

## Exploring the recent shift in residency policy in UAE and Saudi Arabia

Written by Sara Khoja and Sarit Thomas

Immigration policies across the Arab peninsula have historically been linked to individuals' sponsorship status. However, the United Arab Emirates (UAE) and the Kingdom Saudi Arabia (KSA) are taking innovative steps to change the residency framework by paving the way for long term non-sponsorship led residency to become a viable option for certain groups of individuals. This article takes a closer look at each new residency scheme and their potential impact.



### Why?

In a world where countries are currently competing with one another to attract the best and the brightest in respective fields, the residency schemes detailed below aim to further entice particular categories of foreign

nationals to enter the local market, and contribute towards the development of these countries. The move also seeks to diversify the UAE and the KSA economies, which traditionally have been oil and gas focused, by attracting further, long term, foreign investment.

## Key features of the new schemes

### KSA Privilege Iqama Scheme

The 'Privileged Iqama' scheme, colloquially referred to as KSA's 'Green Card' was approved by the KSA Council of Ministers in May 2019 who subsequently published Cabinet Resolution Number 521 of 1440AH which came into force on 25 May 2019. The scheme seeks to regulate the issuance of residence permits (known as iqamas) to highly-skilled and wealthy foreign nationals without the need for a local sponsor.

The scheme, which is sought to be aimed at professional foreign nationals such as doctors and engineers, entitles successful applicants and their dependants to a variety of privileges, including; the ability to stay in the Kingdom, obtain visas for their dependants, employ domestic workers, invest in property, be employed in the Kingdom and change employers without any restrictions, freely enter and exit the country, and practice commercial activities as permitted under the Foreign Investment Law.

Successful applicants will either be awarded with permanent or one-year renewable residency.

In terms of eligibility, applicants are required to satisfy various criteria in order to be considered. Requirements include; having a valid passport, being 21 years of age or above, providing evidence of sufficient wealth, obtaining a police clearance certificate and a clear medical certificate. Death, criminal conviction or false information being provided may result in residency being revoked.

The fee for permanent residency is currently set at SAR 800,000 (US\$213,333), and the one- year renewable residency fee is currently set at SAR 100,000 (US\$26,666).

### UAE 'Golden Card' Residency Scheme

The UAE is making large strides to slowly overhaul its residency framework, with the Golden Card scheme being the latest in a string of recent changes.

In May 2019, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, announced the UAE's plans to introduce a permanent residency scheme titled 'Golden Circle'. The scheme is aimed at foreign nationals with exceptional talent or professions in the field of medicine, engineering, science and the arts, and seeks to acknowledge the UAE's appreciation to them for the role in which they play in bettering and furthering the UAE on the international platform, by granting them permanent residency which will enable them to reside, work, study and sponsor their dependants in the country without the need to have in place a local sponsor. In a recent tweet His Highness said:

*"The permanent residency "Golden Card" will be granted to exceptional talents and everyone who positively contributes to the success story of the UAE. We want them to be permanent partners in our journey. Residents are an indispensable part of our country."*

At this stage very little detail is known with respect to the eligibility criteria, associated cost and parameters of this new scheme; however it is understood that the initial phase of the scheme, which will be overseen by the UAE Federal Authority for Identity and Citizenship, has identified 6,800 foreign investors and residents eligible for the scheme, with a cumulative investment in the UAE worth an estimated AED 100 billion (US\$27 billion). The individuals are said to be investors, entrepreneurs, individuals with specialised talents, researchers and outstanding academic students.

## Extended residency visa scheme

The UAE introduced a new five and ten year residency visa category in December 2018 pursuant to Cabinet Resolution Number 56 of 2018 which came into effect in February 2019. The scheme is aimed at permitting investors, entrepreneurs, those with special talents and researchers in the field of science and knowledge, and exceptional students, meeting the criteria under the law to apply for a five year or a ten year residency visa for themselves, their spouse and their children, without requiring a sponsor.

The five year residence visa is limited to real estate investors, entrepreneurs and students. General investors (i.e. non real estate related), researchers and individuals with special talents may apply for a ten year visa. Eligibility criteria varies for each group of applicants and applications may firstly be considered by one of the two special committees set up pursuant to the law; the Investor Committee or the Entrepreneurs and Specialized Talents Committee before the residency visa being granted by the UAE Federal Authority for Identity and Citizenship.

## Similarities and differences of the schemes

The three schemes are fairly similar with respect to the type of foreign national the countries wish to attract, being exceptionally talented or very wealthy individuals, and their intention for putting in place such schemes, which not only raises capital, but also attracts the right talent and raises their international profile. The main difference between the schemes is the residency timeframe and potential cost of application.

## Commercial and practical Impact

The move to broaden the residency framework in both jurisdictions is likely to attract more investment which should in turn have a positive impact on commercial businesses, employment and the economy as a whole.

## What's next?

Whilst the above schemes do not necessarily apply to the general expatriate community currently working and residing in these countries, who may wish to permanently remain without the requirement of having a sponsor, these schemes provide an entirely new perspective to the residency framework in these countries, one which is unprecedented in the region. We anticipate that further immigration changes are on the horizon as the UAE works towards its Vision 2021 and the KSA works towards its Vision 2030 initiative.

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