

# Investors Guide

## Experiential Activities Regulations

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Deputyship of Regulatory Affairs and Policies

Licensing & Classification Department

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## Introduction:

The Ministry of Tourism is responsible for regulating, developing, and promoting the tourism sector in KSA, as well as enhancing its role and overcoming obstacles to growth in accordance with KSA's status and values. The Ministry also aims to develop the tourism industry through integrated tourism programs and activities that will meet all tourists needs during their trip. The Ministry strives to encourage and stimulate the private sector to play an important role in the development and establishment of investment tourism facilities.

Dear investor, we hope that this guide will assist you in understanding how the Ministry evaluates innovative ideas and opinions that are primarily of a tourism-related nature and do not fall under the authority or supervision of a specific entity. This guide also includes the necessary instructions and illustrations that facilitate access to required services and information.

## Experiential activities - scope:

Experiential activity means an activity that does not fall within the competence of a specific entity or under its supervision and is predominantly of a touristic nature. The Ministry will study the request to practice experiential activities, based on the following criteria:

- 1- The activity should support National Tourism Development Strategy objectives.
  - The activity should support the diversification of the national economy.
  - The activity should provide employment to Saudi nationals.
  - The activity should attract investments.
  - The activity should increase the country's revenue sources.
- 2- The activity should be of an innovative nature.
- 3- The activity should bring value to both tourists and the tourism sector.
- 4- The activity should have the capacity to expand and attract investments.

If the Ministry developed experiential activities, they will be announced as follows:

1. The Ministry will announce experiential activities through its official website, including the start and end dates of accepting applications for those wishing to receive a permit to practice experiential activities as well as the method of doing so, if an experiential activity was proposed by the Ministry or if the decision included announcing the experiential activity and its requirements.
2. If the experiential activity is related to a tourism activity licensed by the Ministry, the Ministry will notify licensees of its approval of this activity, including the submission method and the start and end dates for receiving applications for those seeking a permit to practice the experiential activity.

**Before starting application procedures to study an experiential activity, the following requirements must be considered:**

- 1- Applicants must submit a study that includes the nature of the experiential activity, as well as the tourists and beneficiaries to be targeted directly or indirectly. They should also include channels to be leveraged to provide services, necessary tools, and equipment, as well as the mechanism and procedures to be implemented to provide the service.
- 2- In case there are international practices related to that activity, the study must include an activity overview, a start date, procedures used to practice and monitor the activity, target groups and service provision phases, in addition to quality control standards and any other information that supports the study. It is preferable for the study to focus on leading countries in the field.
- 3- Applicants must also provide an assessment plan. This plan should include business plan implementation phases, a timeline for the experiential activity implementation, the means to achieve targeted results, a scenario for potential risks, along with a mitigation plan. Applicants should also take into consideration guarantees to clients and their level of satisfaction with the service provided.
- 4- Applicants are required to submit an exit plan that includes the following scenarios:
  - A- Activity success: If the activity is successful, procedures for its organization and licensing will be initiated.
  - B- Feedback during the assessment period: In case of negative feedback from tourists on the experiential activity or in case of risks that directly or indirectly affect the activity.
  - C- Activity failure: In case the activity did not achieve the envisioned success based on the assessment plan.
  - D- Unforeseen reasons jeopardizing the continuity of the experiential activity.

## First: Experiential activities study

### Service description

Service allowing innovators in the tourism field to request a study for their innovative ideas. They may obtain approval to practice the activity as follows:

### Service duration

60 business days

### Experiential activity implementation - Authorization journey:



### 1-1 Experiential activity implementation - Application:

Visit the Tourism Activities Licensing Portal (TLG) and make sure the following conditions and requirements are met:

- 1 Applicants must fill out the relevant form and include the required data.
- 2 Applicants must submit the experiential activity's feasibility study.
- 3 Applicants must submit a study including international best practices relevant to the experiential activity - if any.
- 4 Applicants must provide an evaluation plan.
- 5 Applicants must provide an exit plan.

### 1-2 Application processing:

To ensure that the application fulfills the requirements, that the activity, evaluation and exit plans are viable, the Ministry will present the application for conducting an experiential activity to the relevant committee. The applicant may have to provide explanations or finalize the requirements.

- If the application is rejected, the applicant will be informed via official emails with the following justifications:
  - 1 The issuance of regulations on a similar experiential activity licensed by the Ministry, which necessitates applying for such a license directly.
  - 2 The idea of the experiential activity does not fall within the purview of the Ministry of Tourism, but within the remit or supervision of another entity.
  - 3 Any additional reasons the Ministry deems compelling.

### 1-3 Experiential activity implementation approval:

After the Ministry approves the experiential activity, the applicant is notified to start providing the permit requirements.

## Second: Experiential activities permit issuance

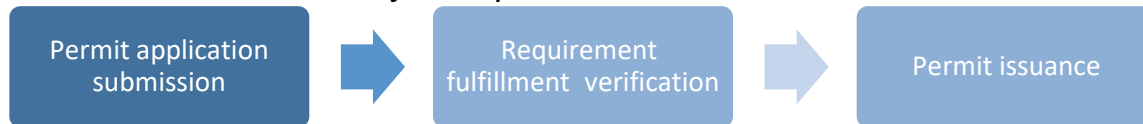
### Service description

In order to obtain a permit to conduct an experiential activity approved by the Ministry, the following must be observed:

### Service duration

One business day

Permit issuance - Service journey:



### 2-1 Application submission:

Visit the TLG portal and make sure the following conditions and requirements are met:

- 1- Applicants must fill out the relevant form and include the required data.
- 2- Meet the requirements and conditions specified in the decision to approve the practice of the experiential activity issued by the Ministry.
- 3- Applicants must also pledge to:
  - Implement the evaluation and exit plans as approved in the experiential activity approval decision.
  - Fulfill any other requirements included in the experiential activity approval decision.

### 2-2 Requirement fulfillment verification:

The Ministry will verify that the requirements stipulated in the Ministry's decision approving the practice of experiential activity are met.

### 2-3 Permit issuance:

After verification that the requirements are fulfilled, the permit will be issued according to the period specified in the Ministry's approval. The permit holder must comply with the following:

1. Services shall be provided as per the permit.
2. Approved evaluation and exit plans must be implemented.

Visit the Ministry's website at [www.mt.gov.sa](http://www.mt.gov.sa) to view additional operation-related obligations, as well as experiential activity regulations in the chapter on the permit holder's obligations.



## Third: Experiential activities - follow-up

### Service description

A service that allows the permit holder to submit reports, documents, and results according to the approved evaluation plan, while observing the following:

### Service duration

Instant

Follow-up - Service journey:



### 3-1 Application submission:

The application must be submitted through the TLG portal along with follow-up reports on the performance of the experiential activity according to the evaluation plan or as per the Ministry's request.

### 3-2 Reports review:

The Ministry will review the reports and keep them in the personal file of the permit holder.



## Fourth: Experiential activities - cancellation

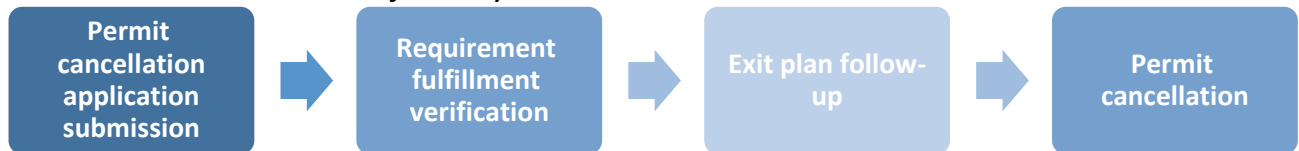
### Service description

When the permit holder wishes to stop practicing an experiential activity and implement the exit plan, the following must be observed:

### Service duration

Exit plan duration

Permit issuance - Service journey:



### 4-1 Applying for permit cancellation and activating the exit plan:

Visit the TLG portal and make sure the following conditions and requirements are met:

- 1- Applicants must fill out the permit cancellation form and include the required data.
- 2- Applicants must mention reasons for exit plan implementation and permit cancellation.
- 3- Applicants must agree to the undertakings.

### 2-4 Requirement fulfillment verification:

The Ministry will verify compliance with the requirements and approve the implementation of the exit plan.

### 4-3 Exit plan follow-up:

The permit holder's full implementation of the exit plan will be monitored, and any obligations related to the cancelled permit will be cancelled as well.

### 4-4 Permit cancellation:

Once the permit holder has carried out the exit plan, the permit is invalidated, and the permit holder is under a duty to refrain from further engaging in the experiential activity.