



مجلس الأعمال السعودي الأمريكي
U.S.-Saudi Arabian Business Council



Exporting to Saudi Arabia

New SASO Regulations

June 24, 2019

www.us-sabc.org

Housekeeping: How to Participate in Today's Webinar



Please mute your phones!



Questions will be taken by the Chat feature, please send in questions often



Council Members and registered non-member participants will receive the recorded presentation and slides by email



For our non-members who didn't register, a downloadable presentation will be available on our website, www.us-sabc.org



About the Council

Overview

Membership-based organization that has informed, counseled and connected thousands of U.S. and Saudi companies over our 25-year history to increase cross-border trade and investment.

- **250+** member companies in Saudi Arabia & the U.S.
- Our members are part of our **extensive network** of business entities with access to:
 - ✓ Market intelligence
 - ✓ Member-to-member connections
 - ✓ Logistical support
 - ✓ Visa Services

Trade and Investment



Events and Services



Council Programs and Services



Programs

Exclusive networking events on industry-specific opportunities in the Kingdom:

- Business Development missions
- Sector-Focused Conferences
- Business Opportunities Forums

Publications

Information products on recent developments and business opportunities in U.S. and Saudi markets:

- Industry Sector Reports
- Weekly Market Briefs
- Monthly Business Bulletin

Business Advisory Services

Customized quality business advice and support to U.S. and Saudi companies:

- Market Entry Strategy
- Partner Identification and Introduction
- In-country Appointments

Webinar Speakers

Moderator



Will Brodt

Business Strategy Advisor

***U.S.-Saudi Arabian
Business Council***

Speaker



David Gordon

Sales & Business Development
Manager,
Governments & Institutions Division

SGS North America



مجلس الأعمال السعودي الأمريكي
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US-SAUDI ARABIAN BUSINESS COUNCIL

SUPPORTING EXPORTS FROM



TO



مجلس الأعمال السعودي الأمريكي
U.S.-Saudi Arabian Business Council

WHEN YOU NEED TO BE SURE

SGS

SGS

SASO

SAUDI

STANDARDS

METROLOGY

QUALITY

ORGANIZATION

What is Product Conformity Assessment (PCA)?

Product Conformity Assessment is a trade facilitation solution designed to support the Exporter in ensuring the compliance of goods prior to shipment.

Product Conformity Assessment means verifying that goods measure up to the requirements of international standards, technical regulations or other specifications set by the regulatory authority of the importing country.





PCA programmes aim to:

- ✓ Facilitate the Customs clearance process by assuring verification of compliance prior to shipment.
- ✓ Support growth of exports from North America to the developing markets across the Middle East & Africa
- ✓ Prevent the importation of unsafe, substandard and counterfeit goods.
- ✓ Protect consumers' health, safety and the environment in the developing world



The Dangers of Substandard Goods



PCA - Process



1. Submission of Request for Certification (RFC) and Declaration of Conformity (DOC) with Invoice and product technical/spec sheets
2. Documentary Review by Saudi Certification Center
3. Product testing, if necessary, & modification of label/markings to meet compliance
4. Inspection: on-site or remote
5. Issuance of Certificate of Conformity (CoC). CoC is valid for one shipment. Expires 60 days from the date of inspection.
6. Ship goods.

- Test Reports are acceptable for conformity assessment from:
 - SGS Laboratories;
 - Third party laboratories accredited to ISO/IEC 17025;
 - Manufacturer's laboratories provided that:
 - * Manufacturer has a QMS (ISO 9001) in-place;
 - * In-house Testing, witnessed by SGS Inspector
 - * The equipment, with the last calibration record, is adequate to perform the test required according to the product Standard.



**Traditional
SASO CoC**



**SALEEM-SABER
CoC**

Traditional SASO Certification Routes

➤ **Route A:** Shipment Certification - CoC
Under this Route, every shipment must be physically inspected to demonstrate conformity to relevant standards

➤ **Route B:** Statement of Registration - SoR
This route offers a fast track Certification process for goods with reasonable and consistent levels of quality through Registration of such products. Reduces the need for inspections.

➤ **Route C:** Statement of License - SoL
This route is open to manufacturers who ship the same goods on a very frequent basis. Necessitates a factory audit. Reduces the need for inspections to an absolute minimum.



YES, ALL PRODUCTS...except:

- Automobiles
- Government-consigned goods
- Military hardware
- Pharmaceuticals
- Medical Devices and Equipment
- Foodgoods & beverages
- Crude oil

FEES

Kingdom of Saudi Arabia



General Merchandise

Declared FOB value of the shipment (USD)	Applicable Fees (USD)
0 -10,000	200
10,001 – 60,000	350
60,001 – 100,000	450
100,001 – 200,000	900
200,001 – 500,000	1800
500,001 – And Above	2500

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Cosmetic & Personal Care Products

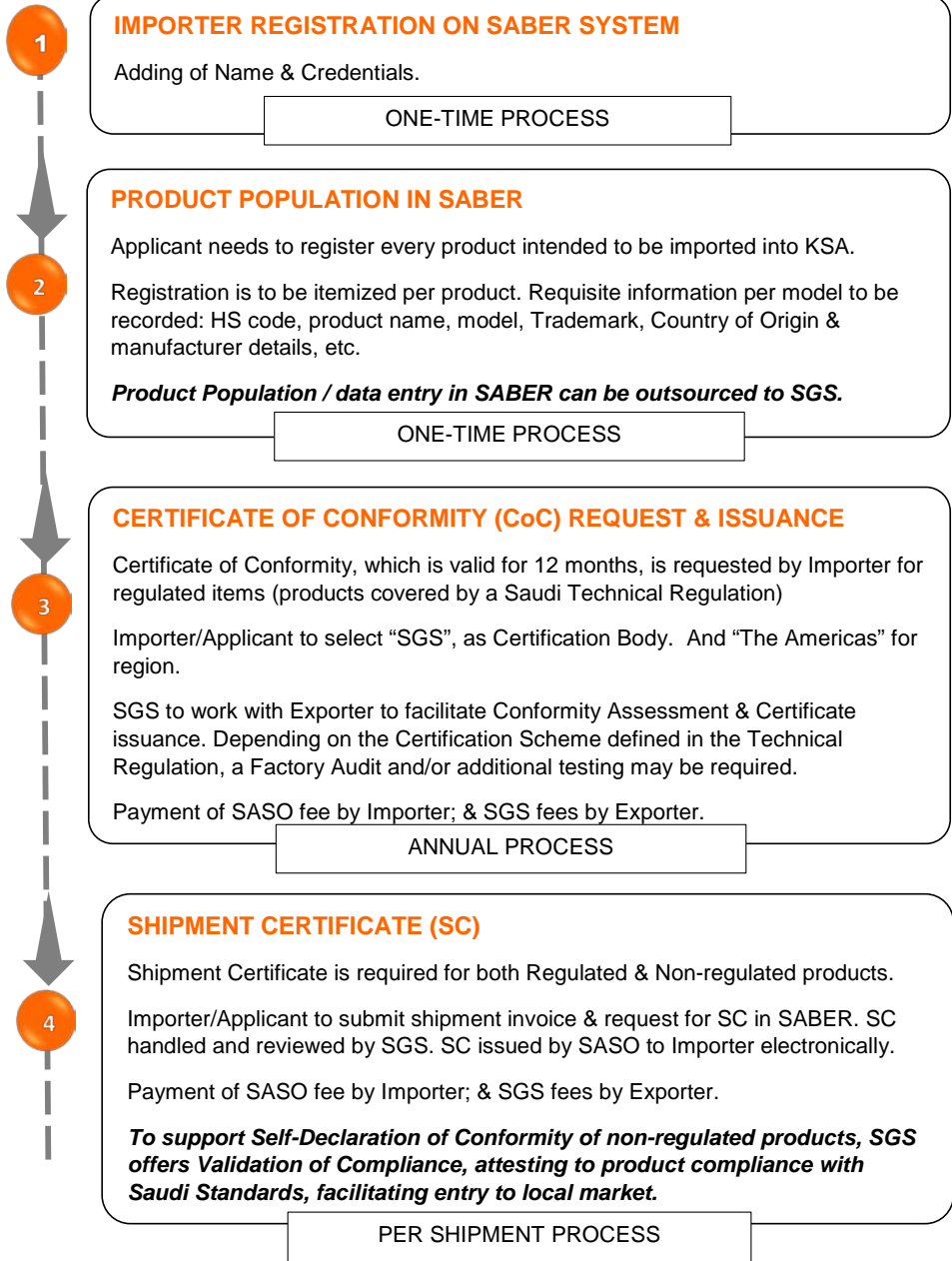
FOB (USD)		Applicable Fee (USD)	
From	To	Of FOB	Min / Max
3,000	60,000	210	210
60,000	200,000	0.35%	210 / 600
200,000	600,000	0.30%	600 / 1500
600,000	1,000,000	0.25%	1,500 / 2000
1,000,000	Or more	0.20%	2,000 / 15000

SALEEM-SABER Certification Route

- SASO is phasing in published Technical Regulations (“SALEEM”)
- Industrial Sectors affected:
 - **Construction Products;**
 - **Chemical Products (paints, varnishes, lubricants, detergents);**
 - **Gas Appliances;**
 - **Automotive spare & aftermarket parts;**
 - **Toys & scooters;**
 - **Degradable Plastic Products (OBDM regulated products)**
 - **Low-Voltage motors, other items and electric batteries**
- Import process initiated by Saudi Importer on SASO’s “SABER” portal.
- Annual CoC issued by Certifying Body (e.g. SGS).
- Shipment Certificate electronically transmitted to Importer



SALEEM-SABER CoC Issuance: Flow Chart



SALEEM Technical Regulations: Phased Introduction

January 1st, 2019

Gas appliances and accessories

April 1st, 2019

GSO Low Voltage Directive (LVD) - including some Electrical Motors

GSO Children's Toys

Lubricant Oils

June 1st, 2019

Electrical Elevators used in Buildings & Installations

Building Materials:

- part 1: Metal and alloy parts for buildings
- part 2: Insulation materials and building materials
- part 3: Hydraulic links and related products
- part 4: Bricks, tiles, ceramics, sanitary ware and related products

JUST ANNOUNCED

August 1st, 2019

- Electrical Self-Balancing Boards (Scooters)
- Front, rear and side barriers for trucks and trailers
- Degradable Plastic Products (OBDM regulated products)
- Electric Batteries
- Paints, Stains and Varnishes

SALEEM-SABER Certification Costs

	SERVICE RENDERED	IMPORTER CHARGES (PAID TO SASO)	EXPORTER CHARGES (PAID TO SGS)
1	Importer Registration in SABER	N/A	NO CHARGE
2	Product population in SABER		USD \$6/item
3.	Determination of 12-digit Saudi HS Code		USD \$1.50/item
4.	Certificate of Conformity issuance	SAR 500	USD 533 (SAR 2000)
	Factory Audit and/or testing (if required)	N/A	USD \$1200 + travel; Testing TBD
5.	Review and Verification of Export Document	N/A	USD \$150
	Shipment Certificate Issuance	SAR 500	NO CHARGE
5.	Annual <u>Validation of Compliance</u> for non-regulated products (supporting Importer's Self-Declaration of Conformity)	N/A	USD \$500

SALEEM, SABER, ANNUAL CoC, SHIPMENT CERTIFICATE (SC)

- SALEEM = LIST OF PRODUCTS UNDER TECHNICAL REGULATIONS (TR)
- SABER = SAUDI PORTAL FOR APPLICATION OF CoC's
- ANNUAL CoC = CERTIFICATE OF CONFORMITY, ISSUED ANNUALLY FOR PRODUCTS UNDER TR
- SHIPMENT CERTIFICATE = DELIVERED ELECTRONICALLY TO IMPORTER

Thank you!
Shukran Ktir!



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Q&A

Please submit your questions via the chat function

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Thank You!

Upcoming Events

Roundtable: Economic Cities Authority (KAEC), July 18, New Brunswick, NJ

Trade Missions:

- Localization, Riyadh and Eastern Province (timing TBD)
- Civil Aviation (Airport development, infrastructure, services, etc.), December 7-12 2019, Riyadh, Dammam, and Jeddah. Certified Trade Mission with the U.S. Commercial Service

Seminar: PowerGen, November 20, New Orleans, LA

Summer Networking Event: Washington, DC (Members Only, timing TBD)

Want to be added to our event mailing list? Email Will Brodt at wbrodt@us-sabc.org to receive invitations to future Council events.

www.us-sabc.org

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