

شعبــة الــتــرجــهــة الرســـهيــة Official Translation Department

Social Security Law

Royal Decree No. M/32 November 19, 2020

Translation of Saudi Laws

NOTE:

The translation of Saudi laws takes the following into consideration:

- Words used in the singular form include the plural and vice versa.
- Words used in the masculine form include the feminine.
- Words used in the present tense include the present as well as the future.
- The word "person" or "persons" and their related pronouns (he, his, him, they, their, them) refer to a natural and legal person.

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Social Security Law

Chapter 1: Definitions and Objectives

Article 1

In this Law, the following terms and phrases shall have the meanings assigned thereto, unless the context requires otherwise:

- 1. **Ministry:** The Ministry of Human Resources and Social Development.
- 2. **Minister:** The Minister of Human Resources and Social Development.
- 3. Law: Social Security Law.
- 4. **Regulations:** The implementing regulations of the Law.
- 5. **Provider:** The person responsible for providing financial support to his or her dependents and for ensuring their well-being.
- 6. **Dependent:** A person under the care, responsibility, and financial support of the provider.
- 7. **Household:** A group of individuals, including a provider and one or more dependents, sharing the same residence.
- 8. **Independent:** A person aged 18 or above who lives in a separate residence and is financially independent.
- 9. Beneficiary: Every independent or household to whom this Law applies.
- 10. Allowance: A monthly sum paid as social assistance to the beneficiary.
- 11. **Monthly Earnings:** The total amounts, including salaries, trade revenues, or other amounts, the independent or household receives within the year preceding the filing date of the allowance application.
- 12. **Wealth:** Assets and funds owned by the independent or the household which can be appraised.
- 13. **Average Indexed Monthly Earnings:** The portion of the monthly earnings determined for allowance calculation.
- 14. **Minimum Allowance Calculation:** An amount based on which the minimum allowance covering the basic needs of an independent or provider is calculated, without increases or deductions.
- 15. **Minimum Allowance:** An amount determined for calculating the allowance of the independent or the household, including increases and deductions.
- 16. **Rehabilitation:** Measures aiming to enable the beneficiary to become productive and financially independent.
- 17. **Rehabilitation Plan:** A plan agreed upon between the Ministry and the rehabilitable beneficiary, which includes measures taken by both parties for the purpose of rehabilitation.



- 18. **Rehabilitable Beneficiary:** A person who can be rehabilitated in accordance with the rehabilitation plan.
- 19. **Able-bodied Beneficiary:** A person who is physically and mentally able to work
- 20. **Shelters or Treatment Facilities:** Homes, social and health care centers, hospitals, prisons, and similar facilities.
- 21. **Applicant:** The person, or his representative, who files an allowance application.
- 22. Day: Business day.

Article 2

This Law aims to:

- 1. establish the means and measures necessary to address poverty in society;
- 2. ensure the beneficiary receives a minimum income that fulfils his basic needs by determining the minimum allowance and providing appropriate support;
- 3. provide social support and protection to beneficiaries based on need and eligibility;
- 4. provide rehabilitation and training to enable the beneficiary to become productive and financially independent; and
- 5. develop mechanisms that ensure aid is provided to beneficiaries in times of crises and disasters.

Chapter 2: Filing and Determination of Needs

Article 3

Allowance applications, including supporting information and documents, shall be filed with the relevant department at the Ministry. The Regulations shall determine the procedures, conditions, and required information and documents.

Article 4

The filing of an allowance application shall authorize the Ministry to acquire relevant information from public or private entities. The Regulations shall determine the relevant procedures.

Article 5

The Ministry shall, for the purpose of determining eligibility, examine information relating to independents and households collected from applications, relevant government agencies, civil society associations and organizations, and other sources.



Article 6

The Ministry shall notify the applicant of its decision within 20 days from the date of filing; if rejected, such decision shall be reasoned. The Regulations shall determine the relevant procedures.

Article 7

The applicant and the beneficiary shall notify the Ministry of any change that may affect their eligibility or the amount of the allowance within 15 days from the date of said changes.

Article 8

The Ministry shall regularly verify the beneficiary's eligibility for the allowance and the amount thereof. The Regulations shall determine the relevant procedures.

Chapter 3: Eligibility and Allowance Calculation Mechanism

Article 9

A person fulfilling the following conditions shall be eligible for allowance:

- 1. He must be a Saudi national permanently residing in the Kingdom, subject to the Regulations.
- 2. The average indexed monthly earnings of the independent or the household must be below the minimum allowance.
- 3. He must satisfy the criteria of wealth ownership and utilization, as specified in the Regulations.
- 4. He must fulfill the Ministry's requirements regarding health, education, rehabilitation, and community service, as specified in the Regulations.

Article 10

The following persons shall, subject to the Regulations, be exempt from the nationality requirement:

- 1. A non-Saudi woman married to a Saudi man.
- 2. A non-Saudi widow or divorcee with Saudi children.
- 3. A child of a Saudi widow or divorcee whose father is non-Saudi.
- 4. A disabled person, an orphan, and a widow who has orphaned children with transit permits.

Article 11

A beneficiary who is not a provider may not belong to more than one household,

subject to the Regulations.

Article 12

- 1. If the provider has more than one household, each shall be entitled to an allowance, subject to the Regulations.
- 2. A household member residing, for educational purposes, outside the city of the household shall not prejudice the household's eligibility for allowance, subject to the Regulations.

Article 13

If it is established, in accordance with the Regulations, that the provider's disposition of the allowance is not feasible due to incompetence or incapacitation, the household may choose a competent member as its provider.

Article 14

Allowance shall be calculated for an independent and a household by deducting the amount of the average indexed monthly earnings from the amount of the minimum allowance, according to the following:

- 1. The minimum allowance shall be equal to the minimum basic allowance for an independent and a household. The allowance increase for any additional dependent shall not exceed the minimum basic allowance.
- 2. The method of calculating the average indexed monthly earnings and the minimum allowance shall take into account the resources allocated for social security, subject to the Regulations.

Article 15

The minimum allowance that covers basic needs shall be determined pursuant to a resolution by the Council of Ministers upon a recommendation by the Ministry, the Ministry of Finance, and the Ministry of Economy and Planning.

Article 16

Allowance paid to the beneficiary shall commence from the month following acceptance of his application.

Article 17

Payment of allowance shall be suspended if:

- 1. the applicant is no longer eligible;
- 2. the Ministry establishes that the information provided thereto regarding the independent or household is inaccurate;
- 3. the beneficiary fails to update his personal information as requested by the Ministry within 30 days from receipt of such request;



- 4. it is established that the rehabilitable beneficiary has not complied with the rehabilitation plan;
- 5. it is established that the able-bodied beneficiary has failed to seek employment or apply to Ministry-approved hiring platforms, and similar platforms, or has not accepted suitable employment or training offers, subject to the Regulations;
- 6. the beneficiary permanently resides at a shelter or treatment facility;
- 7. the beneficiary waives the allowance; or
- 8. the beneficiary dies.

Chapter 4: Categories and Rehabilitation

Article 18

Upon accepting an application, the Ministry shall categorize the beneficiary as:

- 1. a non-rehabilitable beneficiary;
- 2. a rehabilitable beneficiary; or
- 3. an able-bodied beneficiary.

Such categorization shall be based on information relating to the beneficiary's social, health, and physical condition, subject to the Regulations.

Article 19

The Ministry, in cooperation with the Human Resources Development Fund and relevant agencies, shall:

- 1. develop a rehabilitation plan for each rehabilitable beneficiary according to his age, qualification, and medical fitness, subject to the Regulations;
- 2. offer recruitment services to able-bodied beneficiaries; and
- 3. ensure that the rehabilitable beneficiaries are actively engaged in the rehabilitation plan, and that able-bodied beneficiaries are actively seeking employment and accepting suitable employment and training offers.

Chapter 5: Penalties

Article 20

1. A provider who fails to spend the allowance on his dependents shall be subject to a fine not exceeding five thousand riyals or to imprisonment for a term not exceeding three months, or both.

Reports of any violation shall be received by the Ministry which shall refer them

to the competent agency.

2. A person who unlawfully receives an allowance shall be subject to a fine not exceeding ten thousand riyals or to imprisonment for a term of one year, or both.

If a person is found guilty of unlawfully receiving an allowance, the Ministry shall notify the competent agency to take the necessary measures, and such person shall be required to return any received allowance.

3. If the acts referred to in paragraphs (1) and (2) of this Article constitute an offense punishable under another law, the harsher penalty shall apply.

Article 21

The Public Prosecution shall investigate the offenses provided for in this Law and prosecute them before the competent court.

Chapter 6: General Provisions

Article 22

- 1. Pursuant to a decision by the Minister, a committee of at least three members, one of whom is a legal advisor, shall be formed. Said decision shall designate the committee chairman and secretary, and the remuneration of its members.
- Committee work procedures shall be determined pursuant to a decision by the Minister.
- 3. The committee shall receive and review grievances related to the Ministry's:
 - a) failure to notify the applicant of its decision within the period specified in Article 6 of this Law;
 - b) rejection of the application or suspension of the allowance; and
 - c) request to return unlawfully received allowances.
- 4. Committee decisions shall be effective upon issuance.
- 5. Committee decisions may be appealed before the administrative court.

Article 23

Social security resources shall include:

- 1. zakat collected by the State;
- 2. funds allocated by the State Treasury; and
- 3. zakat, alms, endowment revenues, donations and gifts received by the Ministry.



Article 24

The Regulations shall be issued by the Minister within 120 days from the date the Law is published in the Official Gazette, and shall become effective on the date the Law enters into force.

Article 25

This Law shall supersede the Social Security Law promulgated by Royal Decree No. M/45, dated 07/07/1427H and shall repeal any conflicting provisions.

Article 26

This Law shall enter into force 120 days following the date of its publication in the Official Gazette.