

Regulations for Tourist Accommodation Facility Management

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Chapter One

Introductory Provisions

Article 1

In these Regulations, the following terms and phrases shall have the meanings assigned thereto, unless the context requires otherwise:

- ▶ **Law:** Tourism Law
- ▶ **Regulations:** Regulations for Tourist accommodation facility management
- ▶ **Ministry:** Ministry of Tourism.
- ▶ **Minister:** Minister of Tourism.
- ▶ **Tourist Accommodation Facility Management:** To provide support services to the operator of a tourist accommodation facility and a private tourist accommodation facility based on specialized technical experience in managing facilities, services, and skills that are compatible with the type, category, or class of the facility.
- ▶ **License:** A document issued by the Ministry enabling its holder to practice the activity of tourist accommodation facility management.
- ▶ **Licensee:** Any person with a legal capacity who has obtained a license from the Ministry in accordance with the Law and its Regulations.
- ▶ **Tourist Accommodation Facility Management Office:** A place through which a licensee practices the activity of tourist accommodation facility management.
- ▶ **Head Office:** A tourist accommodation facility management office through which a licensee's branch office is managed and regulated.
- ▶ **Branch Office:** A tourist accommodation facility management office that administratively and organizationally reports to the head office.
- ▶ **Tourist Accommodation Facility:** Any place that provides accommodation service for a tourist in return for a fee, and is operating either on a permanent or temporary basis.
- ▶ **Private Tourist Accommodation Facility:** An independent furnished real estate unit owned by an individual and licensed by the Ministry that provides accommodation service for a tourist in return for a fee.



- ▶ **Procedural Guide:** A document that includes instructions, guidelines, criteria, and the like, to specify the detailed procedures complementary to these Regulations, in accordance with the provisions of the Law and its Regulations.
- ▶ **Official Address:** The address registered in the license, the national address, or the contact information of the activity practitioner, whatever their types, as obtained by the Ministry.

Article 2

These Regulations set up rules for practicing the activity of tourist accommodation facility management, and specify the procedures, controls, and conditions for licensing as required for practicing said activity, in addition to the ongoing obligations to be met by the licensee, and the general provisions.





Chapter Two License

Article 3

A tourist accommodation facility management activity may not be practiced without obtaining a license, nor after the expiry or cancellation of said license or during its suspension period.

Article 4

A tourist accommodation facility management activity shall be licensed pursuant to the following classifications:

1. Class A: for the management of all types of tourist accommodation facilities and private tourist accommodation facilities;
2. Class B: for the management of 4-star tourist accommodation facilities and less, and all other unclassified categories and types, and private tourist accommodation facilities;
3. Class C: for the management of 3-star or first-class tourist accommodation facilities and less, as well as other unclassified types, and private tourist accommodation facilities;
4. Class D: for the management of first-class tourist accommodation facilities and less, as well as other unclassified types and private tourist accommodation facilities.

Article 5

To obtain licensing for a tourist accommodation facility management activity, experience shall be required as follows:

1. Class A: four years' experience in the operation or management of a 5-star tourist accommodation facility;
2. Class B: four years' experience in the operation or management of a 4-star tourist accommodation facility;
3. Class C: three years' experience in the operation or management of a 3-star tourist accommodation facility;
4. Class D: two years' experience in the operation or management of types of facilities classified by degrees and other unclassified types of facilities.



Article 6

Subject to the provisions of Article 5 of this Law, any applicant for license from the Ministry shall provide the following documents:

1. A valid commercial register providing for the activity of tourist accommodation facility management;
2. A valid license from the Ministry of Municipal and Rural Affairs and Housing or the competent authority, as the case may be;
3. Proof of experience as per the required class, and authentication thereof by the competent authority in the event that it was obtained outside the Kingdom;
4. Documents related to the mechanisms of tourist accommodation facility management, as defined by the Ministry;
5. Official data of the applicant and his representative in dealing with the Ministry in relation to the activity, if any, and office data; and
6. Proof of the right to use the trademark, if any.

The applicant shall fill out the license application form prepared by the Ministry.

Article 7

The Ministry shall issue the license upon the applicant's fulfillment of the requirements set forth in Article 6 of these Regulations, and its payment of the license fees in accordance with the Fees Schedule attached to these Regulations.

Article 8

1. The license shall contain the licensee's data, class, the issuing and expiry dates of the license, and any other information specified by the Ministry.
2. The validity period of the license shall not exceed three years, and shall be renewable.



Article 9

Each branch office shall obtain an independent license; said license shall be of the same class as that of the head office.

Article 10

1. A licensee shall, in the event of intending to renew the license, apply to the Ministry within 60 days prior to its expiration, and shall satisfy the conditions required for renewal as follows:
 - a. Meet the requirements set forth in Article 6 of these Regulations, as per the license class;
 - b. Pay the required fees in accordance with the Fees Schedule attached to these Regulations.
2. Upon fulfillment of the provisions of Paragraph 1 of this Article, the Ministry shall issue the renewed license, which shall take effect as of the date of expiry of the previous license for a period not exceeding three years.

Article 11

The licensee shall obtain the Ministry's approval and shall pay the required fees in accordance with the Fees Schedule attached to these Regulations, if any, prior to carrying out any of the following:

1. Temporary closure of the tourist accommodation facility management office, provided that the office notifies all persons affected by such closure, and terminates all existing obligations during the closure period;
2. Permanent closure of the tourist accommodation facility management office and request for license cancellation, provided that the office notifies all persons affected by such closure, and terminates all existing obligations during the closure period;
3. Change of the location of the tourist accommodation facility management office; and/or
4. Cancellation or amendment of the commercial register, trade name, or trademark, including changing same on the external sign of the tourist accommodation facility management office.



Article 12

The licensee shall, upon cancellation of the head office license while retaining a license for a branch office affiliated with said office, carry out the following:

1. Name an alternative head office – within a period not exceeding 15 days from the date of cancellation – that meets all the requirements set forth in these Regulations in the event that the cancellation is based on the provisions of the Law and its Regulations; and
2. Name an alternative head office that meets all the requirements set forth in these Regulations in the event that the cancellation was at its request, prior to license cancellation.





Chapter Three Exemptions

Article 13

The Minister, or his designee, may issue exemptions from the requirements set forth in Article 5 and Article 6(3) and 6(4) of these Regulations, pursuant to the following considerations:

1. Needs of the tourism sector in the Kingdom;
2. Size and expected contribution of the project vis-à-vis the quality of the services provided, or the provision of job opportunities for Saudis; and
3. Any other considerations approved by a decision of the Minister.





Chapter Four

Ongoing Obligations



Article 14

The licensee shall:

1. Comply with the license requirements throughout its validity period;
2. Provide services as prescribed in the license issued thereto;
3. Prevent other persons from using its license;
4. Abide by the decisions, instructions and circulars issued by the Ministry;
5. Allow inspectors to perform their duties as set forth in the Law and its Regulations, and cooperate with them and facilitate their work;
6. Avoid using the Ministry's name or logo in any promotional or marketing activity, except after obtaining its approval; and
7. Respond to the Ministry on a continuous basis through the representative of the tourist accommodation facility management office.

Article 15

To ensure the quality of the service provided, the licensee shall abide by the following:

1. Indicate the basic data specified in the license, as follows:
 - a. Keep the license posted in a conspicuous place at the premises of the tourist accommodation facility management office;
 - b. Include the trade name and the license number and class on all its electronic pages and websites;
 - c. Indicate the trade name and the license number and class on all official documents, papers and publications, in addition to the trademark, if any.
2. Decline to use an expired license;
3. Use the data and information in the license on an as-is basis in all dealings;
4. Provide service and administrative and technical support to achieve the quality of services provided by the tourist accommodation facility or the private tourist accommodation facility pursuant to the license, classification or permit granted thereto for the facility under management;



5. Apply the general health rules and conditions to the tourist accommodation facility management office and its services, and to all employees therein;
6. Ensure that employees at the tourist accommodation facility management office maintain personal hygiene and good appearance;
7. Maintain general cleanliness in all fixtures at the tourist accommodation facility management office;
8. Use the Arabic or English languages and the Hijri and Gregorian calendars in all official dealings and publications, and answer phone calls and respond to e-mails as per the client's wish;
9. Avoid dealing with persons not licensed or authorized by the Ministry or by the competent authorities upon marketing, arranging or providing services;
10. Ensure the employment of a unified management and clear administrative structure for all departments;
11. Notify persons whose contracts will be valid pursuant to the contracts concluded with them during the temporary closure period of the procedures to be taken with them, without prejudice to their rights contained in such contracts;
12. Avoid declining to provide services without legally acceptable reasons.

Article 16

To ensure the integrity of the information and data provided, the licensee shall:

1. Provide the Ministry, upon its request, with any information or data by any means it deems appropriate and within the period it specifies;
2. Update its data and that of the tourist accommodation facility management office in the Ministry's electronic system immediately in the event of any change thereof; and
3. Keep a copy of the contracts, correspondence, documents and other papers related to the tourist accommodation facility management for a period of no less than one year.



Article 17

To ensure the efficiency of its employees, the licensee, as the case may be, shall carry out the following:

1. Ensure that the manager, unless he is registered as a manager in the licensed commercial register, possesses the necessary powers to manage the activity, and that he satisfies the following conditions and qualifications:
 - a. An academic qualification of not less than a bachelor's degree in one of the following disciplines: hotels, hospitality, tourism or management, with at least three years of practical experience in his relevant field, or an academic qualification of not less than a bachelor's degree in any other specialization with at least five years of practical experience in the field of tourism and hotels;
 - b. An academic qualification of not less than a diploma in one of the following disciplines: hotels, hospitality, tourism or management, with at least five years of practical experience in his relevant field, or an academic qualification of not less than a diploma in any other specialization with at least seven years of practical experience in the field of tourism and hotels;
 - c. Fluency, both spoken and written, in both Arabic and English languages.
2. Ensure that the staff, including heads of departments, units, and administrations, and employees directly in contact with clients, are qualified and that they hold certificates of specialized training programs in their field of work;
3. Register the data of all employees (personal data, qualifications, experience, etc.) with the Ministry, and update same, within a period not exceeding three months, in case of any deletion or addition, as per the changes that may occur;
4. Comply with the instructions issued by the Ministry, based on joint coordination between the Ministry and the competent authorities, with regard to work controls, and implement administrative and specialized training plans for employees.





Chapter Five General Provisions

Article 18

1. A person practicing a tourist accommodation facility management activity shall be subject to inspection in accordance with the Law, Regulations and procedural guides set by the Ministry for this purpose.
2. Penalties shall be implemented against any violation of the provisions of the Law and its Regulations pursuant to the Schedule of Violations and Penalties referred to in Article 16(5) of the Law.

Article 19

Without prejudice to relevant laws, the Ministry may seek the assistance of specialized technical companies or agencies, provided that they have sufficient trained technical personnel and experience as per the tasks assigned thereto as determined by the Ministry, in accordance with the provisions of the Law and its Regulations.

Article 20

The procedural guides required to implement the provisions of these Regulations shall be issued pursuant to a decision of the Minister or his designee, upon the recommendation of the Ministry, and shall be updated in the same manner. These guides shall be published on the Ministry's official website, and shall enter into force as of the date of publication thereof.

Article 21

The Ministry may coordinate with the competent authority to provide the Ministry with reports, information and data prepared by said authority pursuant to its review or study of the financial statements of the entities licensed to practice the activity of tourist accommodation facility management in accordance with the provisions of Article 9(3) of the Law.



Article 22

Any correspondence sent by the Ministry, pursuant to these Regulations, to the practitioners of tourism accommodation facility management at their official addresses shall be deemed an official notification.

Article 23

These Regulations shall be issued pursuant to a decision of the Minister. They shall be published in the Official Gazette and shall enter into force as of the effective date of the Law.



Fees Schedule for the Activity of Tourist Accommodation Facility Management

Service	License Duration		
	One Year	Two Years	Three Years
	Fees (SAR)		
License Issuance	2,250	3,200	4,150

Service	License Duration		
	One Year	Two Years	Three Years
	Fees (SAR)		
License Renewal	950	1,900	2,850

Service	License Duration		
	One Year	Two Years	Three Years
	Fees (SAR)		
License Issuance for Branch Office	1,000	2,000	3,000

Service	Fees (SAR)
Change Office Location	400
Change Commercial Register or Trademark (Offices)	No fees
Temporary Closure	No fees
License Cancelation	No fees



