MIRSAAT
MARKET ENTRY

A PRACTICAL GUIDE FOR FOREIGN COMPANIES

The Saudi Market Entry Checklist.

Every document, decision and registration a foreign-owned company needs — in the order they actually happen.

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How to use this checklist

Most market-entry failures are not caused by a difficult regulator. They are caused by sequence: a document legalised too late, an activity code chosen before anyone checked what the sector regulator requires, a transfer from the parent company made before anyone decided what it legally is.

This checklist is written in the order the work actually occurs. Work through it top to bottom. Anything you cannot tick in Parts 1 and 2 will stop you later, no matter how fast the rest goes.

> **The single most useful thing in this document:** Part 2. Four decisions taken in the first week determine your licence, your permit, your hiring budget and your tax position. Everything after that is execution.

Part 1 · Documents from the parent company

These originate outside the Kingdom and must be legalised before any Saudi authority will accept them. This is the longest step in the entire process and the one most often started too late.

The document pack

- ☐ Commercial registration extract or trade licence of the parent company, currently valid.
- ☐ Audited financial statements of the parent company for the most recent year.
- ☐ Board resolution approving the Saudi investment and appointing a signatory.
- ☐ Passport copies of the shareholders and of the proposed manager.
- ☐ Proposed articles of association details: shareholding split, capital, manager's powers.

The legalisation chain — in this order

1. Chamber of commerce in the country of issue.

2. Ministry of foreign affairs of the country of issue.
3. Saudi embassy or consulate in that country.
4. Ministry of Foreign Affairs in the Kingdom.
5. Certified Arabic translation, with terminology matching Saudi registry usage.

Each step has its own queue. A rejection at step three returns the document to step one. Review every document against the receiving authority's requirements before it enters the chain — a document that is perfectly valid at home is not automatically acceptable here.

Part 2 · Four decisions to take before anything is filed

Decision	Why it cannot wait
Activity codes	The activities recorded on your commercial registration decide which sector regulator has authority over you, which permits you can apply for, and what a bank will accept. A regulator will refuse a permit if the register does not carry the matching activity — and may require the register to have been valid for a minimum period first. Changing activities later restarts that clock.
Entity form	A limited liability company, a branch of the foreign company, or a regional headquarters are different regimes with different obligations, different documents and different exit costs. Choose on the basis of what you will actually do here, not on what is fastest to register.
Role-holders	Some sector permits require named Saudi nationals in specified roles before the permit is granted. Confirm early whether one person may hold more than one of those roles — the answer can change your first-year hiring budget entirely.
Funding character	Money the parent sends for fees, guarantees or working capital is not neutral. Document at the time of transfer whether it is subscribed capital, a capital increase, or a shareholder loan under a written agreement. Characterising it afterwards is contested; documenting it contemporaneously is not.

Part 3 · Incorporation

☐ Investment licence application filed and issued.

☐ Trade name reserved.

☐ Articles of association drafted and electronically notarised.

☐ Commercial registration and unified national number issued.

☐ Registration with the tax authority completed.

☐ National address registered.

☐ Chamber of commerce membership activated.

☐ Manager appointed by partners' resolution and authorisations issued.

☐ Company seal produced.

Part 4 · Registrations that make the entity operational

☐ Employer file opened on the labour platform.

☐ Social insurance registration completed.

☐ Bank account opened — expect the bank to run its own review of shareholders and source of funds.

☐ Wage protection enrolment.

☐ Electronic invoicing activated with the tax authority.

☐ Accounting system in place before the first transaction, not after.

Part 5 · People

- ☐ Workforce plan for the first year, including the Saudi nationals any permit requires.
- ☐ Saudisation position assessed and the target band confirmed.
- ☐ Visa allocation requested.
- ☐ Work permits and residence permits issued for expatriate staff.
- ☐ Employment contracts issued and authenticated on the labour platform.
- ☐ Medical insurance in place for every employee.

A newly registered entity has obligations from the moment it opens an employer file — not from the moment it starts trading.

Part 6 · The first-year compliance calendar

Build this the day the registration is issued. Every line below has an expiry date attached to it, and lapses are expensive to unwind.

Obligation	Cycle
Investment licence renewal	Annual
Commercial registration confirmation	Annual
Chamber of commerce membership	Annual
Residence and work permits	Per employee, annual
Social insurance contributions	Monthly
Wage protection submission	Monthly
Value added tax returns	Monthly or quarterly, by turnover
Zakat and income tax return	Annual, after financial year end
Financial statements filing	Annual, where applicable
Saudisation band monitoring	Continuous

Part 7 · Ten mistakes that cost the most time

1. Starting document legalisation after the licence application instead of before it.
2. Choosing activity codes for speed of registration rather than for the permit you will need.
3. Transferring money from the parent company with no written characterisation of what it is.
4. Assuming the bank account follows automatically from the commercial registration. It does not — the bank runs its own review.
5. Treating Saudisation as a year-two problem.
6. Letting the bank draft a guarantee on its own template when the regulator publishes prescribed wording.
7. Signing an office lease before confirming whether the activity carries a premises requirement.
8. Appointing a manager who cannot be physically present for the steps that require attendance.
9. Leaving open-ended authorisations active on company accounts after a service provider's work has ended.
10. Engaging an adviser who promises a completion date for a government decision.

Part 8 · What to ask any adviser before you sign

1. What exactly is excluded from your scope?
2. Are government fees included, passed through at cost, or marked up?
3. Who signs the contract with me, and are they a registered entity that can issue a compliant tax invoice?
4. What happens to my authorisations on government portals when this engagement ends?
5. Which parts of this do you subcontract, and to whom?
6. What have you committed to deliver, as opposed to what you have committed to attempt?
7. What is your written position on timelines that depend on a government authority?
8. Can you show a completed engagement in my sector, with the failure points named?

An adviser who answers question one vaguely will answer every later question the same way.

About Mirsaat

Mirsaat is the market-entry service of Rasmala Alduwaliya Company for Trading, a Saudi company based in Riyadh. We take foreign companies from their first document to an operating entity: investment licence, incorporation, tax and payroll registrations, visas and residence permits, banking, sector permits, and the ongoing compliance calendar that keeps all of it valid.

Every checkpoint in this guide comes from execution — the sequence, the dependencies, and the points where a file stalls are the ones we clear before a client commits to anything.

And unlike a pure corporate-services firm, we can deliver the other half of market entry in the same engagement: brand, website and market presence, so a new entity arrives visible rather than merely registered.

Talk to us

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