

21/09/2020

New draft licensing standards to regulate consulting professionals

The Ministry of Commerce has issued a draft set of rules to regulate the licensing of independent consulting professionals, in the fields of hospitality, education, financial, economic and administrative consulting, as well as translation.

Based on these draft rules, licensing will only be permitted for Saudi nationals, and the practice of these consulting fields as an individual will be prohibited without a license in place. The rules do not regulate individuals employed by another entity to provide such consulting services, or the licensing of companies providing consulting services.

The new draft rules would put in place minimum standards for a professional to achieve three levels of license (Practitioner, Specialist and Expert), including holding a relevant academic qualification as a minimum for almost all of the consulting fields regulated. The rules provide for a points-based system to achieve the various license levels, based on the academic qualification and years of experience. The rules will not override other professional body requirements associated with particular professions.

This move has the potential to increase market credibility and transparency in consulting professionals, particularly those who are currently unregulated by any other body. That said, a higher degree of confidence may be achieved by ensuring a higher degree of scrutiny imposed on such professions, such as:

- > requiring clear evidence to demonstrate sufficient years of experience to achieve particular license levels
- > providing a forum for complaints to be filed against consulting professionals
- > imposing disciplinary consequences associated with negligent performance (at present, the rules provide for disciplinary consequences for breaching the rules, but not in relation to professional performance).

The rules are out for public consultation until **1 October 2020**.



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