



الهيئة العامة للصناعات العسكرية
General Authority for Military Industries

Human Capital Development Policy for Military Industries Sector

As approved by General Authority for Military Industries Board Decision No. (C/W/49) dated
Jumada al-Thani 18, 1444 AH corresponding to January 11, 2023 AD



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Introduction

Launched in 2016, the Saudi Vision 2030 aims to drive economic, technological, industrial and social development, to achieve prosperity and to create a better future for the Kingdom of Saudi Arabia. The Saudi Vision 2020 included among one key objective, namely to localize no less than 50% of spending on military equipment by 2030. To reflect the Kingdom's ambition to enhance the national military industrialization capabilities, Council of Ministers issued a Royal Order to establish General Authority for Military Industries (GAMI). The Royal Order also aims to localize the military industries sector in the Kingdom and make it an important pillar of the national economy. Therefore, GAMI is the authority that is responsible for legislating the regulations of military industries in the Kingdom of Saudi Arabia, and responsible for regulating, developing it and monitoring its performance.

Having issued Council of Ministers Decision No. 210 dated 25/04/1440 AH approving Regulation of General Authority for Military Industries, Article Three, Paragraph (1), specified that GAMI may formulate policies and strategies, prepare laws and regulations related to Military Industries Sector and submit what is required to meet legal procedures. Paragraph 10 specified that GAMI shall work with relevant authorities to align outputs of technical education and training with needs of Military Industries Sector, and that GAMI shall work to attract technical competencies to the Sector.

In addition to issuance of GAMI Board of Directors Decision No. (C/4/14) dated Ramadan 17, 1442 A.H. corresponding to April 29, 2021 approving Manpower Strategy for Military Industries Sector, which aims to enable and create an incentive system for development of human cadres based on industries and research localization strategy in the military industry sector and to ensure readiness of qualified manpower to achieve localization objectives of military industries sector, research and technology, through development of education and training programs, policy programs, guidance programs, working with relevant authorities, aimed at achieving comprehensive development requirements, thereby contributing to development and refining of necessary knowledge and capabilities in fields and specializations related to military industries, defense and security in accordance with Saudi vision (2030).



Chapter I: General Provisions

Article 1: Definitions

The following terms, wherever mentioned herein, shall have the meanings assigned thereto unless the context otherwise requires:

Term	Definition
Kingdom	The Kingdom of Saudi Arabia
GAMI	The General Authority for Military Industries
Policy	Human Capital Development Policy for Military Industries Sector
Sector	Military industries sector
Military Industries Activities	The activities licensed by GAMI according to the Military Industries Activities Regulations
Facility	Any Statutory entity or Public or Private entity that operates in any of the military activities supervised or licensed by GAMI.
Military and Security Agencies	The Ministry of Defense, Ministry of Interior, Ministry of National Guard, Presidency of Royal Guard, Presidency of State Security, and General Intelligence Presidency
Relevant Authorities	The government agencies authorized to supervise the facilities operating in the military industries sector according their regulations.
License	The license granted by GAMI to the suppliers, contractors or any other party to provide the military equipment or related services, or the license issued by the education and training authorities to provide training and education activities, or the license issued by the labor market regulators for practicing professions in the Kingdom.
Professional License	The professional license required for practicing a profession as determined by GAMI or the concerned authority.
Inter-sectoral Advisory Board	A board comprising members from HR departments of the military industries sector and relevant Authorities that aims to increase the number of national talents in the military industrial sector.
Professional localization Rates	The localization rates for professions in the military industries sector.
Required Skills List	It identifies the future need for professions in the military industries sector.

Article 2: Policy Objectives:

GAMI is responsible for regulating, empowering and monitoring human capital performance in military industries sector. GAMI seeks to develop and improve competencies and build appropriate expertise to contribute to realizing localization objectives by working with relevant authorities. To this end, GAMI can do what is necessary to achieve its objectives, including:

1. Aligning education and training outputs with military industries sector requirements.
2. Ensuring empowerment of Facilities operating in military industries sector to develop human capital.

3. Achieving human capital development objectives in the Kingdom, increasing localization Rate and developing human capital in the Sector.
4. Involving SMEs and developing SMEs' base in the sector.

Article 3: Scope of Policy:

The provisions of this document shall apply to all Facilities operating in military industries sector that engage in any activities supervised or licensed by GAMI. This document shall not apply to Military or Security Agencies.

Chapter II: Human Capital System of Military Industries Sector

Article 4: human capital System of Military Industries Sector

The System consists of the following agencies: GAMI, beneficiaries (end-users), universities, institutes, educational and training agencies, military industrial companies and institutions and supporting government agencies such as the Ministry of Human Resources and Social Development, Ministry of Investment, Ministry of Education, Technical and Vocational Training Corporation, Education and Training Evaluation Commission, Human Resources Development Fund and other relevant authorities.

Article 5: GAMI Role with Human Capital System in Military Industries Sector

GAMI works with human capital System of Military Industries Sector for:

1. Studying and submitting the appropriate localization Rates for professions in general, and significant Sector professions in particular, to the Inter-sectoral Advisory Board..
2. Aligning technical education and training outputs to military industries sector needs, and attracting technical competencies to Sector.
3. Working with relevant authorities; to direct financial support needed to enable Sector human capital sustainability.
4. Working with relevant authorities to create and develop investment opportunities in Sector-related education and training.
5. Monitoring performance of Sector human capital indicators, which include but are not limited to, localization Rates in engineering, technical and administrative professions.
6. Identifying sciences and skills to be included in accreditation standards for relevant education and training programs to verify their availability and any other requirements that contribute to improving quality of education and training outputs and to enhancing alignment of their outputs with Sector needs, in coordination with educational and training authorities.
7. Aligning with beneficiaries (end-users) to enable Sector human capital sustainability.

Article 6: GAMI Role with Facilities operating in Military Industries Sector:

1. GAMI may request relevant data and information from all Facilities operating in military industries sector, including, but not limited to, future human capital development plans, employment plans, lack of skills and periodic reports.
2. Sector Facilities shall prepare and submit a plan for human capital development to GAMI for approval in accordance with GAMI requirements and conditions.
3. Sector Facilities that are subject to GAMI supervision shall submit periodic reports on progress made in the agreed human capital development plan.
4. GAMI shall intensify its support for SMEs, monitor their performance with regard to human capital. GAMI may coordinate with relevant authorities to support SMEs development participating in supply chains.

5. GAMI sets controls for appointment to sensitive or leading positions in the military industries sector.

Chapter III: Inter-Sectoral Advisory Board

Article 7: Objectives of Inter-sectoral Advisory Board:

Inter-sectoral Advisory Board established by virtue of Board of Directors Approval No. (C/4/14) dated (29/04/2021) shall be responsible for localization of human resources in the Sector to achieve the following objectives:

1. Increase contribution of national cadres to priority sector by providing quality solutions that promote localization and sustainability of products.
2. Stabilize occupational safety balance and reduce occupational exposure in the Sector by linking education and training programs to Sector requirements.
3. Identify Sector's critical professions, increase alignment between supply and demand, and implement employment, education and on-the-job training plans.

Article 8: Functions of Inter-sectoral Advisory Board:

1. Recommend annual minimum localization rate in Sector's professions, in coordination with relevant authorities.
2. Propose a time frame for proceeding with localization.
3. Recommend required financial support.
4. Propose performance indicators in implementation plan, and evaluate their results.
5. Provide education and training plans and participate in their implementation.
6. Recommend on type of intervention and enforcement required in Sector-specific occupations.
7. Propose a localization plan for Sector-related occupations, in coordination with relevant authorities.
8. Submit semi-annual reports on what has been achieved, for example, but not limited to, statistics on students and trainees' number who have been localized in the Sector, as well as development proposals.

Article 9: Members of Inter-sectoral Advisory Board:

1. Two representatives from GAMI, one of whom is Chairman.
2. Two representatives from Military Agencies.
3. Representative from Ministry of Education.
4. Representative from General Authority for Defense Development.
5. Representative from Ministry of Human Resources and Social Development.
6. Representative from Ministry of Human Resources and Social Development.
7. Representative from Technical and Vocational Training Corporation VTC.
8. Four permanent representatives acting on behalf of four leading companies in the Sector.
9. Two non-permanent representatives acting on behalf of SMEs and universities.

Chapter IV: Education and Training

Article 10: Identify Sector-Related Priority Skill Needs:

The following provisions shall apply in identification of Priority Skill List requirements in the military industries sector:

1. GAMI prepares a list identifying sector-related skills and their shortage and makes projections about Sector's future needs.
2. In collaboration with relevant authorities, GAMI identifies needs to fill skills gaps that are not available in education and training outputs.

3. Authorities supervising education and training in the Kingdom shall coordinate with GAMI before preparing or launching sector-related training or educational programs.
4. Authorities supervising education and training in the Kingdom shall coordinate with GAMI before approving establishment of an educational or training facility to provide programs in military industries sector.
5. Before concluding any education and training-related strategic partnerships, memoranda of understanding or cooperation, or entering into membership of educational and training projects, or holding any conferences or workshops related to education or training, local or foreign facilities shall coordinate with GAMI.
6. GAMI collaborates with relevant authorities to launch education and training programs to develop Sector's skills that meet Required Skills List requirements.

Chapter V: Workers in the Sector

Article 11: Labor Licensing

1. GAMI identifies need for required professions in the military industries sector and makes projections about Sector's future needs.
2. GAMI shall work with relevant authorities to issue decisions that require exercise of GAMI-specified professions.
3. GAMI works with relevant authorities to facilitate entry of skilled expatriate workers into the Kingdom to fill shortages in GAMI-specified professions.
4. Facilities shall ensure that expatriate workers possess skills necessary to perform profession in which they work by conducting technical and vocational tests in accordance with relevant authorities' requirements.
5. Facilities shall abide by decisions issued by GAMI or relevant authorities concerning workers' necessary licenses to practice GAMI-specified professions.

Chapter VI: Violation of Policy

Article 12: Violations & Administrative Penalties:

In case of violation of this Document or any of policies regulating military industries sector by any facility, GAMI may apply the appropriate administrative penalties according to type, nature and severity of violation:

1. Administrative warning to the violating facility, including details of the violation, the action to be taken by the facility, and the grace period granted by GAMI for making good such violation.
2. Suspension of the license for the period GAMI deems appropriate, renewable for other periods if the facility fails to rectify the violation.
3. Disqualification from future military tenders and procurements.
4. Cancellation of license.

Chapter VII: Final Provisions

Article 13:

1. GAMI may interpret, review and update this document when needed, and to submit the update proposal to GAMI's Board of Directors.
2. For matters not covered herein, GAMI Regulations, bylaws and approved decisions shall apply.
3. Without prejudice to the regulatory requirements contained in other laws and regulations, this Policy is binding on facilities and seeks to facilitate and enhance compliance herewith within the sector.
4. This Policy shall enter into force as from its date of approval and publication.