KPMG

# GMS Flash Alert



## Employment Law

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# Saudi Arabia – New Workforce Nationalization Rules for Marketing and Sales Roles

The Ministry of Human Resources and Social Development (HRSD) has announced two decisions raising the Saudization (localization) quotas in marketing and sales professions within the private sector to 60 percent, effective 19 January 2026.[1]

## WHY THIS MATTERS

These decisions have significant implications for organizations operating in Saudi Arabia, particularly multinational companies employing expatriates in marketing and sales roles. The changes are expected to affect recruitment strategies, payroll planning, compliance monitoring, and may lead to increased operational costs or require restructuring for organizations with a high proportion of non-Saudi employees.

## Key Highlights

### Marketing Profession Localization

- 60 percent Saudization quota in private sector marketing roles.
- Applies to establishments with three or more marketing employees.
- Minimum monthly wage for targeted roles set at SAR 5,500.
- The targeted positions are Marketing Manager, Advertising Agent, Advertising Manager, Graphic Designer, Advertising Designer, Public Relations Specialist, Advertising Specialist, Marketing Specialist, Public Relations Manager, and Photographer.

### Sales Profession Localization

- 60 percent Saudization quota in private sector sales roles.
- Applies to establishments with three or more sales employees.

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- The targeted positions are Sales Manager, Retail Sales Representative, Wholesale Sales Representative, Sales Representative, IT & Telecom Sales Specialist, Sales Specialist, Commercial Specialist, and Commodity Broker.

### Support and Compliance

- Employers will have access to incentives such as recruitment, training, employment support, and priority for nationalization programs via the Human Resources Development Fund (HADAF).
- The procedural guide with implementation details is available on the HRSD website.
- Non-compliance may result in statutory penalties.

## KPMG INSIGHTS

In light of the upcoming changes, organizations and entities might consider the following:

- Organizations may wish to review current workforce data to identify gaps, begin succession planning, and communicate proactively with affected employees.
- Organizations may wish to consult with HRSD support programs and consult the procedural guide, along with legal or compliance advisors, to assist with proper implementation.
- Companies may wish to update employment contracts and payroll systems to reflect the new minimum wage standards.

If assignees and/or their programme managers have any questions or concerns about the scope of the directive, its application and potential impacts, and appropriate next steps, they should consult with their qualified tax or social security professional or a member of the GMS/People Services team with KPMG in the Lower Gulf (see the Contacts section).

## FOOTNOTE:

1 Ministry of Human Resources and Social Development (in Arabic), The Ministry of Human Resources and Social Development announces an increase in localization rates in marketing and sales professions, published on 19 January 2026.

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## Contacts

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