

The Kingdom of Saudi Arabia approves new Anti-Financial Fraud and Deceit Law

Article By:

Richard J. Gibbon

On April 30, 2021, Ministers in Saudi Arabia approved a new law, due to come into force in September of this year, which is designed to enhance the Kingdom's efforts to combat financial crime.

Cabinet Decision and New Law

According to the Saudi Arabian Central Bank (the Saudi Monetary Authority, or SAMA) a [fraud](#) is "any act involving deceit to obtain a direct or indirect financial benefit by the perpetrator or by others with his help, causing a loss to the deceived party."

The new law for Combating Financial Fraud and Deceit, approved by [Cabinet Decision No. 534/1442](#), builds on that definition with the following significant provisions:

- Convicted fraudsters shall be subject to jail terms of up to seven years and fines of up to SAR 5 million (approximately USD 1.3 million). Article 1.
- Anyone convicted of inciting fraud shall be subject to the same maximum penalties, where the fraud occurs and loss is suffered, or up to half the same maximum penalties (e.g., imprisonment for up to 42 months and a fine of up to SAR 2.5 million (~USD 650,000)), where the fraud does not occur. Article 3.
- Anyone convicted of attempting to commit fraud shall be subject to up to half the maximum penalties (e.g., imprisonment for up to 42 months and a fine of up to SAR 2.5 million (~USD 650,000)). Article 4.
- Importantly, repeat offenders and groups of organized financial criminals shall be subject to up to double the maximum penalties, meaning jail terms of up to 14 years and fines of up to SAR 10 million (~USD 2.6 million). Article 5.
- Courts may at their discretion grant exemptions to these penalties, but only where individuals come forward and report the crime before there is any loss, or where individuals report the crime afterwards but where the reporting leads to the arrest of all the other parties involved.

Additional Considerations

This new law is an important step towards the “transparency and accountability,” “effective governance,” and “responsible enablement” anticipated by [Vision 2030](#). It should help to deliver the strategic objectives of His Majesty King Salman bin Abdulaziz and Crown Prince Mohammed bin Salman Al Saud of a “thriving economy” and a “vibrant society” by “creating an attractive environment for local and foreign investment.”

© Copyright 2025 Squire Patton Boggs (US) LLP

National Law Review, Volume XI, Number 189

Source URL: <https://natlawreview.com/article/kingdom-saudi-arabia-approves-new-anti-financial-fraud-and-deceit-law>