

INVESTING AND OPERATING IN THE KINGDOM OF SAUDI ARABIA. NAVIGATING THE OCCUPATIONAL AND WORKPLACE HEALTH RISKS.

A COMPREHENSIVE GUIDE FOR FOREIGN ORGANISATIONS OPERATING IN THE KINGDOM OF SAUDI ARABIA



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PREFACE

The Kingdom of Saudi Arabia (KSA), a young country rich in ancient heritage and culture, is a growing hotspot of investment of global organisations. Over the past decade, KSA's GDP has grown by about 520 billion USD, mainly attributed to their increasing import-export trade balance.

Considered a high-income economy by the World Bank, KSA's growing petroleum wealth has supercharged changes to the kingdom's social and economic methodologies, with millions of foreign workers injected into the country to support the growing industry. In 2018, the country estimated to have more than 30% of foreign workers.¹

The country has created a vision for the year 2030 built on three pillars – a vibrant society, a thriving economy and an ambitious nation. The outlook encompasses 96 strategic objectives in which the Council of Economic and Development Affairs established 13 Vision Realization Programs. As part of the vibrant society pillar, the vision has prioritised the quality of preventive and therapeutic health care services. To achieve this, the country has set five main goals.²

- 1. Promoting preventive care on reducing infectious diseases and in encouraging citizens to make use of primary care as a first step.
- 2. Deepening collaboration and integration between health and social care, as well as supporting families to provide home care when necessary for their relatives.
- **3.** Focusing the public sector's role in health care as we prepare for the benefits of privatisation.
- 4. Developing private medical insurance to improve access to medical services and reduce waiting times for appointments with specialists and consultants.
- 5. Providing doctors with enhanced training to improve treatment for chronic diseases such as heart disease, diabetes and cancer that threaten our nation's health.

As well as the 2030 Vision, the National Strategic Program for Occupational Safety and Health was developed as a compliance standard to maintain and strengthen the health of workers through the prevention and control of occupational diseases and injuries. As well as the elimination of occupational factors and conditions which are harmful to the health and safety at work, organisations operating in KSA require an effective occupational safety and health strategy.

The outlook on the country's economy has been challenged with COVID-19 as per most of the world but their strong vision for 2030 sets a prosperous future for industries and foreign organisations with local operations. Continued emphasis on occupational health standards and regulations will undoubtedly be part of the future growth, ensuring the safety and wellbeing of their diverse workforce.



Dr Pascal Rey-Herme Co-Founder, Group Medical Director International SOS

INTRODUCTION

The Kingdom of Saudi Arabia's growing, and diversifying economy has created an enticing environment for foreign workers and global organisations. Due to flourishing industries such as industrial and manufacturing, health and safety have become more prevalent in operational compliance in the country. In 2005, the country issued the Labour Law to identify specific health and safety procedures that employers must adhere to, regardless of their specific sector.

Alongside the country's robust 2030 Vision, the growing investment in health expenditure is the highest amongst the Gulf Cooperation Council with it being 5.23% of their GDP in 2017³. The countries healthcare system is managed by the Ministry of Health with primary, secondary and tertiary health care services run by the government of Saudi Arabia.

The country's notable health risks being ischemic heart disease, road injuries and stroke account for the three main causes of death in 2019⁴. Overall, non-communicable diseases (NCDs) are estimated to account for 73% of all deaths⁵ with the top risk factors being physical inactivity, obesity and high blood pressure. These risks combined with specific workplace health and safety threats pose challenges for organisations to ensure their employees are not only physically fit to work but are supported, motivated and empowered to do their jobs. The preventative measures encompass an organisation's Duty of Care and in turn ensures resilient business operations.

In addition to the general Duty of Care, employers in KSA are expected to manage and implement their Occupational Health and Safety (OHS) management systems according to a specific framework. Employers are also expected to adopt several other measures with regards to the maintenance of a healthy and safe workplace.

This document provides the current Occupational Health and Safety and workplace challenges in KSA, suggests a framework of regulations, requirements and best practices in order for organisations to protect their workforce and improve productivity.



Investing and Operating in the Kingdom of Saudi Arabia



OCCUPATIONAL HEALTH AND SAFETY (OHS) REGULATORY FRAMEWORK

NEW FRAMEWORK

Under Resolution No. 161238 of 2018 by the Ministry of Labour and Social Development, a new framework has been set for employers to follow when managing health and safety issues affecting their employees.

The new framework applies to all employers if they employ more than 50 employees full-time. Nevertheless, different requirements apply to high, medium and low risk environments.

As such, for the first time, employers in Saudi Arabia are required to include requirements in their Occupational Health and Safety management systems depending on the level of risks present at the workplace (high, medium or low risk environments).

High, medium and low risk environments

While there is no definition of high-risk environments, medium risk environments are defined as those that employ 50 full-time workers or more and work in commercial activities such as construction work, petrochemical industries, and chemicals production industries. A full list to these activities can be found in Article 2 of the Resolution.

Low-risk environments are those operated by facilities employing 50 full-time workers or more and carrying out other commercial activities.

GENERAL OHS BASIC REQUIREMENTS

Occupational Health and Safety Policy

Facilities are required to establish an Occupational Health and Safety (OHS) Policy. The OHS Policy aims at protecting the health and safety of all facility members, its visitors, or the passerby who might be affected by the facility's activities. The OHS Policy must, among others:

- be written in clear languages that are used by most of the facility's members (including in the Arabic language);
- allocate the priorities and expectations for H&S matters at all levels in the facility;

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- covers details on H&S practices, such as allocating the H&S roles and responsibilities at the facility including the responsibility to submit reports to the General Organization for Social Insurance (GOSI) on occupational injuries or illnesses;
- comply with the applicable OHS regulations as well as any other OHS requirements the facility committed to;
- be accessible to all facility members; and
- be signed by the facility's president or highest manager.

The OHS Policy must be reviewed at least once every two years and updated when necessary.

OHS Risk Assessment

Facilities must conduct a preliminary risk assessment to assess the OHS risks and to identify the measures that must be taken to prevent such risk. The assessment must be in a written form. The OHS risk assessments must be used as the base for the facility's OHS management system. The OHS risk assessment must:

- assess whether the facility is in compliance with the applicable regulations on health and safety such as Royal Decree No. 21 on Safety in the Workplace and Labor Law;
- identify and assess the OHS risks resulting from the work environment at the facility; and
- assess whether the measures implemented at the facility eliminate or control the risks identified.

Emergency Plan

Facilities must have a written emergency plan that contains at least:

- the best methods to report emergencies (such as calling an emergency number);
- evacuation policy and procedures;
- escape routes in emergencies (such as floor plans with indications to the safe zones and muster points);
- names and numbers of the employees responsible for implementing the emergency plans;
- procedures for the employees that use the fire extinguishers or providing other basic emergency response services that is to continue in the event of an emergency alarm being raised;
- the duties of first responders and employees responsible for providing medical services;
- the location (whether inside or outside the facility) where important documents can be stored; and the method used to warn employees of emergency situations.

Facilities must also conduct regular tests on the emergency equipment at their workplace (such as the fire extinguishers and the fire alarm systems) as well as providing regular training for employees responding to emergencies.



GENERAL PREVENTIVE REQUIREMENTS

OHS Role and Responsibility Distribution

Facilities must identify the responsibilities of all their employees performing OHS related duties. Facilities must also appoint one or more members of its management to be responsible for implementing the OHS management system by:

- developing and implementing the regulation of health and safety issues in the workplace;
- regularly reviewing and assessing the health and safety framework put in place;
- submitting periodic reports to various sections of the business on the regulation of the health and safety framework in place;
- promoting the participation of all employees in the process by facilitating employee consultation; and
- reporting to all levels of the business through e-mails, posters, presentations and other communication methods on health and safety issues.

Qualification and Training

Facilities must ensure that their employees are qualified to carry out their OHS duties. Therefore, facilities must identify their OHS training needs, conduct the necessary training as identified, and keep records of such training.

Preventive and monitoring measures

Facilities must implement preventive and monitoring measures at the workplace by:

- providing and redesigning for safer operations and procedures at the workplace;
- replacing hazardous machines, tasks, substances, or tools with less hazardous ones when possible; and
- providing the necessary personal protective equipment.

The preventive and monitoring measures must be reviewed and updated regularly.

Protection Against Emergencies

Facilities must prepare and have in writing procedures to be implemented in emergencies (both natural and industrial emergencies). The facility must:

- identify the potential of emergencies occurring and take precautions to prevent or minimize the hazards that may result from such emergencies;
- provide its employees with the information necessary for their protection against emergencies;
- provide the necessary training for the response against emergencies;
- provide the necessary information to the authorities when needed; and
- be prepared to provide first aid, medical aid, firefighting, and evacuation to people present at its workplace.

SPECIFIC REQUIREMENTS FOR MEDIUM AND HIGH-RISK ENVIRONMENTS

OSH Policy Follow-Up Requirements

Facilities must prepare and adopt H&S goals that align with their H&S policy. The H&S goals must be specified and written in an easy to read style, measurable, realistic and achievable, relevant, with time deadlines specified to achieve its results.

Facilities must also prepare and implement and OHS scheme that is based on the risk assessment conducted and any other relevant information available.

This scheme must have:

- the facility's H&S goals;
- tangible plan that shows how the H&S goals are achieved;
- performance indicators to measure whether the H&S goals are achieved; and
- sufficient financial and logistical resources to achieve the H&S goals.

H&S systems requirements

Systems for Recording of H&S activities

Facilities must have a robust system for recording H&S procedures and undertakings. Such systems must contain records such as:

- H&S policy and goals;
- names, duties, and contact information of the principal employees responsible for carrying out H&S duties;
- major H&S hazards at the workplace as well as the measures taken to protect against them;
- procedures, instructions, and activities recording the H&S operations within the facility; and training records, national and international H&S best practices, and other records that can help identify any H&S hazards and controls at the workplace (such as records on the OHS injuries and illnesses, and health records of the employees).

Communication System

Facilities must use the appropriate channels to communicate its H&S related issues to all levels at the workplace, such as using mail and email communication methods, posting safety signs, or instruction signs, H&S meetings or discussions, and establishing a special H&S section on the facility's internal network.

Performance measurement, investigation system, and management review of the H&S systems

Facilities must implement methods to measure the efficacy of their H&S systems. The Management of facilities must also regularly review their H&S systems. Facilities must also have procedures to investigate OHS accidents and illnesses as soon as possible by qualified employees.



Employee consultation on health and safety matters

Facilities are required to consult their employees on several health and safety issues such as:

- identifying and assessing risk in the workplace;
- developing guidelines, procedures, and policies;
- selecting equipment and conducting testing;
- identify necessary training needs;
- making changes in the workplace; and
- notifying news in the staff newsletter.

Facilities are also required to establish a task force or committee of employees to work with senior management on occupational health and safety issues.

Specific requirements applicable to contractors

In medium and high-risk environments if a site employs more than 50 employees and have contractors at their workplace, they must ensure that their H&S systems are also applied to such contractors. The groups of contractors include:

- long term contractors such as security contractors;
- short term contractors such as maintenance contractors; and
- construction workers that work on projects at the workplace.

Definition of occupational injury

Article 27 of Royal Decree No. 33/M of 2000 establishing the Social Insurance Code defines what is considered as an occupational injury. According to Article 27 of the Social Insurance Code, an occupational injury is any accident or illness that occurs to any employee while carrying out their jobs or as a result of carrying out their jobs. It is also considered as an occupational injury any accident that occurs to employees while commuting between their residences and their workplaces or between their workplaces and the places where they usually go to eat their food or pray. Occupational injuries are also those accidents that occur to the employees while carrying out a task outside their workplaces assigned to them by their employers.

Accident reporting requirements

Article 9 of the implementing rules No. 1 of the Social Insurance Code, established under Decree of the Minister of Labor No. 128 of 2001, requires employers to register their companies and their employees with the General Organization for Social Insurance (GOSI). According to Article 1 of the implementing rules No. 3 of the Social Insurance Code, employers must notify





the local office of the GOSI of any occupational injury that occurs to their employees and that requires treatment beyond first aid treatment. The employers must notify the appropriate GOSI within 3 days of being made aware of the occurrence of such injuries.

Article 29 of Order of the Minister of Labor No. 1982 of 2016 sets out the procedures to report the occupational injuries occurring to the employees that are not covered by the reporting requirements established in the Social Security Code in Saudi Arabia. Such employees include:

- foreign employees working on international, political, or foreign military tasks;
- employees working in agriculture or herding;
- seafarers;
- foreign employees employed in activities for no longer than 3 months; and
- home workers.

When reporting occupational injuries that occur to the above-mentioned classes of employees, employers must report to the territorially competent labor office. The injury must be reported within a week from being made aware of the event.

In addition, Decree No. 1-2833 of 2006 on Reporting on Occupational Injuries to the Labor Department stipulates that the employer must report on occupational injuries involving any of the facility's employees to the labor office of the territorial jurisdiction within one week from the time the employer was made aware of the event. However, the regulation does not specify the format in which the incident should be reported (e.g., verbal notification, written notification on a specific standard form, fax, etc.).

Other Reporting Requirements

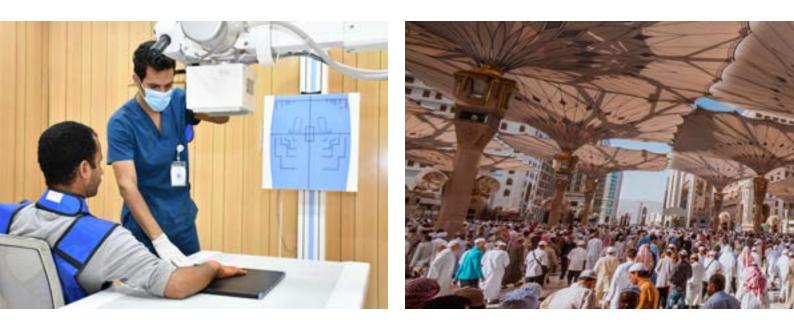
Apart from accident reporting, according to Art. 10 of the Order of the Minister of Labor No. 1982 of 2016 adopting the Implementing Regulations of the Labor Code, facilities that employ disabled people are required to report to the labor office of the territorial jurisdiction the names, positions, and salaries of the hired disabled people.

HEALTH SURVEILLANCE REQUIREMENTS

Under Article 143 of the Labor Code, employers must ensure that their employees undergo yearly medical examinations, to be carried out by one or more physicians. The results of such examinations must be kept securely in a personal medical file for each worker.

In addition, employers must keep the following information on employees either in electronic or printed on paper documents in the workplace:

- list of the names, occupation, age, nationality, and the identification numbers of employees;
- list of the wages of the employees,
- register of the penalties applied to employees;
- register of the attendance of employees;
- register of documents certifying the training undertaken by the employees of the Saudi nationality;
- register documenting the medical tests, the dates of the medical tests, and the results of the medical tests that the employees underwent in facilities containing work that may subject its employees to occupational injuries; and
- files on every employee containing information such as their addresses and copies of their employment contracts.



OCCUPATIONAL HEALTH MEDICINE LANDSCAPE

The concept of occupational health medicine is considered a fairly new topic of interest for many local organisations, however under the Ministry of Health's (MOH) Saudi Vision for 2030. employee health awareness has growing importance within the programmes. Ongoing education and health promotion campaigns continue to be a priority covering topics such as, diabetes, breast cancer detection. colon cancer. breast cancer, malaria, influenza, kidnev diseases, tuberculosis, heart disease. arthritis. osteoporosis, antibiotic usage, HIV/AIDS and others.

Due to the rapid industrial growth across the kingdom, the MOH started the employee health programme in 2018 which aims to protect healthcare workers that are exposed daily to a complex variety of health and safety hazards including biological, physical, chemical, and radiological hazards. In 2018, KSA established the first Saudi Arabian Chapter of the International Commission on Occupational Health (ICOH). Their mission is to develop a platform where professionals from all aspects of occupational and environmental health and safety work together; to increase awareness and capacity of the providers in the Kingdom and in the Region.

The Ministry of Labour and Social Development recently introduced a new Resolution which seeks to give employers a practical framework within which to manage health and safety issues in the workplace that all employers need to comply with. Managing the risks at the workplace should be a systematic process that includes all characteristics within the workplace such as worker's activities, materials that will be used, working procedures and the working environment to which workers may be exposed to. It became apparent during the pandemic that there is still some work to be done in terms of managing risk at the workplace as evidenced by employers and organisations reaching out to professional medical services companies for medical advice on the management of risk within the workplace.





CASE STUDIES

INTERNATIONAL EXAMPLES OF ORGANISATIONS EXEMPLIFYING DUTY OF CARE IN THE REGION

On the international scene, organisations are taking the lead in exemplifying their Duty of Care by integrating digital systems and technologies into their OHS management systems and practices.

Digital systems and technologies include the Internet of Things (IOT), Artificial Intelligence (AI) and data analytics resulting from wearable devices (sensors providing data), robotic process automation, big data, etc.

"Duty of care" and "connected care" in occupational health sector

Digital technology is playing a big role in its transformation in the healthcare sector. We can see health coverage expanding to areas that increasingly include human interface with advanced technological operators such as "super-strength operators" where a human being wears a powered, flexible and mobile exoskeleton and "IPA" where smart operators are connected to intelligent personal assistants. Collaborative operators, social operators and analytical operators are also being used. In addition to that, we can spot an exponential rise in the number of employers relying on the use of sensors and data analytics together with remote diagnosis and treatment.

These practices are slowing finding their way into occupational health and safety management within the framework concept of "connected care".

BEST PRACTICES FOR MITIGATING OCCUPATIONAL HEALTH AND SAFETY RISKS

Developing proactive occupational health and safety plans is pivotal in protecting the lives of employees. As part of an organisations sustainability goals and overall resilience, determining the appropriate compliance measures will not only prevent potential incidents but ensure operations remain constant.

In order to effectively manage potential health and safety risks, organisations should consider implementing the following measures:

- Suitably trained and qualified staff in place to help manage occupational health and safety obligations.
- Plans and guides for employees should be easily assessable and in all of the languages spoken within the workforce
- Compliance reviews should be executed on a regular basis to determine any new potential risks.
- Conduct health, security and safety training programmes to raise employee awareness.
- Carry out fit for work assessments to ensure employees are screened to carry out their allotted tasks safely.

- Conduct a workplace health
 assessment once per year
- Implement pandemic preparedness programmes which are agile and reviewed regularly. Testing and screening measures should be inclusive in these programmes taking into consideration the local guidance and regulations.

Organisations operating in KSA have a moral and legal obligation towards the health and safety of their workforce. Building proactive policies and best practices will lead to a reduction in the number of major medical and security incidents, business disruptions and complex evacuations. Taking a proactive approach to managing occupational health challenges will mitigate risks to employees, demonstrate a commitment to Duty of Care and support sustainability goals and reporting.

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[3] The World Bank. https://data.worldbank.org/indicator/SH.XPD.CHEX.GD.ZS?locations=SA

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