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Executive Summaries

The Future of Labour and Migration in Saudi Arabia and the Gulf

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Gulf Research Center – Office FN11A, North Tower, King Faisal Foundation - Riyadh, Kingdom of Saudi Arab

Policy Brief - Executive Summaries

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1. Dina Abdelfattah

Highly Skilled Migration from Egypt to the Gulf States

Policy Brief - Executive Summary

This policy brief examines the migration of highly skilled Egyptian workers to GCC countries, focusing on trends, challenges, and policy recommendations to enhance the socioeconomic benefits for all stakeholders involved. The brief aims to assess the current landscape of skilled migration from Egypt to the GCC and to offer policy insights to optimize this migration flow.

As Egypt emerges as a significant source of skilled labor for the GCC, the analysis stresses the "triple win" concept: migration benefits Egypt, the GCC, and the migrants themselves. For Egypt, migration eases domestic unemployment, generates remittances, and creates potential for brain circulation. For the GCC, skilled Egyptian migrants are essential to advancing economic diversification goals in high-value sectors. Migrants, in turn, gain opportunities for career growth, higher income, and improved quality of life.

Key recommendations include for Egypt, improvement of pre-migration support, the strengthening of bilateral agreements for enhanced social protections, leveraging migrant networks for knowledge transfer, and the implementation of reintegration programs for returning professionals. For the GCC, reforms of labor laws to reduce restrictive employment practices, expand residency pathways for skilled migrants, improve social protections, and address gender-specific barriers to employment.



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2. Justin Alexander

The Global Competition for Talent - How Does Saudi Arabia Compare to Gulf and Global Peers?

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Policy Brief - Executive Summary

Saudi Arabia has undertaken significant initiatives to attract skilled migrants to aid in economic diversification and development. Vision 2030 emphasizes reducing the Kingdom's reliance on oil revenue by building a more dynamic and diverse economy and attracting highly skilled migrants is essential to achieving these objectives. Despite competition with Gulf and global peers, Saudi Arabia has experienced relative success in attracting highly skilled workers, which is crucial for its ambitious development goals. Over recent years, the government has focused on creating opportunities in emerging sectors, such as advanced manufacturing, financial services, and infrastructure, which require a diverse pool of talent.

This policy brief, which is drawn from a longer and more academic article on the topic, provides an overview of Saudi Arabia's current talent attraction efforts, highlights areas of strength and ongoing challenges, and presents targeted recommendations to enhance the Kingdom's competitiveness in the global talent market.

Saudi Arabia's talent attraction efforts are supported by recent reforms in immigration policy and labor market regulations, including the introduction of Premium Residency and labor mobility initiatives. The Kingdom ranks fairly well in various talent competitiveness indices, such as the Global Talent Competitiveness Index, the IMD World Talent Ranking, and the Expat Insider Index, and moreover has shown significant improvement in recent years. However, it still lags behind the UAE in overall attractiveness to highly skilled migrants.

Key recommendations for improvement include enhancing immigration policies by reducing visa complexities, improving quality of life in urban areas by investing in infrastructure and public services, supporting migrant families through better access to education and work opportunities for spouses, and fostering a more inclusive and culturally accommodating environment for migrants. By focusing on these areas, Saudi Arabia can attract and retain skilled talent, fostering long-term contributions to the economy and advancing its Vision 2030 goals.

3. Monerah Abdullah Almahmoud

High-Skilled Employment and Vision 2030. Education and Training for Saudi Youth Alignment with Saudi Labor Market Demands

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4. Ameena Almeer, Misba Bhatti, Zahra Babar

Qatar's Policy Landscape and its Impact on Highly Skilled Migration

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Policy Brief - Executive Summary

Qatar's labor market is undergoing a significant transformation, shifting focus from low-skilled to highly skilled migrants. This study examines the long-term welfare and retention of highly skilled migrants from Jordan, Tunisia, Egypt, India, Pakistan, and the Philippines, addressing a critical gap in Qatar's immigration policies.

Qatar's strategic objectives, as outlined in Qatar National Vision 2030 (QNV2030), include workforce nationalization, creating a knowledge-based economy, transitioning to high-income migrants in skilled professions, and economic diversification. However, several challenges impede these goals:

1. Qatarization efforts conflict with attracting highly skilled labor.
2. Lack of affordable long-term settlement pathways for skilled migrants.
3. Uncertainty in long-term employment prospects.
4. Insufficient policies supporting family cohesion for migrants.
5. Absence of standardized annual leave policies for home country visits.
6. Competition with the UAE, particularly in visa flexibility and social protection.

Despite these challenges, Qatar offers significant opportunities:

- High earning potential and no income tax.
- A wide knowledge base in AI and emerging technologies among existing skilled migrants.
- Cultural and religious affinity, particularly for migrants from Arab states and Pakistan.
- Family-friendly lifestyle and secure environment.
- Potential for skilled migrants to contribute to knowledge transfer and economic development.

To address these challenges and capitalize on opportunities, the study proposes several policy recommendations:



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1. Facilitate entry and retention of highly skilled women through gender quotas and resources for female dependents.
2. Create long-term migration pathways not linked to employment status.
3. Implement clear guidelines for AI usage in the workplace.
4. Develop employee welfare forums and job search portals for skilled migrants.
5. Introduce unemployment insurance and longer grace periods post-employment termination.
6. Monitor competing industries' human resource initiatives in the UAE and Saudi Arabia.
7. Facilitate public sector coordination between the Gulf states for short-term project visas.

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The study also identifies future areas for policy examination, including:

- Settlement pathways for aging populations.
- Cooperation between ministries for lifestyle and integration programs.
- Easier pathways for intra-GCC migration.

Key findings emphasize the importance of embedding migrants' families into society and the labor market, with a focus on increasing opportunities for women under family sponsorships. Highly skilled migrants express a strong desire to remain in Qatar, highlighting the need for mechanisms to increase job security and ease job transitions.

The study concludes that effective retention of high-quality migrants in Qatar will require responsive policymaking that addresses emerging demographics of highly skilled migrants and ensures their social and economic welfare. Particular attention should be given to the upskilling potential of Pakistani, Indian, and Filipino nationals and international students in Qatar, due to their numbers, willingness to settle, and combination of cultural awareness with highly skilled input.



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Attracting and Retaining Highly Skilled Migrants in Saudi Arabia's Transformation Journey

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This comprehensive report examines Saudi Arabia's transformation in attracting and retaining highly skilled migrants as part of its Vision 2030 economic diversification strategy. The Kingdom is executing a fundamental shift from an oil-dependent economy to a knowledge-based powerhouse, with the digital economy now contributing 14% to Saudi GDP as of 2022. Recent labor market data demonstrates improving employment trends, with Saudi unemployment at 7.1% and non-Saudi unemployment at 1.1%, indicating the effectiveness of current economic policies and labor market reforms.

The Kingdom has implemented several groundbreaking initiatives to facilitate this transformation. The introduction of the Premium Residency scheme in 2019, followed by the Labor Reform Initiative in 2021, has created new pathways for skilled migrants to work and settle in Saudi Arabia. Specialized programs through the Digital Government Authority and Saudi Data and AI Authority have further enhanced the Kingdom's ability to attract and retain technical talent. These technical initiatives are complemented by comprehensive social and cultural reforms that have significantly enhanced the quality of life for residents.

The impact of these initiatives has been substantial and measurable. Sectors employing skilled migrants now contribute approximately 28% to non-oil GDP as of 2022. Companies with higher concentrations of highly skilled migrants demonstrate remarkable performance metrics, showing 35% higher innovation activity, 42% higher international expansion rates, and 27% higher new technology adoption rates. The healthcare sector particularly exemplifies this success, with institutions employing international professionals showing 67.4% higher technology integration rates.

Despite these achievements, several challenges remain that require targeted policy responses. The Kingdom needs to implement further visa reforms to provide clearer pathways to permanent residency and enhance work-life balance policies to align with global standards. Strengthening research and development infrastructure is crucial for attracting researchers and scientists. Additionally, maintaining an effective balance between highly skilled migration and local talent development, while improving knowledge transfer mechanisms between international and local professionals, remains a priority.

Looking ahead, the Ministry of Economy and Planning projects a 30% increase in highly skilled migrant workers by 2030, with significant growth expected in artificial intelligence, renewable energy, healthcare, and biotechnology sectors. The success of Saudi Arabia's transformation will largely depend on its ability to effectively balance the attraction and retention of international talent with the development of local capabilities.



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This report concludes that highly skilled migrants are not just temporary solutions to workforce shortages but are vital contributors to Saudi Arabia's technology and healthcare sectors and broader economic development goals. Their impact extends far beyond filling immediate workforce needs to include significant contributions to knowledge transfer, healthcare quality, and economic development. As Saudi Arabia continues its journey of digital transformation, the role of highly skilled migrants remains crucial in achieving its ambitious vision for the future.

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6. Ali Belhaj

Trends, Dynamics and Policies regarding Highly Skilled Migration from Tunisia to Saudi Arabia, Qatar and the UAE

Policy Brief - Executive Summary

To be translated from French into English



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La migration des Tunisiens hautement qualifiés vers les pays du Conseil de coopération du Golfe (CCG) a commencé dans les années 1970 par des voies formelles et structurées. Au fil des années, cette migration a évolué de manière significative, avec une augmentation du nombre de migrants et une hausse notable de la participation féminine. Si les motivations professionnelles restent le principal moteur de cette migration, les aspirations se diversifient, en particulier parmi ceux qui choisissent le Qatar comme destination. Historiquement concentrée dans des secteurs tels que l'éducation et la santé, notamment en Arabie Saoudite, la demande de travailleurs tunisiens qualifiés s'étend désormais à des secteurs tertiaires tels que les technologies de l'information et la gestion d'entreprise, en particulier dans les Émirats arabes unis. Malgré l'attrait continu des pays du Golfe en tant que destination pour la main-d'œuvre qualifiée, ils sont confrontés à la concurrence croissante de l'Europe occidentale et de l'Amérique du Nord, qui attirent de plus en plus cette population de travailleurs migrants. La perception publique de cette migration est mitigée ; si elle est perçue positivement en raison des transferts de fonds qui soutiennent l'économie tunisienne, elle suscite des inquiétudes quant à l'exode des cerveaux qui pourrait conduire à l'instabilité. Ce paradoxe est aggravé par le fait que les décideurs politiques tunisiens ont du mal à relever efficacement ces défis, ce qui se traduit par un manque de réponses cohérentes qui entravent les efforts publics et privés de gestion des placements et favorisent le scepticisme à l'égard de la migration. Pour naviguer dans cette dynamique, la Tunisie doit développer une réponse stratégique qui aligne l'élaboration des politiques sur les contextes nationaux et internationaux dans les secteurs de l'emploi, de l'éducation, de la santé et de la formation. Le renforcement de la coopération internationale avec les pays du CCG est essentiel pour garantir les opportunités d'emploi tout en protégeant les droits et l'intégration des travailleurs tunisiens. En outre, la promotion des contributions matérielles et immatérielles des migrants qualifiés par le biais d'opportunités d'investissement et d'une meilleure diffusion de l'information peut renforcer les liens avec cette population. Enfin, la promotion d'un dialogue multipartite permettra de créer des réponses appropriées pour réduire les tensions publiques et orienter le discours vers un engagement constructif. Cette approche multidimensionnelle est cruciale pour maximiser les avantages de la migration des personnes qualifiées tout en relevant les défis qu'elle pose, afin que la Tunisie se positionne efficacement sur un marché du travail mondial de plus en plus compétitif.

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7. Sylvain Côté

Adapting to Change: Demographics and Technology in the Saudi Labour Market

Policy Brief - Executive Summary



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Technological advancements have long been a source of concern for workers, igniting ongoing debates about their impact on employment and job security. In a landmark study, Frey & Osborne (2013) estimated that nearly half of US jobs were at risk of automation, with lower-wage and lower-education occupations being more susceptible. Building on their estimates of automation probability, this study aims to explore the effects of technological advancements on the Saudi labor market. It addresses two key questions: To what extent are different groups of workers in the Saudi labor market vulnerable to potential automation, and what policy pathways could mitigate these vulnerabilities?

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Key Findings

The findings indicate that, while several groups of workers in Saudi Arabia have largely been shielded from technological changes due to specific policy choices and the nature of economic development post-Vision 2030, the data also reveals that Saudi and non-Saudi workers face varying degrees of exposure to automation. Saudi males, who are generally more educated and predominantly employed in management and technical occupations, are the least susceptible to automation. In contrast, a significant proportion of Saudi females, who have benefited from nationalization policies, work in administrative and clerical positions, which are at higher risk. Non-Saudi workers, particularly females, are more concentrated in low-skill occupations, with more than half vulnerable to job displacement due to technological change.

The study highlights that while government initiatives have successfully boosted employment among citizens, they have neglected the enhancement of job productivity through technology. Instead, the focus has been on labour-intensive sectors like public administration, hospitality, and retail. This approach, along with a preference for hiring low-cost, low-skilled expatriates, has hindered the transition to technology, resulting in a decline in labour productivity levels. Policy decisions often involve trade-offs.

Given the skill-biased nature of technological change, it is anticipated that the demand for skilled labour, particularly in sectors like information technologies, engineering, and advanced manufacturing, will grow. This development could adversely affect some categories of workers in routine, low-skill jobs. To mitigate the adverse effects of skill-biased technological change (SBTC) in the future, there will need to be continuous investment in education and vocational training, along with an increase in educational performance.

Policy Recommendations



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These challenges present to policymakers an opportunity to more closely examine the interplay between human capital development, labour, and technology. They also offer a chance to consider potential corrective measures, while supporting those more vulnerable to technological change. Beyond enhancing the current labour market and skills ecosystems—which include labour market information, education and vocational training, and stakeholder alignment—lower educational performance may suggest the need to explore alternative and complementary training to augment the existing skill set of national citizens. In this context, initiatives like SkillsFuture in Singapore may offer valuable lessons.

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8. Binod Khadria

India as A Prime Country of Origin for Highly Skilled Migration to the Gulf: Perspectives of A Paradigm Shift in Indian Immigration of Talent to UAE, Saudi Arabia and Qatar

Policy Brief - Executive Summary

Keeping the objectives and structure of contents of this research report on India as a leading sending country of highly skilled workers and professionals in view, the paper aims at making innovative policy recommendations away from the stereotypes in the Gulf migration literature and discourses.

Towards this, it begins with the narratives on Indian immigration to the Gulf countries in general and to UAE, Saudi Arabia and Qatar in particular in Section 1. The focus of the literature reviewed is on the Indian entrepreneurs and professionals as well as students as the highly skilled immigrants already in the three Gulf countries while acknowledging the predominant character of Indian migration to the Gulf being that of low and medium skilled workers. Each of the three Gulf countries is briefly dealt with by addressing their heterogeneities with respect to the majority occupations – entrepreneurs in the UAE and professionals in Qatar with a mix of both in Saudi Arabia. Referring to the countries' attempts to break from the conventional restrictive regimes for immigrant labour, workers and their families through reforms proposed in their Vision documents, the mixed responses of the highly skilled migrants are highlighted.

Section 2 on Datafication highlights the absence of authentic and systematic data sources. As robust alternatives, data sources on the supply of highly skilled are explored, viz., Indian higher education scenario for enrolments and turnout, followed by the employment-unemployment scenario that drive their emigration from India.

Section 3 refers to the drivers on the demand side in the major destination country labour markets of the global north, viz., USA, Canada, UK, EU, Germany, Australia and New Zealand – to the “preference system” and the “points system” used in other parts of the world for selecting immigrants for granting the work and family unification visas, and determining their pathways to permanent residency and citizenship. A short narrative on Indian policy measures for safe emigration to the Gulf countries is also included.



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Section 4 is on the relevance of the ILO-ISCO-08 classification of occupations for the three Gulf countries and the alternative models of classification for innovation.

Section 5 includes the conclusion and recommendations. Given that the demand driven policies of major destination countries are determining the flows and the stocks of highly skilled Indian immigrants (entrepreneurs, professionals, and tertiary students), it becomes imperative for the three Gulf countries, viz., the UAE, Saudi Arabia and Qatar to devise similar policies. This would involve addressing the drivers of migration decisions at the micro level (individuals, families, and students), the meso level (educational institutions and the employer firms and industries) and, above all, the transnational political economy considerations arising from the dynamic conflicts of interests at the macro level (national and regional governments) on both sides of the borders.

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9. Froilan Malit

From Laissez Faire to a Centralized State Approach? A Critical Policy Analysis of the UAE's Attraction and Retention Approach Towards High-Skilled Migration in the Post-COVID-19 Era

Policy Brief - Executive Summary

Over the past half century, the United Arab Emirates has become a top destination for international labor migrants, particularly the high-skilled, who work across diverse sectors in the country, making it a key migration node in the Gulf and across the Global South. However, despite this significant policy success, migration scholars have not yet traced the historical and contemporary evolution of the Emirati state's (sub)national policies aimed at attracting and retaining high-skilled migrant populations within the country. Using semi-structured interviews with state and non-state officials (industry actors like recruitment agencies, consultants, and high-skilled migrant workers from the Philippines, India, and Egypt), combined with content analysis of government policy strategy documents, I found that the Emirati state's approach towards highly skilled migration evolved from a laissez-faire to a highly centralized high-skilled migration management approach.

This particular finding is centered around the following key findings:

Firstly, the private sector primarily governed the Emirati state's laissez-faire approach to attract and retain high-skilled migrant populations, which included no taxes, relatively higher wages and benefits compared to origin countries, and internal labor mobility. This approach served as an informal, decentralized state strategy within the UAE economy.



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Secondly, the Emirati state has introduced a centralized, state-controlled model of high-skilled attraction and retention in response to intensifying domestic and geopolitical ambitions, as well as intra-Gulf and other inter-regional talent competition, particularly in the post-COVID-19 pandemic scenario. A crucial component of this centralized approach to managing high-skilled migration has been to promote long-term settlement and flexibility for the most skilled migrant populations, such as doctors and managing directors, thereby reversing the trend of long-term settlement or 'temporary' integration for migrant populations in the UAE. However, other high-skilled migrant populations, such as nurses, engineers, and others, have not yet significantly benefited from this centralized migration management approach. This is because existing labor market constraints, such as wage discrimination, continue to trigger their transit migration to other high-income destination countries in Europe and North America. Ultimately, the contemporary migration policy strategies of these Emirati states not only critically link with their domestic economy, but also with the geopolitical rent-seeking strategy of establishing a competitive, knowledge-based economy in the long run.

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In terms of policy recommendations, the Emirati state should critically examine its domestic labor shortages across various sectors in the country and implement an incentive model, such as a golden visa pathway, increased internal labor mobility, and affordable family reunification pathways, to equalize these privileges for high-skilled migrant populations. It also needs to address existing labor market discrimination, particularly wage discrimination, which continues to hinder high-skilled migrants' access to economic mobility, labor rights, and career development within the UAE labor market and beyond.

10. Anju Mary Paul, Kurt Kuehne, Kareem El-Rafei, and Bedoor AlShebli

Enhancing Saudi Arabia's Research Ecosystem

Policy Brief - Executive Summary

Saudi Arabia is undertaking a significant transformation of its research landscape as part of its Vision 2030, striving to become a global hub for scientific innovation and academia. Drawing on data gained from an analysis of all scientific publications authored by Saudi-based authors over the past century, and an extensive survey and interviews with non-Saudi scientists currently working in Saudi Arabia, we assess the contemporary scientific research landscape in Saudi Arabia in two of the country's priority areas – the biological sciences and computer science.



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We find a noticeable increase in Saudi institutions' research productivity and impact over time. The concomitant rise of citations of Saudi-produced publications further signals the growing recognition and influence of Saudi research, driven largely by its universities and research centers. Elite institutions like the King Abdullah University of Science and Technology (KAUST), particularly benefit from substantial funding and administrative autonomy. These successes signify the potential of Saudi institutions to contribute significantly to global scientific research.

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Nonetheless, the survey and interviews with non-native faculty reveal marked disparities between KAUST and other Saudi universities, where inadequate funding structures, bureaucratic hurdles, and infrastructure limitations are prevalent. In addition, six persistent challenges emerged that severely limit the effectiveness of Saudi Arabia's research ecosystem: (1) Insufficient and hard-to-access research funding, (2) Workload and time management issues, (3) Inadequate research facilities and supply chain issues, (4) Lack of availability and poor quality of research support staff and students, (5) Lack of career advancement opportunities and job insecurity, and finally, (6) Inefficient research administration and management.

To address the identified challenges, this brief recommends the following changes:

- Enhance research funding modalities to encourage more ambitious research projects
- Improve job security and career progressions for foreign faculty
- Strengthen research infrastructure and support to reduce delays in accessing research supplies and equipment
- Re-balance teaching and research responsibilities to create time for faculty to pursue their research agenda
- Promote collaborative and ethical research practices

To conclude, Saudi Arabia stands at a pivotal moment in its ambition to become a leading force in global academic research. By implementing these strategic improvements, the Kingdom can significantly advance its university-based research ecosystem, elevate the quality of its research output, and solidify its standing as a top destination for elite scientific talent worldwide.



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11. Nasra M. Shah and Memoona Qazi

Trends, Patterns, and Policies Regarding Highly Skilled Migrant Workers from Pakistan to Saudi Arabia, Qatar and the UAE

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Policy Brief - Executive Summary

Being the fifth largest country in the world, Pakistan's population stands at 241.5 million according to its latest population census of 2023. Its labor force stands among the top ten labor forces in the world. Labor migration from Pakistan to the Gulf dates back to the early 1980s. Emigration of Pakistani workers to Saudi Arabia, the UAE, and Qatar has had wide ranging financial as well as socio-cultural impacts on Pakistan through increased material well-being accompanied by enhanced social status and prestige of the migrant households. In 2023, around 96% of the registered migrant workers headed to the Gulf region, with Saudi Arabia being the largest recipient (49.5%), followed by the UAE (26.7%), and Qatar which received 6.4% of all the migrants. More than half of these workers fell in the unskilled and semi-skilled occupational categories. During the last ten years the percentage of highly skilled and highly qualified workers has remained below 10% among all migrant workers. Highly skilled/qualified workers include accountants, computer analysts, doctors, engineers, pharmacists, managers, nurses, and teachers.

In 2023, the percentage of highly skilled workers among all emigrants was much higher in the UAE than in Saudi Arabia--17.5% vs. 1.4%, respectively. As a percentage of the stock of various highly skilled workers in the country, doctors constituted about 1%, pharmacists 0.3%, nurses 4.4%, and engineers 3.4% of the outflows. During the last 4–5 years, there has been much debate in the media around the issue of brain drain associated with the exodus of highly skilled workers.

Policymakers in the Ministry of Overseas Pakistanis and Human Resource Development (MOPHRD) reported there were no policies in place to inhibit the outflow of highly skilled workers. Academics, however, presented mixed views with some considering it as a beneficial force in economic growth generating financial remittances and serving as an opportunity for 'brain-gain' incurring positive social remittances. Others believed Pakistani workers lacked the skills to contribute to the upgradation of various industries which will likely pose a serious challenge to their global competitiveness. The government aims to enhance the skills for employability of all entrants to the labor force through diversification of skills, competency-based training, and recognition of prior learning. About 150,000 people have received training in high-end and high-tech occupations since 2005, including electrical engineering, mobile application development, advanced Python programming and applications, robotics, artificial intelligence, and more.



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However, additional efforts are required to upskill the quality of Pakistani workers, especially in the sectors of IT, health care, and hospitality in view of the growing host country demand in these sectors. At the same time, skill certification agreements should be reached with an increasing number of host countries for higher prospects of employability of highly skilled workers in the Gulf and beyond.

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12. Mehmet A. Soytas

Future Skills Needed and Profiles of Workers: Ways to maximize Productivity of Labor

Policy Brief - Executive Summary

Saudi Arabia's labor market is undergoing a transformative phase driven by Vision 2030's goals to diversify the economy, boost productivity, and prepare the workforce for emerging challenges. This policy brief analyzes key labor market trends in Saudi Arabia using data from official statistics provided by the General Authority for Statistics (GaStat) and reports published by the National Labor Observatory, identifies critical skill needs, and offers actionable strategies to maximize the productivity of labor. Global advancements in technology, particularly automation and artificial intelligence (AI), are reshaping labor market dynamics, necessitating workforce adaptability. Saudi Arabia has responded by investing in high-value sectors such as renewable energy, healthcare, and ICT, fostering a knowledge-based economy. Recent milestones include a rise in female workforce participation from 20% in 2018 to over 35% in 2023, as well as a youthful, increasingly educated labor force. However, skill mismatches remain a persistent challenge as the economy transitions to high-tech industries.

Emerging industries require a blend of technical and soft skills. High-demand areas include AI, data analytics, cybersecurity, and advanced manufacturing, along with critical thinking and problem-solving. Programs like Doroob and Tamheer address some of these needs, but broader and more targeted interventions are essential to ensure alignment with market demands and to close productivity gaps. We found that the occupational landscape in Saudi Arabia has undergone a transformation, with Saudi nationals increasingly transitioning from lower-skilled roles to higher-skilled professional, managerial, and technical positions. This mirrors global trends identified in LinkedIn's study (2023) of job postings across 28 countries, including Saudi Arabia, between 2018 and 2022. The demand for highly skilled roles, particularly those requiring specialized knowledge in technology and engineering, has surged worldwide. Similarly, the National Labor Observatory's (NLO) 2023 Occupation Review Report highlights that from 2016 to 2022, Saudi Arabia experienced a shift toward roles that align with these global patterns, reflecting the growing emphasis on expertise and higher-value occupations.



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To compete in the global “war on talent,” Saudi Arabia must attract skilled international professionals to complement local capacity. Measures such as streamlined immigration pathways, competitive incentives, and innovation hubs like NEOM are essential to addressing immediate skill shortages while fostering long-term economic growth.

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To enhance workforce productivity, the brief suggests strategies rooted in international best practices and Saudi-specific labor market dynamics. Scaling sector-specific training programs for high-demand industries aligns workforce skills with market needs. Investing in artificial intelligence (AI) and digital infrastructure boosts efficiency and resilience, while strengthening public-private partnerships fosters collaboration between education and industry. Drawing on models like Germany’s dual vocational training system bridges the gap between theory and practice. Promoting diversity through targeted policies and incentives for gender equity and youth engagement is crucial for a dynamic and inclusive labor market. Together, these efforts position Saudi Arabia to address challenges and achieve sustainable growth.

Policy recommendations emphasize updating educational curricula to prioritize digital and advanced technical skills, expanding training programs for women and youth to close participation gaps, and improving feedback systems between industries and educational institutions to keep skill development relevant. Attracting international talent while nurturing local expertise is vital for filling immediate skill shortages and creating a sustainable workforce pipeline. By integrating local and global talent, aligning skills with market demands, and fostering inclusivity, Saudi Arabia can boost labor productivity and position itself as a leader in workforce innovation and economic growth.

13. Jorge Tigno, Geoffrey Ducanes

Assets on the Move: Highly Skilled Migration from the Philippines to the Gulf

Policy Brief - Executive Summary

The countries comprising the Gulf Cooperation Council (GCC) are host to a significant number of highly skilled workers from the Philippines. While overseas Filipino workers (OFWs) in the GCC are predominantly made up of low-skilled laborers, particularly in domestic work, highly skilled migration from the Philippines to the region merits serious attention as receiving countries take steps to entice more of them to live and work there. The share of Filipino highly skilled professionals in the GCC is roughly half the total stock of all highly skilled Filipinos worldwide.



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What are the sentiments of highly skilled Filipinos towards moving to the Gulf? What factors matter in their choice of destination? While the Gulf is a prominent destination for the highly skilled, there are also those Filipinos who prefer migrating to North America, drawn by higher incomes and more secure residency pathways. Likewise, the average income for skilled OFWs in the Gulf is about half of what similar professionals can earn in North America, diminishing the GCC's appeal among those aiming for better long-term economic prospects.

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Although the Philippines has developed bilateral labor agreements (BLAs) with various GCC states as channels for high-skilled labor recruitment, these agreements are primarily tailored to specific sectors, such as healthcare, and seldom cover a broader range of skilled professions. As a result, many highly skilled Filipinos view the Gulf as a temporary step within a broader "stepwise migration" strategy, using the region to gain experience and save resources before moving on to more desirable Western countries. Gulf-based programs, such as the Golden and Freelance visas, aim to attract skilled talent appeal largely to those seeking temporary or regional employment opportunities rather than to those seeking permanent relocation.

Highly skilled labor migration from the Philippines to the GCC is largely a win-win arrangement. For the GCC to retain more skilled Filipino professionals, policies that offer competitive pay, career growth, and residency stability with family reunification are essential. However, the continued attractiveness of North America can also impact on professional migrants' desire to stay in the region for the long-term. Likewise, offering these incentives to Filipinos with skilled talents can also create significant challenges for receiving societies, particularly around future concerns from locals in terms of social integration and community cohesion. Meanwhile, the Philippines faces challenges in managing the ongoing outflow of skilled labor, which contributes to a growing "brain drain" and strains the availability of talent needed for domestic economic growth.

14. Bilesha Weeraratne

A View from South Asia Countries of Origin: Changing Contexts, Perceptions and Policies towards Migrating to Saudi Arabia

Policy Brief - Executive Summary

Description of situation and challenges:

1. Saudi Arabia's economy, with a GDP of USD 1.07 trillion, depends heavily on foreign labor, as migrant workers make up 75% of the workforce, making labor migration from South Asia crucial to economic functioning.
2. Saudi Arabia's diversification strategy relies on attracting skilled labor, but migrant workers still face challenges.



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3. While Saudi policies and systems such as Saudization, kafala, iqama, and *nitaqat*, address national priorities, they also contribute to limiting worker mobility, increasing chances for exploitation, and creating barriers for migrant workers, especially in low-skilled sectors.
4. Rising global demand for migrant workers and improved migration opportunities in countries like the UAE may reduce Saudi Arabia's labor supply.
5. Economic challenges, climate change, and political instability continue to push workers toward Saudi Arabia, despite increasing migration opportunities elsewhere.
6. Reason(s) why the current approach/policy needs to be changed:
7. Exclusion of worker categories: Bilateral labor agreements (BLAs) and memorandums of understanding (MoUs) focus mainly on specific groups, leaving other workers, such as low-skilled or undocumented migrants, unprotected.
8. Weak oversight of recruitment: Unregulated recruitment agencies lead to exploitation, high costs, and fraud.
9. Impact of labor reforms: Recent reforms to the kafala system leave vulnerable workers, like domestic and undocumented workers, exposed to abuse. Policies like *nitaqat* and *iqama* may push migrants towards undocumented status due to increased costs for firms.
10. Restrictive family and residency policies: Saudi Arabia's family unification and permanent residency policies limit workers' ability to settle and bring their families, reducing long-term prospects and quality of life.
11. High remittance costs: Remittance fees remain high, reducing the economic benefits of migration. Saudi Arabia should reduce these costs to meet SDG 10.c.

Recommendations for action:

1. Strong demand for South Asian migrants: Gulf countries need both low-skilled workers (due to their work ethic) and highly skilled workers (due to technical competencies), but external shocks can destabilize this demand.
2. Improve enforcement: Strengthen implementation and enforcement of rules and regulations for migrant workers.
3. Engage international organizations: Consider allowing organizations like the ILO and IOM to establish offices in Saudi Arabia to support migrant workers.



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4. Recruitment standards: Ensure recruitment in countries of origin attracts the required skilled workers for Saudi Arabia.
5. Reintegration programs: Involvement in providing support for return and reintegration of temporary migrant workers.
6. Competitor strategies: Understand strategies adopted by competing labour-receiving countries and simplify mechanisms in KSA to enhance its attractiveness as a country of destination.
7. Reduce remittance costs: Adopt measures to reduce the cost of sending remittances from KSA to South Asia.

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