

CLIENT ALERT

Saudi Arabia's New Fast-Track Foreign Investment License Application Procedure for Qualifying Applicants

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The Saudi Arabian General Investment Authority (SAGIA) is tasked with licensing most foreign capital investments in businesses in Saudi Arabia. In an effort to address ever lengthening license processing times, SAGIA announced in June 2014 that it would be implementing a fast-track license application procedure (the **Fast-Track Procedure**) for qualified license applicants. After some initial difficulties during its roll-out, the Fast Track Procedure seems now to be providing qualifying applicants with a welcome alternative to SAGIA's often lengthy standard license application procedure.

Under the Fast-Track Procedure, the following types of foreign companies would typically be eligible to submit an abbreviated foreign investment license application that can result in a foreign investment license being issued in as little as five business days:

- Foreign companies with branches or subsidiaries in more than one jurisdiction.
- Foreign companies that are publicly listed on their home country's stock exchange or on an international stock exchange.
- Foreign companies that manufacture products that are classified and approved by independent agencies and employ certified process technology.
- Foreign companies that own registered trademarks, patents, or copyrights.
- Foreign companies that are establishing a regional office in Saudi Arabia.
- Foreign construction companies that are classified as Class A in their home countries.
- Foreign companies that have assets worth more than SAR 50 million (about US\$ 13,333,333), that have more than 2,000 employees, and that have completed at least one project with a value of at least SAR 500 million (about US\$ 133,333,333).
- Foreign companies contracting with the Saudi government or a Saudi government-owned entity or entering into a joint venture with a Saudi company listed on the Saudi Arabian Stock Exchange.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.