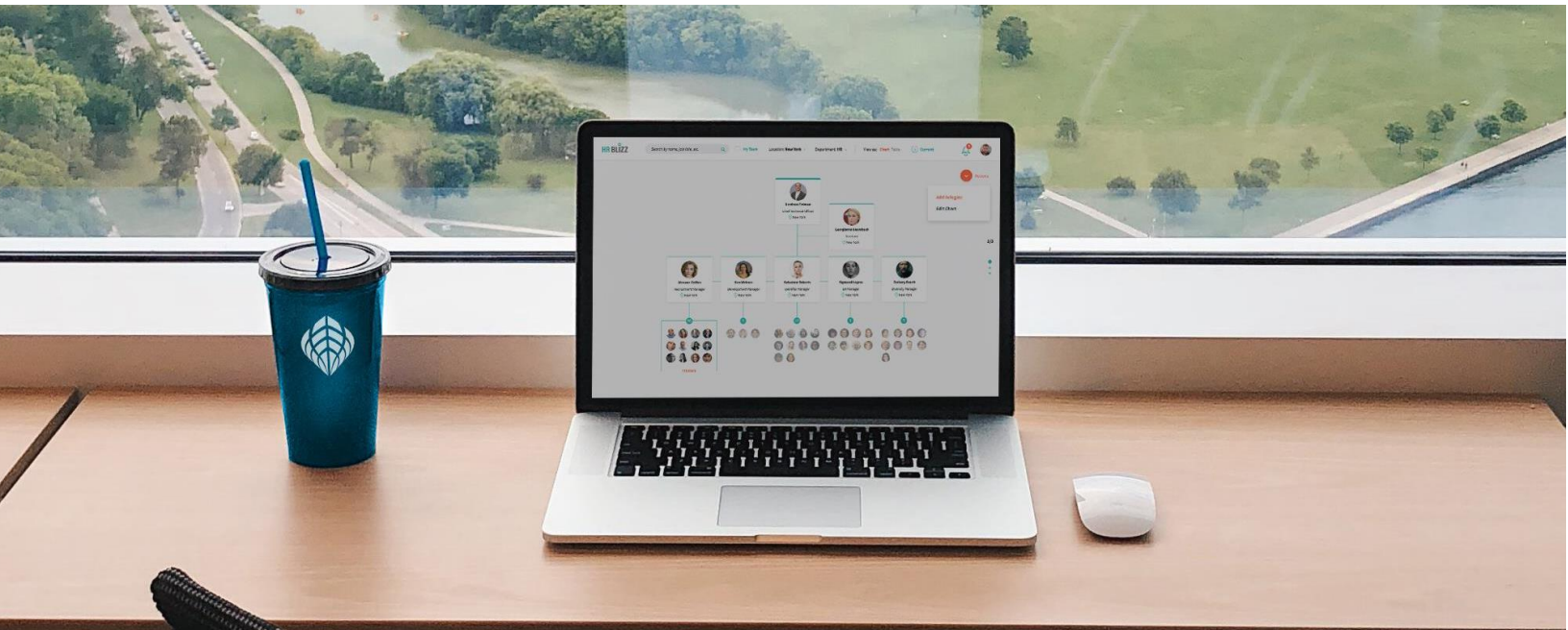




Simplifying Employment  
Tasks Worldwide

# Statutory Change Alert

Kuwait Proposes Strict Expatriate Quota System



**Kuwait**



13 July 2020



MERCANS

# We help you achieve your global ambitions

Thank you for trusting Mercans to outsource your HR and Payroll functions. We propose HR consulting services, actionable solutions, and cost-effective global payroll processing tools to energize your human capital management in real-time and augment your performance. We are dedicated to becoming your business growth facilitator.



## **Global Payroll Solutions – Boost your HR brand and employee satisfaction**

Rationalize your HR budgets, monitor your data, and optimize your global payroll tasks in real-time. Systematize processes and streamline HRM lifecycles with HR Blizz™, our unified SaaS platform, to ensure your employees are paid accurately and on time.



## **PEO/GEO Services – Easily hire, deploy and manage your workforce abroad**

A reliable Professional Employer Organization (PEO), Mercans is your trusted employer of record to globally select, engage, and manage highly-qualified personnel on your behalf, through integrated Global Employment Outsourcing (GEO).



## **Global Talent Acquisition – Quickly fill vacancies with only the best candidates**

Mercans supports you in designing/deploying long-term HR strategies and processing full-cycle recruitment. Our ATS Suite Mesaar™ and our hiring experts help to screen, select, attract the right candidates for your organization, and populate your pipeline of prequalified talents.



## **BPO Services – Reclaim the focus on your core activities to expand your business**

Concentrate on the essentials: outsource non-primary activities and your front- and back-office functions to Mercans. Save the time, money, and energy needed to refine the value chain engagement of your customers and suppliers, and increase revenue.



## **HR Management SaaS – Access customizable cloud-based online platforms**

Centralize your HR function on an all-in-one user-friendly and self-service platform. Combined with the expertise of our consultants, the Mesaar SaaS offers a built-in applicant tracking system and easy-integration features to improve internal processes.



## **Local Statutory Compliance – Forget the hassle of setting up branches abroad**

Mercans seasoned HR advisory team are compliance experts specialized in local cultures, business protocols, and tax and legal specificities. They are committed to ensure quick go-to-market abroad and achieve a compliant global expansion, risk-free from A to Z.



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## Mercans at a Glance

**140+**

Countries

**20**

Years of Success

**500+**

Specialists

**5k+**

Customers Worldwide

**97%**

Client Retention Rate

**1.5X**

Annual Revenue Growth

**25k+**

Largest Single Country  
Payroll

**2.5M+**

Pay Slips per Annum

**0**

Security Breaches

**Number one** for outsourced payroll services, we are endorsed by international authorities.



Mercans has the highest industry quality and IT security certifications.





## **Kuwait – aggressive localization measures proposed by lawmakers.**

Recent announcements made by the government officials of Kuwait have impacted the current immigration processes, which had already slowed significantly due to COVID-19 related immigration processes suspensions, and the immigration authorities of Kuwait have halted granting new expatriate visa quotas and residency permits to private sector employers unless the requested visas and residency permits are related to strategic government programs.

In several recent announcements and press releases issued by Kuwaiti government officials, it has been made public that a panel of Kuwait's lawmakers plan to propose regulations including a ban on recruiting 'new expats' and limiting the duration of residence for foreign workers in the country.

MP Khalil Al-Saleh, head of Kuwait's Assembly's Human Resource Development Committee, said that the panel will make the proposal to the government shortly. Mr. Saleh stressed that addressing the 'imbalance' in Kuwait's demographic structure requires "draining" the sources of visa trading and a "ban on the recruitment of new expat labor", as well as the Kuwaitization of jobs, imposing certain quotas on expat communities and limiting the stay for foreign workers in the country.

His remarks come after Kuwaiti Prime Minister Sheikh Sabah Al-Khaled Al-Sabah said that the Gulf state would like expat numbers to reduce to 30 per cent of the country's population – down from 70 per cent at present. That would require reducing the number of foreign workers by around 2.5 million.

In May 2020, it was also announced that Kuwait's Municipality will soon dismiss all expat employees and replace them with Kuwaitis. The decision also calls for freezing employment applications from expats, cancelling appointments under process and not renewing the contracts of existing employees.



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On 6 July 2020, the following updates were published by the local news outlets:

- Kuwait's Interior Ministry has decided to update the exiting residency laws of Kuwait to reduce the number of expats and introduce an expat quota bill.
- The bill proposes to reduce the number of Indians to 15% of Kuwait's total population. If enacted into law, this could force as many as 800,000 Indians to leave Kuwait. After India, Egypt accounts for the second-highest number of expats in Kuwait. The bill also proposes reducing the proportion of Egyptian nationals to 10% of the Kuwait's total population.
- The draft of Kuwait's new residency law would also limit the number of foreign nationals recruited by companies each year and will include regulations based on their skills, Interior Minister Anas Al-Saleh was earlier reported saying.

Please contact your Mercans' services delivery team for any additional information regarding the implications of the above change.



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## They already trust Mercans





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# What Makes Mercans your HR and Payroll Partner of Choice?

## We Simplify Employment Tasks Worldwide

### Everywhere for Everyone

We are a borderless people engagement enabler, driven by technology and innovation. We deliver bespoke human capital management services and global payroll solutions to empower businesses across 110+ countries regardless of their organizations' size and their industry. We pride ourselves on being global people experts with a striking local presence, committed to making your teams happy, and ensuring the consistent and sustainable growth of your organization.

### Local Presence. Regional Strategy. Global Success

Supported by 500+ payroll and HR specialists with in-depth local knowledge, Mercans operate globally. Our pioneering human resources consulting services and trailblazing SaaS platforms are already satisfying 5,000+ international clients, ensuring timely measurable results and bottom-line savings. Thanks to success-oriented teams striving for excellence and taking care of our clients' tasks within budget, we have gained the trust of major multinational companies.

### A Revolutionary Service Delivery System

Say goodbye to third-party service providers, offshore call centers, fragmented data, and endless chains of sub-contracts.

Mercans cloud-based SaaS Products, HR Blizz™ & Mesaar™, combine the performance of proprietary technologies with a human touch. Cost-effective, they are fully-compliant self-service tools, packed with smart built-in features for your peace of mind. All your data are integrated into single interfaces accessible from everywhere and on any device.

### Trailblazing Cloud-Based SaaS Products

HR Blizz & Mesaar, our Software-as-a-Service platforms, both propose a preconfigured API integration capability with all the major global HRMS platforms, including SuccessFactors, Workday, Oracle HCM, and MS Dynamics. All Mercans systems and processes are GDPR compliant, ISO 9001, 20000, 27001 certified, and SOC 1 and SOC 2 audited. A registered Finpro expert, Mercans is also a member of the Global Payroll Association and the Global Payroll Management Institute.



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