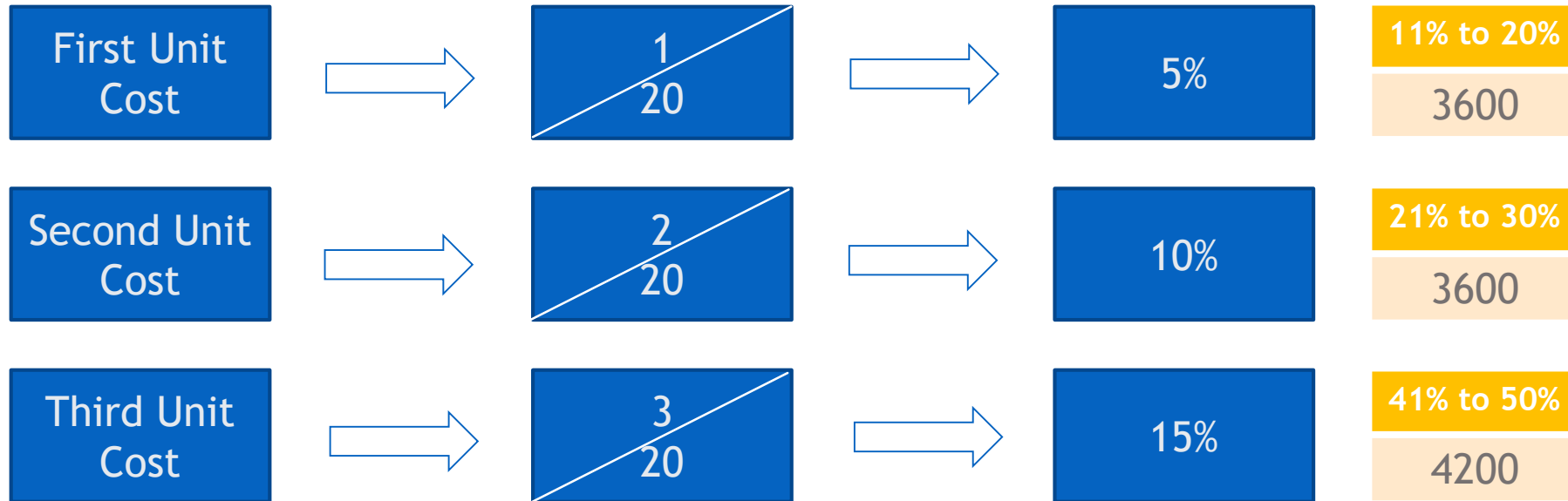
3. Calculating the cost for the required units.

Example1: an establishment needs 3 Saudis and have 7 Saudi employees in the company



- The cost = 4200 + 4800 + 6000 = 15 thousand SR monthly

## Example2: an establishment needs 3 Saudis and have 20 Saudi employees



- The cost = 3600 + 3600 + 4200 = 11400 SR monthly

❖ Note: the amount paid by the establishment in example1 is more than the amount paid in example2 despite the similarity of the number of Saudization units. It is because the number of the Saudi employees in the former is less than of that in the latter.

This is a translated version of the original document found on the Parallel Nitaqat program page: <https://mowazi.mlsd.gov.sa/>

You can reach one of our experienced advisers at:

Telephone: +966 (0)11 490 3754

Email: [info@tools-solutions.com](mailto:info@tools-solutions.com)

Or through the contact page at [tools-solutions.com](https://tools-solutions.com)

Tools & Solutions: Your partner in the region