Decision of the Chairman of the Board of Directors of the Workers' Support and Insurance Fund No. (2) of 2022 on the Provisions and Procedures for Disbursing Workers' Entitlements

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Articles (1-19)

The Board of Directors of the Workers' Support and Insurance Fund,
Pursuant to the Labour Law promulgated by Law No. (14) of 2004, and its amending laws;
Law No. 15 of 2017 regarding domestic workers;
Law No. (17) of 2018 establishing the Workers' Support and Insurance Fund;
Emiri Decision No. (29) of 1996 regarding Cabinet decisions that are submitted to the Emir for ratification and issuance;
Decision of the Board of Directors of the Workers Support and Insurance Fund No. (1) of 2022 to issue the organizational structure of the Workers’ Support and Insurance Fund,
The proposal of the Executive Director of the Workers’ Support and Insurance Fund,
The Cabinet’s approval of this draft decision at its regular meeting (25) for the year 2021 held on June 30, 2021 AD, decided the following:

Articles

Article 1

Pursuant to the provisions of the present Decision, the following words and expressions shall have the meanings adjacent thereto, unless otherwise specified in the context:
The Minister: The Minister of Labour.
The Law: Law No. (17) of 2018 establishing the Workers' Support and Insurance Fund.
The Fund: The Workers' Support and Insurance Fund established under the provisions of The Law.
The Board: The Board of Directors of the Workers' Support and Insurance Fund.
The Committee: The Labour Dispute Settlement Committee established under the provisions of the aforementioned Labour Law.
Management: The administrative unit entrusted with the present fund.
Entitlements: Amounts owed to workers in accordance with the provisions of Article (2) of the present Decision.
Employer: Employers subject to the provisions of the Labour Law or the referred to Domestic Workers Law, as the case may be.
Worker: The worker or employee subject to the provisions of the Labour Law or the referred to Domestic Workers Law, as the case may be.
Article 2

The Fund shall pay Workers their entitlements in the cases below:
1. Final decisions issued by the Committee.
2. Final judgments issued by the competent court.
3. The cases of delayed payment of monthly wages if public interest so requires.
4. Urgent and exceptional cases for reasons of public interest.
5. The cases due for disbursement before the entry into force of The Law, if public interest so requires, and on condition that credit is available.

Article 3

The Fund shall establish an electronic platform for submitting and following-up on requests to disburse Workers’ entitlements in accordance with The Law, and an electronic database that includes:
1. Data on Workers' requests.
2. Cases of disbursement of labour entitlements.
3. Data of companies and business owners regarding the obligation to pay.
4. Requests to recover the labour entitlements that have been paid.
5. Any other data that the Fund wishes to add.

Article 4

The maximum disbursement of financial entitlements under the present Decision shall be in accordance with the following:
1- Existing companies: a salary of three months and a maximum of (20,000) twenty thousand riyals.
2- Expired companies: a salary of two months and a maximum of (12,000) twelve thousand riyals.
3- Domestic workers: a salary of three months and a maximum of (8,000) eight thousand riyals.
The Chairman of the Board may decide to exceed these limits if public interest so requires.

Article 5

The Worker or his/her representative shall submit to Management an application requesting the settlement of his/her entitlements in the two cases stipulated under Clauses (1) and (2) of Article (2) of the present Decision, using a form prepared for this purpose, with a true copy of the
Committee’s decision, or a true copy of the writ of execution of the Court decision made in connection with the dispute, as the case may be.

In the event that the application is filed by the Worker’s agent, a notarized power of attorney shall be submitted to represent the Worker in the procedures relevant to the payment of his/her entitlements before the Fund.

In the event of the Worker’s death, his/her heirs may file the application and proceed therewith, after submitting the death certificate and the documents identifying the Worker’s heirs, and pursuant to a notarized power of attorney made by the heirs designating the authorized representative before the Fund.

Article 6

Management shall register Workers’ requests for entitlements as decided by the Committee or the competent court, and requests for the payment of delayed monthly wages.

Article 7

Management shall study and examine requests for labour entitlements, review the attached documents and forms, and ensure that the conditions for entitlement and disbursement are met in accordance with the provisions of the present Decision.

Article 8

The application filed by the Worker to request payment of entitlements shall be dismissed in the following cases:

1- The conditions stipulated in the present Decision are not met.
2- The Worker did not submit the relevant documents despite being asked to do so more than once.
3- The Worker submits a request to withdraw the filed application for payment of entitlements.
4- It is proven to the Fund that there is an amicable settlement, substantiated in writing, between the Worker and the Employer, even if that settlement has not been implemented.
5- It is proven to the Fund Management that the data and documents submitted by the Worker are fraudulent after consulting the Fund’s legal affairs department.
6- There is proof of suspected forgery of any document, in which case Management shall decide to dismiss the case and refer the suspected documents to Public Prosecution.

Article 9
Management shall record the accounting data relevant to the Workers’ entitlements, in addition to the amounts recovered from business owners, and shall gather all relevant documents.

Article 10

Management, in coordination with the Labour Inspection Department at the Ministry, shall undertake continuous follow-up regarding the ability of business owners to fulfill their obligations to pay labour entitlements.

Article 11

The payment of entitlements pursuant to a Committee decision shall be made in accordance with the following requirements:

1- The Committee’s decision regarding the Worker’s entitlements has been issued after the date of entry into force of The Law.
2- The Committee’s decision was not challenged within the fifteen days following its issuance if it is taken in the presence of the Employer, or from the day following the notification of the Employer if the decision is taken in absentia.
3- The Worker and Employer have not concluded an amicable settlement agreement to implement the Committee’s decision.

Article 12

The entitlements decided by the competent court shall be settled in accordance with the following:

1- Issuance of the judgment and writ of execution by the competent court.
2- The Worker and Employer have not concluded an amicable settlement agreement after the issuance of the judgment’s writ of execution.

Article 13

Payment of delayed monthly wages, whenever public interest so requires, shall be made by a decision of the Board, upon receiving proof of the Worker’s arrears from the Wage Protection System, and proof that a contractual relationship is established between the Employer and a government agency to guarantee refund.
The Fund may request the Employer to provide an in-kind guarantee or a personal guarantee before disbursement, or any other guarantees accepted by the Fund.

The Employer shall sign the payment pledge form provided that he/she pays the designated amount within six months from the date of disbursement, in addition to administrative fees amounting to (5%) the total amount, and it is permissible by a decision of the Board to extend this period for a similar period or periods.

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**Article 14**

In the event that the Employer delays payment of the amounts disbursed to the Worker in accordance with the cases stipulated in Clauses (3), (4), (5) of Article (2) of this Decision, the following actions shall be taken:

1- Compelling the Employer to pay (2%) for each month, for no more than (50%) of the total value of the amounts due, starting from the day following the due date.

2- Coordinating with the Ministry to suspend any new work permits, and halt all of the Employer’s dealings with the Ministry, seven days after the due date; suspension in this case does not include ratification of work contracts. The suspension shall be lifted by a decision of the Minister or his/her authorized representative, after the Employer submits evidence that he/she has transferred the total sum of financial dues.

2- Notifying the Ministry to stop issuing new work permits, and halting any of the Employer’s dealings with the Ministry, seven days after the due date; suspension in this case does not include ratification of work contracts. The suspension shall be lifted by a decision of the Minister or his/her authorized representative, after the Employer gives proof that he/she has transferred the total sum of financial dues.

3- Recovering the amounts settled by means of personal guarantee, or disposing of the in-kind guarantee, as the case may be.

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**Article 15**

In the case of an expired company, the disbursement of labour entitlements is limited to the event that their termination is pursuant to a court ruling dissolving the company, declaring its bankruptcy, or destroying all or most of the company’s funds.

Without prejudice to the disbursement rules under Articles (11) and (12) of the present Decision, a Board decision is required for the payment of these entitlements.
Article 16

Management may specify the date of payment of labour entitlements, and it may expedite the date or schedule the payment of such entitlements, in the cases below:

1- If the Worker has left the country definitively, or stated that he/she will leave the country permanently;
2- The death of the Worker or his/her complete or partial disability as determined by the specialized medical committee;
3- Any other humanitarian considerations approved by the Board.

Article 17

If it is proven that the Employer is delaying the settlement of the entitlements in the two cases stipulated in Clauses (1) and (2) of Article (2) of this Decision, the following measures shall be taken:

1- Notifying the Employer of the obligation to pay on the day following the due date.
2- Notifying the Ministry to stop issuing new work permits, and halting any of the Employer’s dealings with the Ministry, seven days after the due date; suspension in this case does not include ratification of work contracts.

The suspension shall be lifted by a decision of the Minister or his/her authorized representative, after the Employer submits evidence that he/she has transferred the total sum of financial dues.

3- Recovering any disbursed amount, in coordination with the Legal Affairs Department of the Fund and the relevant public authorities.

Article 18

Management shall list Employers who violate the provisions of this Decision, and the Legal Affairs Department in the Fund shall take the necessary precautionary and/ or executive measures, after coordination with the department entrusted with the implementation of such decisions, against business owners who violate the provisions of this Decision.

The Legal Affairs Department may take the measures referred to in the previous paragraph against expired companies.

Article 19
All competent authorities, each within its jurisdiction, shall implement this decision. It shall come into force from the day following its publication in the Official Gazette.