



المؤسسة العامة للتأمينات الإجتماعية
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The Unified Law of Insurance Protection Extension for the Gulf Cooperation Council State Citizens Working outside their Countries in any of the council State Members



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Introduction



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The need for social tranquility for the council states citizens (Gulf workers) who are working outside their home states was the goal of the Supreme Council of the Gulf Cooperation Council States.

A working group of specialists was formed from the social security agencies, as well as from the Executive Office of the Council of Ministers of Labor and Social Affairs of the Council States to come up with the most appropriate option to achieve the goal.



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❖ The council states: the members of GCC





Finally, after considering different options, the working group concluded that;

- Each council State should be committed to extend the coverage of insurance protection for its citizens working in any council state.
- This should be in accordance with the rules provided in the draft of the “Unified Law of Insurance Protection Extension for the Gulf cooperation Council State Citizens Working outside their Countries in any of the Council State Members.
- The draft has been approved by all GCC states and implementation of this law started on January, 1st, 2006.





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Goals of the Law



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1. Achieve the Social Tranquility for the Council State Citizens.
2. Grant the council state citizens who are working outside their countries in other GCC state the ability to be members of the pensions scheme.
3. Allow labor mobility and create more employment opportunities among GCC states.
4. Decrease poverty rates among retirees.



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- In order to achieve the desired goals of this law, each institution of the hosting country will act as liaisons of the institutions of workers' home countries.
- Therefore, there was no need for
 - Creating offices in all GCC states since the implementation of the law is monitored by a permanent committee formed from the social security institutions in the GCC states.
 - Hiring new staff to handle the process as the current staff is trained to handle such cases.





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The Law



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- The law is to be applied (Pension Scheme) on all GCC workers under any Social Insurance scheme in any of the GCC states.
- The law shall not obstruct the implementation of the Insurable branch of occupational hazards in accordance with applicable provisions applied in the location of work state.



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- The law is to be applied after meeting the following conditions:
 1. The worker must be a GCC Citizen.
 2. The employer must be pursuant to the law of social insurance civil retirement in the location of work state.
 3. The worker must be under 60 years old, unless had previous periods in any other social insurance scheme, if so, he falls under the following circumstances:
 - If he was a pensioner he gets to choose whether to be dispensed from the new period, or continue contributing. (only if he was under 65.)
 - If he was not a pensioner, the law is to be applied regardless of the age.





- The roles of the Insurance/civil retirement agencies in the state of the worker are as follows;
 1. Prepare a definitional of guide for the provisions of the law applied by the state, including the percentage of contribution required to be paid and procedures necessary in order to insure the employee in accordance with the law of the state of the employee.
 2. Providing social insurance/civil retirement agencies in the council states with applied insurance forms for the purposes of putting this law into effect.
 3. Opening a bank account in the location of work state so the due amounts for implementing this law be deposited in the bank.
 4. Determining the assigned administrative agency or unit in charge of implementing the requirements of this law along with the administrative agencies and units of the social insurance/civil retirement agencies in the council states.





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Registration and Contribution Procedures



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- The employee, who is addressed according to the law, shall be insured pursuant to the approved procedures and forms by the social insurance/civil retirement law in the state of the employee.
- The employer in the location of work state shall be committed to cover the employee/worker under insurance.



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- ❖ The state of the employee: one of the council states which the employee holds its nationality.





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- The employer and the employee shall be committed to bear the payment of their shares of contributions of the insurable wage according to the applicable percentages by the law of the state of the worker.
 - in cases where the employer's share is less than the required percentage, the employee shall pay to cover the difference in the contributions.



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Penalties



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- The penalties are to be placed under the following circumstances:
 1. Failing or delaying the registration of all or some of the Saudi employees, or failing to notify when employment is terminated.
 2. Being late in in paying the contribution amounts.
 3. Paying contributions on untrue wages.
- In case of penalties, the raised amounts are the rights of the social insurance/civil retirement agency in the state of the employee/worker. (the state he holds its nationality)





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Statistics



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- The number of current contributors in the law is 2843 contributor.
- 1,578 are Saudi contributors in other GCC states.
- 1,265 are contributors from other Gulf states in Saudi.

Detailed table will follow on the next slide



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Country	Saudi Contributors	Gulf Contributors in Saudi
UAE	100	21
Bahrain	214	446
Kuwait	1,118	636
Oman	38	151
Qatar	108	11
Total	1,578	1,265



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Awards



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- **ISSA Good Practice Award Winner**
Publication year: **2009**
Implementation year: **2006**
Topics: **Extension of coverage**
Organization: **General Organization for Social Insurance**



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Questions?



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