

# Regional Headquarters (RHQ) Setup in Saudi Arabia – 2024 Guide

## What is the RHQ Program?

Saudi Arabia's Regional Headquarters (RHQ) Program is a strategic initiative by the Ministry of Investment (MISA) and the Royal Commission for Riyadh City (RCRC). It aims to position the Kingdom as a preferred regional base for multinational companies managing operations across the MENA region. RHQs are non-commercial entities designed to support strategic coordination, management, and administrative activities.

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## Key Benefits of Establishing an RHQ in Saudi Arabia

- **30-Year Tax Incentive:** Exemption from Corporate Income Tax (CIT) and Withholding Tax (WHT) for 30 years.
  - **10-Year Saudization Exemption:** Applies to core RHQ activities, allowing workforce flexibility.
  - **Unlimited Visas:** Facilitates recruitment and relocation of key executives and dependents.
  - **Spousal Work Permits & Extended Dependent Age:** Permits for spouses and dependent age limit extended to 25 years (subject to approval).
  - **Exemption from Professional Accreditation:** Available for RHQ core personnel in non-regulated roles.
  - **Eligibility for Government Contracts:** RHQs will be eligible to participate in tenders after 2024.
  - **Cost-Effective Business Environment:** Lower operational costs and high-quality infrastructure compared to regional alternatives.
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## Eligibility Criteria for RHQ License

To qualify for an RHQ license, a company must:

- Be **foreign-registered** and operate **two or more subsidiaries abroad**.
  - Commit to operating a **non-commercial office** in Saudi Arabia.
  - Submit a detailed **business plan and annual audited financials**.
  - Fulfill **mandatory RHQ functions**, such as strategic direction, budgeting, marketing, and regional oversight.
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## RHQ License Requirements (2024)

Requirement	Description
<b>Minimum Staff</b>	15 full-time employees, including 3 C-level executives (e.g., CEO, CFO, COO).
<b>Legal Presence</b>	Proof of legal presence in at least two countries.
<b>Office Lease</b>	Physical headquarters office in Saudi Arabia.
<b>Business Plan</b>	Detailed plan outlining RHQ functions, budget, and growth strategy.
<b>Audited Financials</b>	Required for the most recent fiscal year.
<b>MISA License</b>	RHQ license must be obtained from the Ministry of Investment.

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## Step-by-Step: How to Set Up an RHQ in Saudi Arabia

1. **Evaluate Eligibility** – Ensure company meets foreign presence and function criteria.
  2. **Prepare Required Documents** – Audited financials, corporate structure, RHQ plan.
  3. **Submit RHQ License Application** – Apply via MISA's RHQ platform.
  4. **Lease Office Space** – Secure an RHQ-compliant physical presence.
  5. **Hire Staff** – Recruit a minimum of 15 employees including 3 executives.
  6. **Complete Post-License Registrations** – ZATCA, GOSI, Qiwa, Chamber of Commerce.
  7. **Launch Operations** – Begin non-commercial regional coordination functions.
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## Important Notes

- RHQs are **not permitted to engage in commercial sales or direct invoicing**.
  - RHQs must comply with ZATCA e-invoicing and VAT requirements if applicable.
  - RHQs may benefit from extended incentives under related premium residency schemes.
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## Why Choose Saudi Business Hub (SBH)?

SBH is your trusted partner for RHQ establishment in Saudi Arabia. We provide:

- End-to-end support from licensing to full HR and compliance setup.
  - Strategic consulting for staffing, budgeting, and legal structuring.
  - Local expertise in navigating MISA, ZATCA, RCRC, and labor law compliance.
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## References and Resources

- MISA RHQ Program Overview

- [Royal Commission for Riyadh City \(RCRC\)](#)
- [ZATCA E-Invoicing Guidelines](#)