

TRANSLATION

**AN EXTRACT FROM UMM AL QURA
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THE LAST PAGE**

Dr. Abdulrahman ibn Abdulaziz Al Twaijiry, Secretary General of the Supreme Economic Council, announced as follows:

“In continuation of the march of economic reforms sponsored by the Custodian of the two Holy Mosques and which is intended to fostering economic development and enhancing investments and ensuring more participation of the private sector and encouraging foreign capital to invest in all areas of economic activity within the Kingdom, the Supreme Economic Council has, pursuant to a directive issued by the Custodian of the two Holy Mosques, President of the Supreme Economic Council, reviewed the types of activities that are excepted from foreign investment in the light of the obligations ensuing from the Kingdom’s accession to the World Trade Organization (WTO). The Supreme Economic Council has accordingly resolved as follows:

First: Without prejudice to the provisions of Article 2 of the Foreign Capital Investment Regulations, the list of activities that are excepted from foreign investment (Negative List) is hereby approved.

A. Industry Sector:

1. Exploration, discovery and production of oil materials, excluding the services related to minerals sector falling under the international classification (883+5115).
2. Manufacture of military equipment and uniforms.
3. Manufacture of explosives for civil purposes.

B. Services Sector:

1. Catering services for military sectors.
2. Investigation and security.

3. Real estate investment in the two holy cities of Makkah and Medina.
4. Tourist guidance services related to Hajj and Umra (visit to the holy cities).
5. Recruitment services and the provision of labor, including, *inter alia*, the national recruitment offices.
6. Real estate brokerage services.
7. Services falling under Printed Material Regulations (Press Law), excluding the following:
 - (a) Pre-printing services which are internationally classified under Reference Number 88442.
 - (b) Printing houses falling under the International Classification 88442.
 - (c) Drawings and handwritings falling under the International Classification 87501.
 - (d) Photography falling under the International Classification 875.
 - (e) Radio and television studios falling under the International Classification 96114.
 - (f) Foreign media and correspondent offices falling under the International Classification 962.
 - (g) Advertising offices falling under the International Classification 871.
 - (h) Public relations services falling under the International Classification 86506.
 - (i) Publication services falling under the International Classification 88442.
 - (j) Journalism services falling under the International Classification 88442.
 - (k) Production, selling or leasing of computer software falling under the International Classification 88.

- (l) Information studies and consultancy services falling under the International Classification 853.
 - (m) Photocopying and reproduction services falling under the International Classification 87904 and 87507.
 - (n) Distribution of movie and video tapes falling under the International Classification 96113.
8. Commission agents falling under the International Classification 621.
 9. Audio visual services.
 10. Land transport services, excluding the inter-city passenger transport by trains.
 11. Services provided by midwives and nurses, physical therapy services and quasi-doctoral services falling under the International Classification 93191.
 12. Fishing of live water resources.
 13. Toxin centers, blood banks and quarantines.

Second: This list shall be annually reviewed with a view to opening some sectors for foreign investment when the relevant regulations have been issued.

Third: In implementation of Article 2 of the Foreign Capital Investment Regulations, SAGIA shall issue the license necessary for the foreign investor pursuant to which a foreign investor would be permitted to invest in activities not included herein. The license issued by SAGIA shall explain to the foreign investor the requirements of the Regulations that govern the relevant activity, including, *inter alia*, completion of the formalities and obtaining the necessary licenses from the local competent authorities which are applicable to all investors. The representatives of the competent authorities in the comprehensive services center shall render the assistance necessary for completion of these formalities within the shortest time possible.

The Secretary General of the Supreme Economic Council has also explained that some of the items included in the previous list have been omitted from the updated Negative List, and that foreign investment has now become possible in the field of the following services:

- Insurance services
- Distribution of movie and video tapes falling under the International Classification 96113.

- Distribution services (wholesale trading), retail trading, including, *inter alia*, medical retail trading such as private pharmacies falling under the International Classification 631, 632, 6111, 6113 and 6121.
- Commercial agents excluding commission agents falling under the International Classification 621.
- Telecommunication services.
- Inter-city train transport services.
- Air transport services.
- Space transport services.

