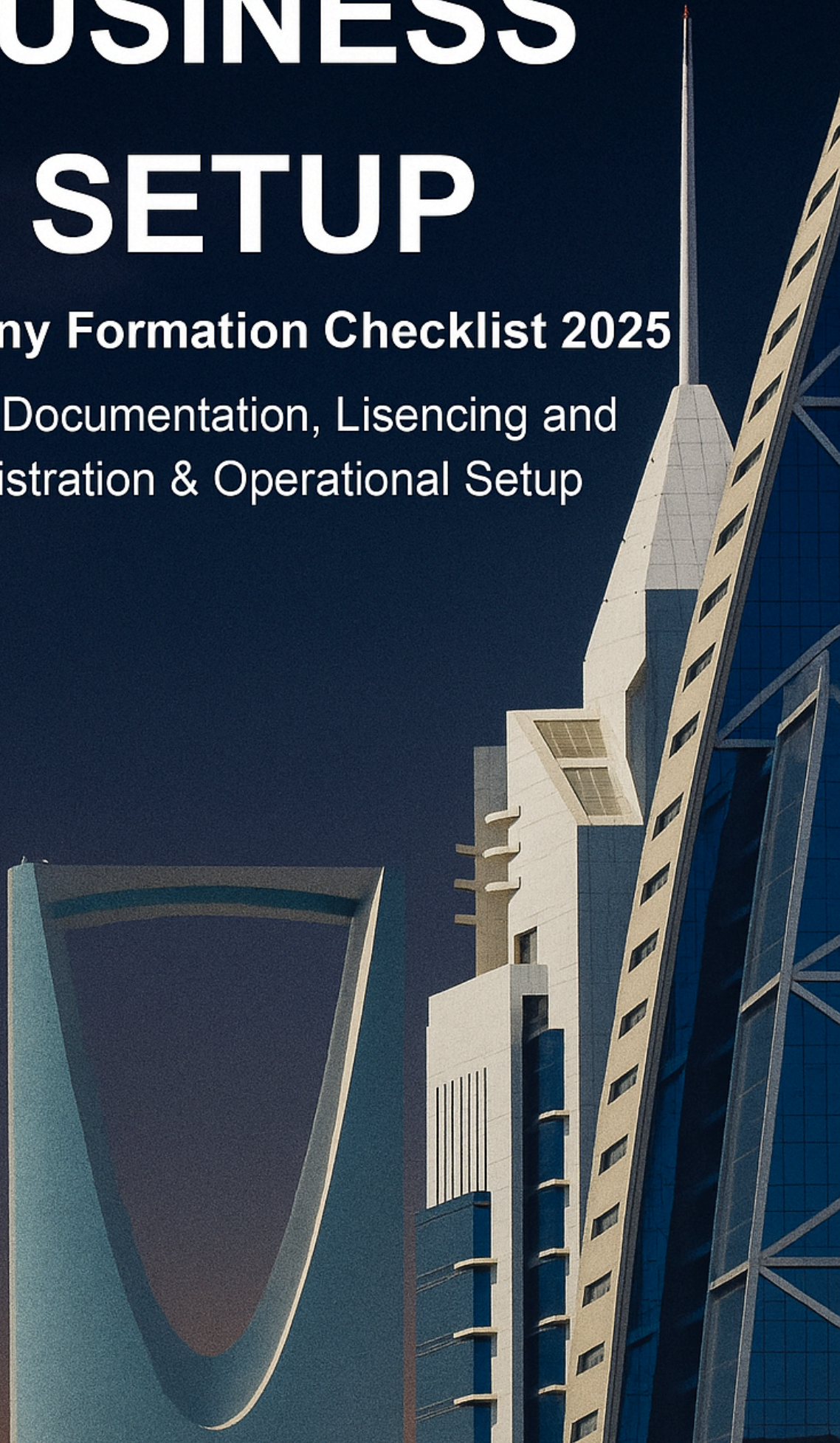


SAUDI ARABIA BUSINESS SETUP

Company Formation Checklist 2025

Legal Documentation, Lisencing and
Registration & Operational Setup



Saudi Arabia Company Formation Checklist

Your Essential Roadmap to Starting a Business in Saudi Arabia Establishing a company in Saudi Arabia involves a structured and multi-stage process governed by the Ministry of Investment (MISA) and the Ministry of Commerce (MoC). This checklist simplifies the journey for investors and entrepreneurs — outlining each critical step from defining your business activity to maintaining ongoing compliance. Follow this roadmap to ensure a smooth, compliant, and successful market entry.

1. Preliminary Stage

- Define your business activity (refer to the official MISA Activity List).
- Select the legal structure – LLC, Joint Stock Company, Branch Office, or Sole Establishment.
- Identify shareholders (Saudi, foreign, or joint ownership).
- Choose a unique company name (Arabic & English).
- Reserve the trade name through the Ministry of Commerce (MoC) portal.



Pro Tip: Before finalizing your business activity, check whether the sector is regulated (e.g., healthcare, education, construction, or finance). Regulated sectors often require pre-approvals from relevant authorities before you apply for a MISA license.

2. Legal Documentation

- Draft Articles of Association (AoA) or Memorandum of Association (MoA).
- Prepare shareholder resolutions and Power of Attorney (for foreign shareholders, if applicable).
- Legalize and attest all foreign documents through the Saudi Embassy and Ministry of Foreign Affairs (MOFA) of your country.
- Appoint a Saudi legal representative as Power of Attorney (PoA) to handle
- incorporation, notarization, and submission of all company documents on your behalf.
- Ensure the PoA clearly specifies authority to act before MISA, MoC, ZATCA, and other relevant agencies.
- Submit documents to Ministry of Investment (MISA) for Initial Approval.



Pro Tip: Ensure that foreign documents (e.g., board resolutions, company certificates) are notarized, legalized, and translated into Arabic by a certified translator before submission — incomplete documentation is a common cause of delay.

3. Licensing & Registration

- Obtain the Foreign Investment License (if applicable).
- Deposit the minimum share capital in a temporary corporate bank account.
- Register the company with MoC and obtain the Commercial Registration (CR).
- Register with the Chamber of Commerce.



Pro Tip: The Foreign Investment License from MISA and Commercial Registration from MoC must match in activity description and ownership details. Consistency ensures smooth post-setup approvals and banking processes.

4. Post-Incorporation Compliance

- Register for Zakat, Tax, and VAT with the Zakat, Tax, and Customs Authority (ZATCA).
- Obtain Municipality License (Baladiya).
- Register with: General Organization for Social Insurance (GOSI) and Ministry of Human Resources & Social Development (HRSD).
- Create a Mudad Account for payroll management.
- Apply for Business Visa Quota through Qiwa platform.



Pro Tip: Ensure that your office lease (Ejari) and CR address match exactly — discrepancies may delay ZATCA and Municipality registrations.

5. Operational Setup

- Finalize office lease agreement and register it through Ejari.
- Open a permanent corporate bank account.
- Create digital signatures and signatory authority through SABER / MoC systems.
- Recruit and onboard local employees; register them with GOSI.
- Implement accounting and payroll systems in compliance with Saudi standards.



Pro Tip: Saudi banks require original documents and physical verification of the company representative. Pre-schedule appointments with your chosen bank to avoid delays in account opening.

6. Ongoing Compliance & Renewals

- Maintain annual renewals of: MISA License, Commercial Registration (CR), Chamber of Commerce, Municipality License (Baladiya).
- File Zakat & Tax returns within statutory deadlines.
- Renew Iqamas (residency permits) and business visas periodically.
- Update company records in MISA/MoC portals when structural or ownership changes occur.
- Maintain accurate books of account for annual audit and compliance.



Pro Tip: Set a compliance calendar for renewals and filings. Missing deadlines for ZATCA or MISA renewals can lead to financial penalties and suspension of operations.