

# **HR Electronic Records**

## **Electronic Signatures – Saudi Arabia**

### What is an electronic signature?

Generally speaking, an electronic signature (or e-signature) is a technical process logically associated with a document which two (or more) individuals or organizations (the signatories) agree to rely on in order to express their intent to sign such document. Three components are therefore necessary: a document, a signatory and an e-signature tool. While the tool most commonly used for handwritten signatures is a simple pen, electronic signature tools are typically more complex.



From a regulatory standpoint, an electronic signature is a broad category that encompasses many types (or levels) of electronic signatures. Depending on the country it is used in, there are differences in purpose, legal acceptance, technical implementation and cultural acceptance of electronic signatures. In particular, e-signature requirements tend to vary significantly between most "civil law" countries (including the European Union and many countries in South America and Asia), and most "common law" countries (such as the United

States, Canada and Australia). Civil law countries typically support a "tiered" approach including higher levels of signature often called digital or qualified electronic signatures (typically required for specific types of contracts), as opposed to common law jurisdictions which are typically more technology-neutral.

In addition, some industries (such as healthcare or banking) and documents (such as marriage or adoption contracts) may require a higher level of e-signature.

### What are the laws and regulations in Saudi Arabia?

Electronic signatures are permitted in Saudi Arabia through the Electronic Transactions Law (ETL)(Art. 8 and 9). Under the ETL, electronic signatures are allowed to be admitted as evidence as long as:

- technical means and conditions are followed to ensure the integrity of the information from the time of creation; and,
- the information in the record can be provided upon request.

Note that electronic transactions pertaining to personal status and the issuance of deeds of legal actions pertaining to real property are excluded from the ETL, and therefore electronic signatures would not be valid in those cases.

The validity of an electronic signature can generally be proven if certain conditions are met (ETL Regulation, Art. 10):

- the signature is related to a digital certification from a government licensed Certification Service Provider (CSP) or to a digital certification accredited by the National Center for Digital Certification;
- the certificate related to the signature is valid at the time of signing;

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- the personal data and identity of the signatory is kept safe in compliance with digital certification requirements;
- the technical and logical relation between the electronic signature system and the electronic data system is valid and free from technical faults that may affect the signature's validity;
- the minimum criteria of technical and administrative structure is provided and also the related resources that result in controlling the signature procedure and guaranteeing data secrecy in accordance with technical conditions stated in the digital certification procedures related to the service provider; and,
- the signatory provides a commitment to all conditions stated in the digital certification procedures related to the service provider concerning the electronic signature, without violating applicable laws and regulation.

### Is an electronic signature valid in Saudi Arabia?

When a signature is required, electronic signatures can satisfy the requirement of a handwritten signature as long as the electronic signature complies with the ETL (Art. 14). In addition, contracts can be concluded electronically and are considered valid and enforceable as long as the contract complies with the technical requirements set out in the ETL (Art. 10). Documents that have an electronic signature that has been digitally certified by way of a digital certificate issued by a government licensed certification service provider would satisfy the same requirements as a handwritten signature.

In cases where electronic signatures do not meet these requirements, they still may be admissible as presumptive evidence. Electronic transactions, signatures and records are deemed reliable as evidence, unless proven otherwise.

Note that contracts can only be concluded between an automated electronic data system and a natural person if the person is aware or presumed to be aware that the contract is being concluded and executed by the automated system.



#### **HR Best Practices**

Electronic signatures are generally permitted in Saudi Arabia and can be admitted as evidence as long as technical means and conditions are met to ensure the continued integrity of the record and, the information in the record can be provided upon request. Note that only electronic signatures with a digital certification from a government-authorized provider will be

assumed to satisfy the same requirements as a handwritten signature.

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