



وزارة الاستثمار
Ministry of Investment

استثمر في السعودية

INVEST
SAUDI



Invest in Saudi

**Key Features and
Regional competitiveness**

January, 2023



INVEST IN SAUDI ARABIA

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My primary goal is to be an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavor.

**Custodian of the Two Holy Mosques,
King Salman Bin Abdulaziz Al-Saud**



Our nation holds strong investment capabilities, which we will harness to stimulate our economy and diversify our revenues.

**His Royal Highness the Crown Prince,
Mohammed bin Salman bin Abdulaziz Al-Saud**



Since the launch of the development project; “Saudi Vision 2030”, led by the Custodian of the Two Holy Mosques; King Salman bin Abdulaziz Al Saud, and under the constant guidance and follow-up of His Royal Highness, Prince Muhammad bin Salman bin Abdulaziz Al Saud; The Crown Prince, the Prime Minister.

And the Kingdom are in constant quest to achieve the goals of this ambitious Saudi Vision 2030, starting with diversifying the resources of the national economy, as well as developing and putting into action ambitious plans and strategies designed to boost economic growth across the Kingdom. Work to attract and promote investments in all regions of the Kingdom is among the most crucial of these strategies

In order to build a strong foundation for achieving Saudi Vision 2030’s goals, in the years since Saudi Vision 2030’s inception, the Kingdom will pursue strategies such as a strong and developing economy, abundant energy resources, distinctive geographical features, a young population, and an integrated infrastructure. and so on. The Kingdom

benefited from this advantage to solidify its position as an ideal destination for those looking to invest in a number of highly competitive sectors and take advantage of promising investment opportunities.

The Kingdom’s focus on diversifying the national economy, coupled with its ambitious economic growth plans and unprecedented government support such as the Ministry of investment.

Saudi Arabia’s economy has proven to be both resilient and one of the fastest globally to rebound from the effects of the “COVID-19” pandemic. In fact, the Kingdom is predicted by the IMF to see the most rapid economic growth in the world at 7.6 percent in 2022. In addition, As one of the overarching objectives of Saudi Vision 2030 is to grow and diversify the economy, Saudi Vision 2030 aims to make Saudi Arabia one of the top 15 economies globally. Doing so requires significant investment that is estimated to exceed USD 3.2 trillion through the National Investment Strategy, launched by HRH the Crown Prince a year ago

Over the past few years, the Kingdom has undergone a major transformation not seen anywhere else in the world. We have developed

leading information and communications technologies (ICT) infrastructure, introduced comprehensive eGovernment solutions, and embraced public-private partnerships to deliver our ambitious targets on a scale and at a speed that are unparalleled. We are continuing to transform to create further investment opportunities and increase our competitiveness across key and emerging sectors. We are doing this through developed rules and regulation such as Mining Regulations and strategic initiatives such as Saudi Vision 2030, the National Investment Strategy, National Transport and Logistics Strategy, National Industrial Strategy, the National Development Fund, and Enabling Global Supply Chain Resilience Initiative. These initiatives come with significant government support in helping to attract investment and enable growth.

The Kingdom’s clear Saudi Vision 2030 and robust leadership have positioned Saudi Arabia as a leading economy. In this report, we highlight some of the key sectors in the 13 regions of Saudi Arabia that have shown particularly promising growth in recent years and will continue to do so. Each of the Kingdom’s region is different in terms of climate, talent pool, and its economy. As you will see from

this report, they all have plenty to offer, from agricultural assets to renewable energy, industrial manufacturing, mining, tourism, and transport and logistics with unique competitive sectors and emerging sub-sectors that provide ample investment opportunities. We believe that the promising opportunities contained in these reports, as well as the capabilities of the private sector, both domestic and foreign, and the incentives, facilities, capabilities, and services offered by the Ministry of Investment in collaboration with its partners, will shape the future of investment in the Kingdom. It promises spectacular growth, which will be reflected in the strength and diversification of the national economy, as well as the growing potential for creating job opportunities in the Kingdom.

HE Minister of Investment
Eng. Khalid bin Abdulaziz Al-Falih



SPOTLIGHT ON THE KINGDOM

The Kingdom's Transformational Journey Through Saudi Vision 2030



Saudi Arabia's nominal GDP was ~USD 834 billion in 2021, with the mining, quarrying and manufacturing sectors contributing meaningfully to this figure.

The Kingdom's growth perspectives are supported by a set of major Saudi Vision 2030 Realization Programs. These programs include the Public Investment Fund Program, Pilgrim Experience Program, Quality of Life Program, National Transformation Program, National Industrial Development and Logistics Program, Housing Program, Privatization Program, and the Regional Headquarters program, among others.

These transformative investment programs are critical components of the Kingdom's strategy to achieve Saudi Vision 2030 targets, including:

- Raising the share of non-oil exports in non-oil GDP to 50%
- Positioning KSA within the top 15 economies worldwide
- Doubling overall domestic investment component
- Increasing foreign direct investment (FDI) approximately twenty-fold




The country's determination to diversify its economy has fueled both local and foreign investment, while increasing the contribution of small and medium-sized (SME) enterprises to the national GDP. According to the United Nations Conference on Trade and Development (UNCTAD), foreign direct investment inflows to the Kingdom increased significantly from USD 1.4 billion in 2017 to almost USD 19.3 billion in 2021. This is mainly due to increased competitiveness in key areas such as ease of doing business, road connectivity, cybersecurity, and education.

- Ranked **#1** For road connectivity as per the 2019 Global competitiveness report by the World Economic Forum (out of 141 countries)
- Ranked **#2** Overall in the 2020 Global Cyber Security Index by the United Nations International Telecommunication Union (out of 194 countries)
- Ranked **#6** For total public expenditure on education in the 2021 IMD World Competitiveness Yearbook (out of 64 countries)
- Ranked **#36** For the ease of starting a business as per the 2021 Global Innovation Index (out of 132 countries)
- Ranked **#9** For technical and vocational education training as per the 2021 Global Knowledge Index (out of 154 countries)
- Ranked **#41** Overall in INSEAD's 2021 Global Talent Competitiveness Index (out of 134 countries)
- Ranked **#25** In the World Happiness Index 2022 according to the United Nations Sustainable Development Solutions Network (out of 156 countries)
- Ranked **#6** Highest foreign exchange reserves among G20 countries in 2021
- Ranked **#33** In the World Economic Forum's Travel and Tourism Development Index in 2021 (out of 117 countries)
- Ranked **#7** Worldwide in government spending efficiency index by The World Economic Forum in 2018 (out of 136 countries)
- Ranked **#3** Ranked 3rd for the ease of protecting minority investors per the 2021 Global Innovation Index (out of 132 countries)
- Ranked **#47** Ranked 47th for the gross expenditure on research and development as per the 2021 Global Innovation Index (out of 132 countries)

A key area of focus for the Kingdom has been building top-tier digital infrastructure to enable its digital transformation strategy, through the adoption and implementation of state-of-the-art information and communications technology (ICT).





E-Government programs enabling the digitalization and improvement of multiple services have been leveraged to support this goal. This was done by developing electronic platforms, channels, and applications to improve the end-user experience and ensure the Kingdom can effectively support businesses and their new ways of working.

To foster new investment opportunities, facilitate investments for the private sector and encourage innovation, an extensive network of institutions offers attractive incentives to projects across sectors and regions. These include **nearly 290 programs** such as:

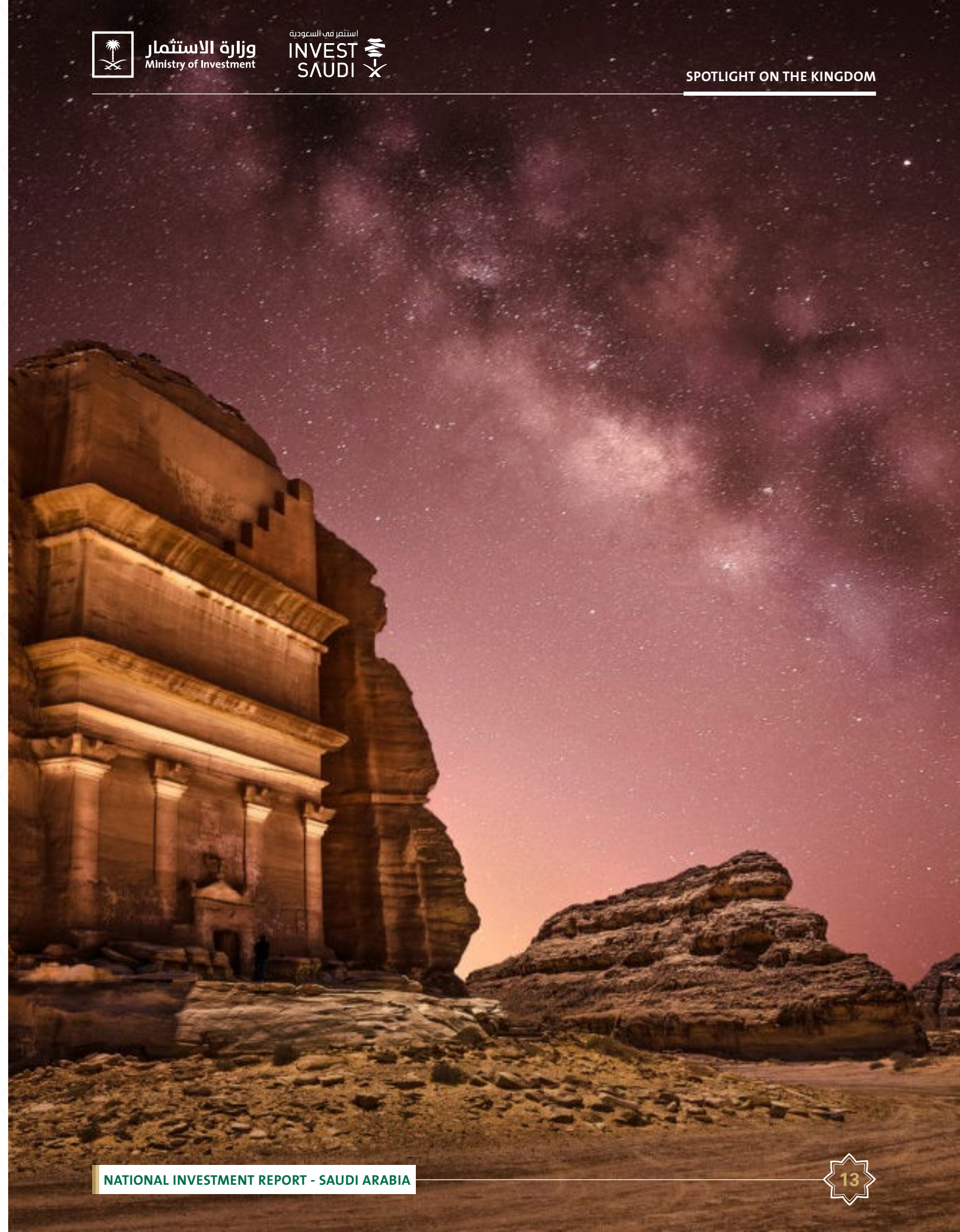
-  Employment support (covering a percentage of wages) offered by the Saudi Human Resources Development Fund (HRDF)
-  Project finance and working capital financing offered by the Saudi Industrial Development Fund (SIDF)
-  Tax credits on R&D investment and tax exemption on earnings from exports offered by the Zakat Tax and Customs Authority (ZATCA).
-  Customs exemption on raw material, machinery and equipment, and spare parts offered by the Ministry of Industry and Mineral Resources (MIMR).



Key sectors have been identified for the country which include renewable energy, tourism, healthcare, financial services, industrial manufacturing, logistics, and mining. In line with Saudi Vision 2030, the Kingdom has **set ambitious goals across target sectors**, such as:

-  Reaching net zero emissions by 2060
-  Doubling the number of Saudi heritage sites registered with UNESCO
-  Having three Saudi cities recognized in the top-ranked 100 cities worldwide
-  Increasing household spending on cultural and entertainment activities inside Saudi Arabia from current level of 2.9% to 6%

Growing the Kingdom's global footprint through increased exports is also a key priority. The Kingdom's strategic geographical location makes it a key contributor to international trade as it connects three continents: Africa, Asia, and Europe. Trade-intensive sectors that are ripe for exporting are being supported through various incentives and enablers that are being rolled out across the Kingdom.



WHY INVEST IN SAUDI ARABIA

Saudi Arabia is a multi-billion-dollar economy with a real GDP growth of 12.2% (Q2 2022) and aims to be among the top 15 economies of the world by 2030. The Kingdom's second largest oil reserves globally, provide a strong base for a growing economy.

In parallel, the country's mission to diversify its economy and reduce dependency on oil are being translated into reality under the umbrella of Saudi Vision 2030. Saudi Vision 2030's theme of **"A vibrant society, a thriving economy and an ambitious nation"** seeks to build a solid foundation of economic prosperity by developing the sectors of renewable energy, education, healthcare, technology and innovation, trade and logistics, and tourism among others.

The Kingdom has a strong and underlying economy, ranked as 19th largest economy in the world in 2021. With regulatory developments, digital transformation and several physical infrastructure upgrades, together with significant capital deployment through the Public Investment Fund (**USD 400 billion**) and the establishment of more than 30 companies across +10 sectors, are leading the Kingdom through transformation as it moves from a G20 to a G15 nation. **More than 600 business reforms** have been identified, indicating commitment and evidence of early success towards achieving Saudi

Vision 2030. To further attract investments in the Kingdom, supporting programs – such as the PIF and Shareek – have been established to accelerate the Kingdom's investment growth and as well as attracting and retaining investors. The availability of several sector-specific funds, special economic zones, giga and mega projects, and Saudi vision 2030 realization programs, are all paving the way forward for the Kingdom's transformation. Moreover, a key area of focus for the Kingdom has been improving the quality of life through increasing access to quality housing, employment availability, improve the living conditions of expatriates, and access to educational and healthcare services.

Saudi Arabia's geographical location at the center of the world, its long-standing history and culture and being home to the two holiest sites in Islam (Makkah Al Mukarramah and Al Madinah Al Munawwarah), have positioned the Kingdom as a coveted tourist destination. Boasting 6 UNESCO World Heritage sites and several global destinations under development, such as NEOM, a **USD 500 billion** futuristic city; AIUla, Saudi's cultural hub and Qiddiya, a **USD 8 billion future capital of entertainment and sports**; the Kingdom aims to attract **100 million** foreign and domestic tourists, including **30 million** Umrah visitors under Saudi Vision 2030.

Saudi Arabia's growing economy is supported by a robust banking sector with the highest banking sector assets in GCC at **USD 800 billion (2021)**. Furthermore, the kingdom is further transforming



this sector through Financial sector development program and leveraging from the extensive use of technology, the Kingdom is venturing into fintech and insurtech – with more than **60 FinTech start-ups** active in the Saudi market currently, while shifting towards a cashless society, strengthening financial institutions to support the private sector and increasing the share of financing SMEs in banks are all under Saudi Vision 2030 that are well underway.

Sustainability is a core goal under **Saudi Vision 2030** as the Kingdom recognizes its responsibility of addressing energy and climate challenges of today. With the launch of the National Renewable Energy Program and Saudi Green initiative, renewable energy is a key driver in achieving the Kingdom's **Net Zero Emission by 2060**. Saudi Arabia has ample sunlight and wind power that has optimized projects such as the Sakaka Solar Photovoltaic Plant and the Dumat-al-Jandal Wind Farm.

With the National Transformation Program, the Kingdom has risen to the forefront of technology and innovation with ground-breaking ICT infrastructure and a pool of young talent at disposal. This transformation has been utilized across several areas including ease of doing business, healthcare services, education, Hajj and Umrah and tourism. The Kingdom emerged resilient during the pandemic because of its innovation and adoption of digital technology in healthcare. With the aim of providing all citizens with insurance coverage, optimal e-health services, disease prevention and promoting public health, Saudi Vision 2030 is working towards building a healthcare environment to match international benchmarks.

Furthermore, Saudi Arabia's mining industry is also a prime focus under the transformational efforts. The Kingdom's **USD 1.3 trillion** worth of mineral reserves present massive opportunities for investors. Rich in gold, copper, bauxite, phosphate and several other minerals and base metals, the mining sector contributes **USD 17 billion** to the Kingdom's GDP. Recent changes in mining regulations have been introduced to encourage sustainable growth in the sector and support foreign investors.

The Kingdom's central location connecting Asia, Europe and Africa, gives its logistics sector a competitive edge. Saudi Arabia's trade and logistics market is valued at **USD 18 billion** and aims to increase its contribution to non-oil **GDP to USD 12 billion by 2030**. The country is aiming to be ranked **25th globally on the Logistics Performance Index** and position itself as a regional leader.

To materialize these aspirations the National Investment Strategy (NIS) has been developed around **4 pillars** that aims to develop strong and diverse investment opportunities, grow the contribution of various investors in the investment landscape, remove financial barriers to investment, and to create an attractive and competitive investment environment for investors globally and domestically. Enabling 100% foreign ownership across majority sectors, massive improvement in ease of doing business and government's commitment to enhance public services quality are some of the initiatives undertaken by the NIS to increase foreign direct investment (FDI) by more than twenty-fold, which valued a massive of USD 19.3 billion in 2021.



Saudi Vision 2030 drives the country **transformation** and business reforms



16 large scale regional **giga projects** are in progress across various sectors (Neom, The line, Saudi Green Initiative)



The kingdom has the highest banking sector assets in GCC at **USD 800 billion (2021)**



From 2017 to 2021, FDI value have increased by more than 14 fold, with the aim to reach **USD 1.7 trillion by 2030**



Ranked as **19th largest economy** in the world in 2021



+10 sector-specific funding programs to support the investment (i.e. CDF, TDF, SIDF)



18 sector strategies driving transformation across 13 regions in the Kingdom



As of 2021, PIF Launched **+30 companies** across **+10 sectors**, with capital investment of **(USD 400 Bn)**

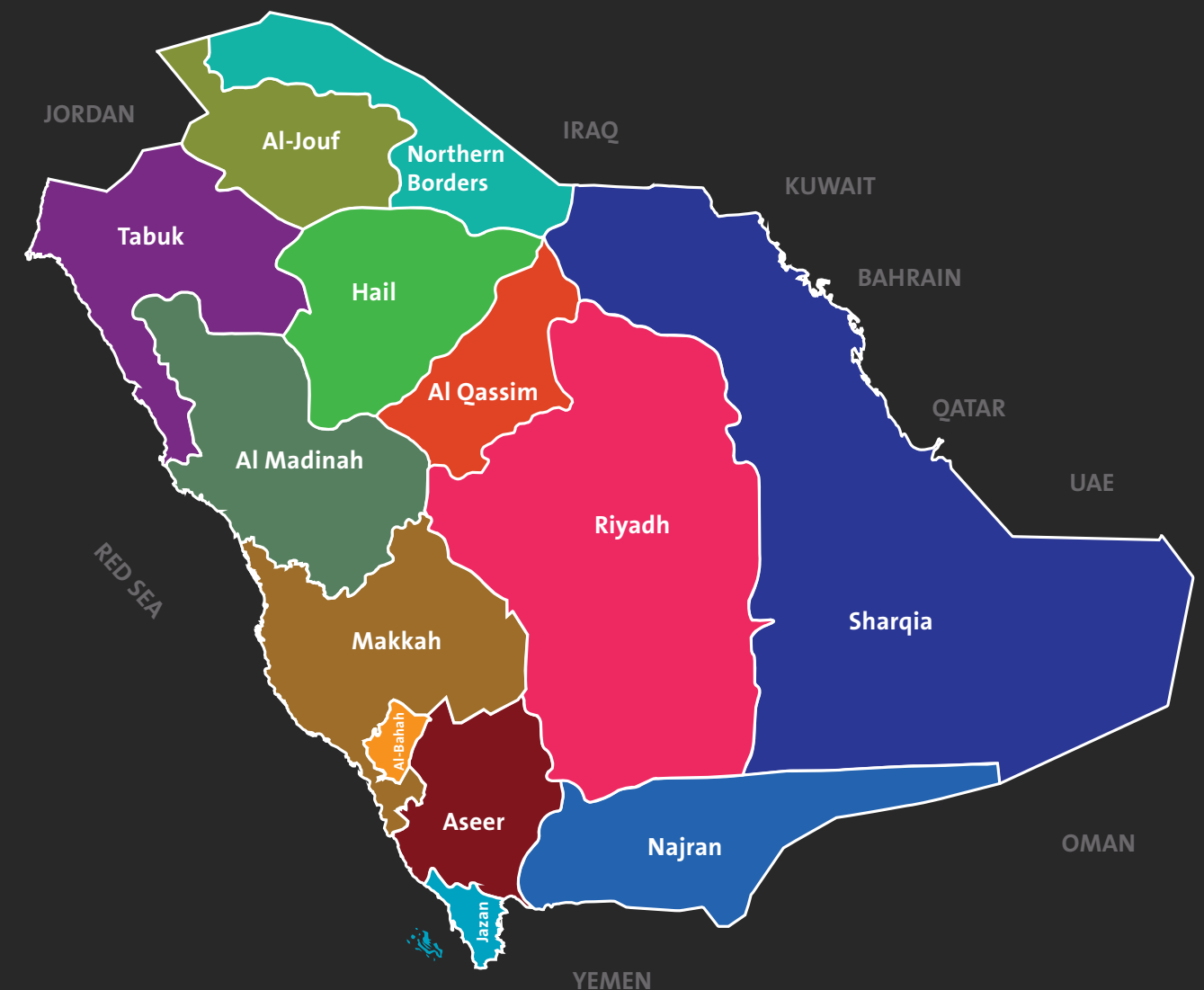
KINGDOM'S KEY FEATURES & BUSINESS ENABLERS

SAUDI ARABIA

- Population >
- Education >
- Innovation >
- Healthcare >
- Employment >
- Infrastructure >
- Economic Performance >
- Digital Connectivity >
- Business Enablers >

Located in the Middle East, bordering the Arabian Gulf and the Red Sea, Saudi Arabia is a country rich in natural resources, positioning it among the world's largest economies.

The Kingdom's transformation under Saudi Vision 2030 has played a major role in creating strong and diverse investment opportunities, further supported by an attractive investment environment, improved funding facilities and effective governance.



Population

Saudi Arabia has a population of 35,013,414 in (2020) with non-Saudis making up more than 30% of the total population.

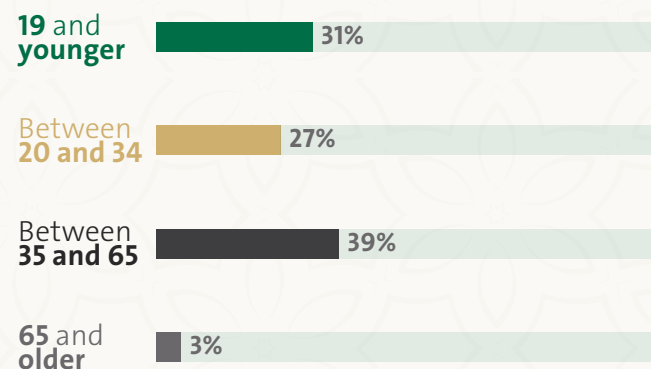


Population growth
(2016-2020)

10.1%



Population age groups
(2019)



Education

Education is the largest sector in the Kingdom's budget, with 19.4% of the total expenditure allocated to it (2022), and is a vital part of the economic transformation.

Smart classrooms and digital education management systems are being implemented across the Kingdom along with heavy investment in new and specialized higher education institutions. Currently 16 Saudi universities are included in the list of top universities by QS Ranking 2022.

Under Saudi Vision 2030, the Human Capability Development Program has been established to focus on developing the capabilities of the young Saudi population, both locally and globally, through the improvement of the education sector and to increase the Kingdom's worldwide competitiveness. The program will cover 16 of Saudi Vision 2030's strategic objectives through 89 initiatives. The initiatives will ensure a resilient educational foundation for young generations, provide guidance for job seekers, enabling entrepreneurs, etc. Furthermore, the program aims to place 6 Saudi universities among the top 200 universities worldwide by 2025.

Number of technical and vocational training units (2019):



Number of schools (2021):



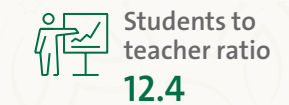
International
1,238 (5%)

Private
3,099 (13%)



Public
19,696 (82%)

Ratio of students per the number of teachers and schools (2021):



Major universities in the Kingdom include King Saud University, King Abdul Aziz University and King Fahd University of Petroleum and Minerals among others.

Innovation

The Kingdom has recognized the importance of science, technology and innovation in driving economic growth.

According to the International Institute for Management and Development (IMD) Smart City Observatory, the Kingdom's capital, Riyadh, ranked 30th out of 118 cities on the smart city index in 2021 according to IMD and 3rd among Arab cities – climbing 23 positions from 2020. Several initiatives have contributed to the rise of the Kingdom as an innovation hub, including the:



Several initiatives have contributed to the rise of the Kingdom as an innovation hub, including the:

Riyadh Technology Valley



The project seeks to employ national talent in industries related to technology, services, and knowledge. The Valley seeks to achieve sustainable development and contribute to a modern knowledge economy.

King Abdullah Petroleum Studies and Research Center (KAPSARC)



The center provides advisory services, collects data and develops reports related to the petroleum and energy sector. KAPSARC has been ranked 15th of out 101 centers for the "Top Think Tanks in the Middle East and North Africa" by the University of Pennsylvania in 2020.

King Abdullah International Medical Research Center (KAIMRC)



The center is focused on the application of modern technologies, molecular analysis laboratories, and the establishment of innovative research infrastructure to achieve an effective partnership with the public and private sectors.

Healthcare

As the largest market in the GCC, Saudi Arabia's healthcare sector has been prioritized as one of the Kingdom's key sectors. In 2022, the Kingdom's budget allocation for healthcare and social affairs sector amounted to 14.4%.

The Ministry of Health provides a robust integrated network of healthcare services covering all regions of the Kingdom with free services to the Saudi citizens in government facilities. As with all other sectors undergoing digital transformation, the healthcare sector is also expanding the implementation of technology to deliver safer and efficient services to the Kingdom.

As part of Saudi Vision 2030, the Kingdom launched the Health Sector Transformation Program, with the aim of facilitating a more comprehensive, effective, and integrated system throughout the nation while investing USD 65 billion in the coming years. The core initiative is to increase private sector participation which includes privatization of several hospitals and healthcare centers, presenting unparalleled investment opportunities.



2,257
Number of healthcare centers (2019)



Hospitals and beds per population (2019)



167
Number of private sector hospitals (2020)



Hospitals
1.46/100,000



504
Number of public sector hospitals – Ministry of Health (2020)



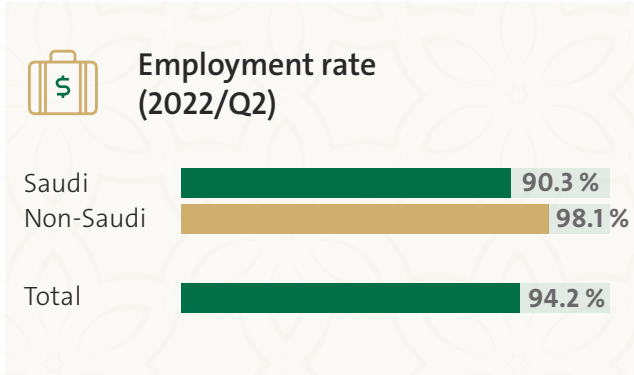
Beds
224.9/100,000



Employment

According to Saudi Labor Law, legal working age in the Kingdom is 15 years. A big part of the private sector work force is composed of foreign nationals.

The Kingdom has exhibited low unemployment rates between 5.1% to 6.1% over the past 10 years.



Infrastructure

The Kingdom is experiencing an infrastructure boom due, in part, to the mega-projects under construction across the country. A robust network of roads, highways and tunnels provide excellent connectivity within and outside the Kingdom, making it the world's 23rd largest road network.

The Saudi Arabian Railways manages and operates a strong network of passenger and cargo transport system with more than 5,590 kilometers of railway lines. The Kingdom has several domestic and international airports providing flights to all major cities of the world. The Kingdom has the largest maritime network in the Middle East with major seaports contributing to a thriving transport and logistics sector.

In alignment with Saudi Vision 2030, Saudi Arabia plans to maximize benefits deriving from its strategic geographical location at the crossroads of main international trade routes between Asia, Europe, and Africa with plans to invest more than USD 133 billion in the transport and logistics sector.

Major ports

Number of seaports 10

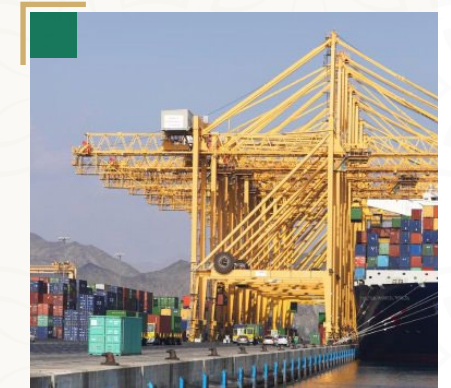
Jeddah Islamic Port – Makkah Region



King Abdulaziz Port Dammam – Sharqia



King Fahad Industrial Port Jubail – Sharqia



Infrastructure (cont.)

Major airports

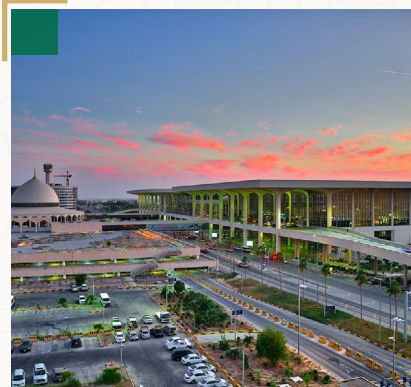
 Number of airports **28**

Major airports, with flights to Asia, Europe, Australia, Middle East and the Americas

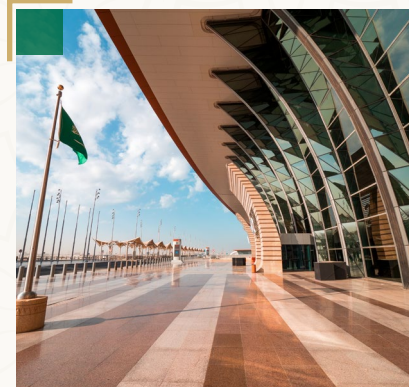
King Khalid International Airport – Riyadh Region



King Fahad International Airport – Sharqia



King Abdulaziz International airport – Makkah Region



The Royal Commission for Jubail and Yanbu (RCJY) was established to plan and boost investment in energy intensive industries through focusing on customers and partnership with investors. These industrial cities include Jubail Industrial City, Yanbu Industrial City, Ras Al-Khair Industrial City and Jazan City for Primary and Downstream Industries.

The Saudi Authority for Industrial Cities and Technology Zones develops and supervises industrial cities including private industrial cities and complexes and technology zones, 36 of which are established or are under construction across the Kingdom. These cities manage 6,587 industrial and investment contracts with more than 4,000 factories. The biggest industrial cities include Riyadh Industrial City, Dammam Industrial City, Riyadh Technology Valley and others.

Economic Performance

Saudi Arabia is the 19th largest economy in the world according to the International Monetary Fund (IMF) in 2021 and makes up 48% of the GCC's total economy. The Kingdom also has the 5th largest foreign assets reserves globally and a credit rating of A1 by Moody's.

Major sectors contributing to the GDP of the Kingdom are petrochemicals, metals and mining, industrial manufacturing and trade and logistics.

The Tadawul All Share Index (TASI) is the largest stock exchange in the MENA region and the 12th largest in the world by market capitalization. The index has shown 93% growth over the last 5 years showcasing a growing and strengthening economy.

The Kingdom has a robust banking sector that is ranked 2nd among G20 countries (2019) in terms of bank capital to asset ratio with USD 13 billion injected into the sector to mitigate COVID-19 impact.

Number of active foreign investment licenses (2015-2021): **7,145**

Volume of point of sales transactions (2021): **USD 89.45 Billion**

Annual inflation (Q3 2022): **2.9%**

Digital Connectivity

The National Digital Transformation Strategy has been established with the aim to position the Kingdom as one of the top 20 leading digital nation by 2030. The Kingdom ranked 4th globally for 5G network deployment in 2019 and 1st in digital competitiveness among the G20 countries in 2020.

Several applications and platforms such as Fasah, Absher, Wathq and Mawid have revolutionized services for users across multiple sectors.

The main players in Information and Communication Technology (ICT) in the Kingdom include Mobily, Zain, and STC. **The 5G network has increased** online coverage and speed through the Kingdom, covering a total of **84 governorates by 4Q2021** with an average download speed of 368.69 Mbps.

- Percentage of household ICT access indicators (2021):

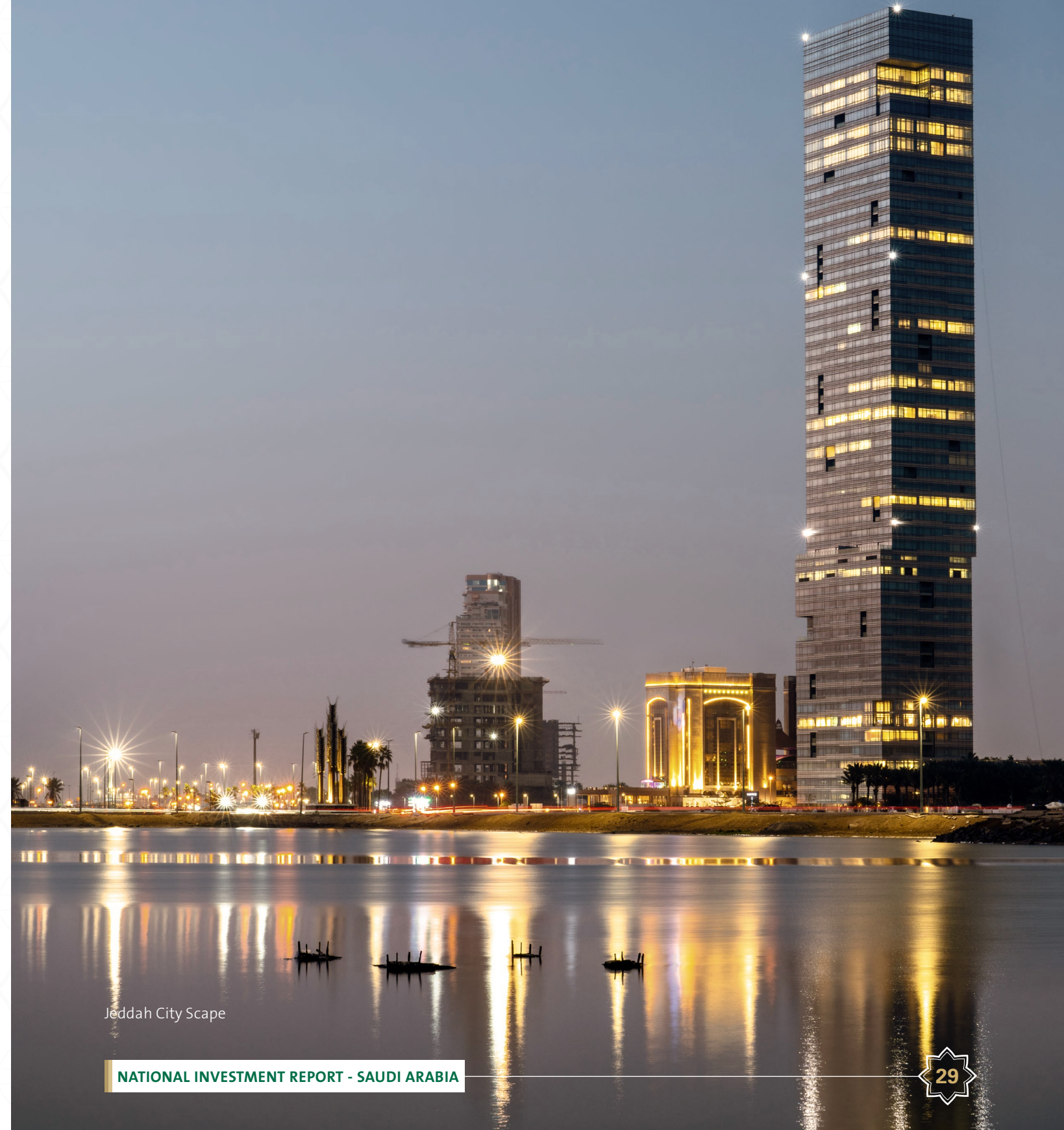


Cell phone access
98.22%



Internet access
96.29%

- Internet penetration (2019): **95.7%**



Jeddah City Scape



Business Enablers

The Kingdom has set forth several funds and programs to achieve the targets of Saudi Vision 2030, which are continuously reassessed and realigned to match stride with the changing conditions of the global economy. These initiatives include, but are not limited to:

صندوق الاستثمارات العامة
Public Investment Fund



Public Investment Fund (PIF) Program

The fund aims to partner with foreign investors and bring about a sustainable change through creating new sectors and opportunities. PIF has launched several programs across different sectors, including aerospace and defense, automotive, financial services, entertainment and metals and mining; aiming to create a whopping 1.8 million jobs and USD 320 billion non-oil GDP contribution by 2025. The program has launched more than 30 companies across 10+ sectors.



Shareek Program

The program was established to support the private sector in increasing domestic investment by enabling the government's collaboration with large companies and creating jobs to boost contribution to GDP by 65% by 2030.



National Development Fund (NDF)

Established in 2017, the fund's mandate is to advance the performance of development funds and banks to fulfill the Kingdom's aspirations for economic diversification and realizing Saudi Vision 2030 objectives. The National Development Fund (NDF) will inject

more than USD 152 billion into Saudi Arabia's real GDP growth by 2030. NDF also aims to expand non-oil GDP more than thrice to reach USD 161 billion by 2030, as well as create a large number of job opportunities in the Kingdom.

The NDF overlooks several funds:



Saudi Industrial Development Fund (SIDF)

Focused on the financing of industrial investment opportunities, the fund aims to support the industrial sector through project financing, the allocation of land and factories, and support to small and medium-sized businesses. The fund has disbursed more than USD 33 million as of 2021.



The Tourism Development Fund (TDF)

With USD 4 billion in capital, TDF aims to facilitate local and international investors' access to high-potential tourism investments across key destinations in the Kingdom. TDF offers financial assistance such as short-term loans, mid-term loans, long-term loans, common and strategic equity, private equity, etc.



CULTURAL DEVELOPMENT FUND

The Cultural Development Fund (CDF)

The fund will support 16 cultural sectors identified in the national strategy for culture through development programs and various financing mechanisms aimed at empowering the cultural sector. This includes supports such as content industry and development, education and training, infrastructure support, etc.



The Agricultural Development Fund (ADF)

The Fund was established to develop the agricultural sector and improve its efficiency in all regions of the Kingdom. Contributing to the enchantment of food security and safety while maintaining the natural resources available. The fund also seeks to support the development of rural areas and help establish competitive advantages that can further support the Kingdom and Saudi Vision 2030.



The Human Resources Development Fund (HRDF)

To improve the skillset, build a productive workforce and enable growth of Saudi population, HRDF was established offering programs including the Tamheer program which offers on-the-job training and financial support for Saudi citizens, the Droob program, an electronic learning program, and a number of professional certification support programs.

The Kingdom also offers incentives to international companies to develop a mature investment ecosystem and strengthen skills and competencies within the country.



Loan Programs

Several loans facilitating schemes are offered to investors including financing facilities for trade of Arab origin goods by Arab Trade Financing Program, insurance schemes and guarantees to enhance Arab export, equity and debt financing for productive projects by the Islamic Development Bank and SME financing by Monsha'at. The Kingdom has also approved the establishment of Saudi EXIM (Export-Import Bank) which offers financing, guarantees and credit insurance to enhance the competitiveness of Saudi non-oil exports. According to the World Bank the Kingdom ranks 3rd in protecting minority investors by improving corporate regulations.



Land Incentives

Attractive land rates for commercial, industrial and agricultural investment are offered by Economic Cities and Special Zones Authority (ECZA), Saudi Authority for Industrial Cities and Technology Zones (MODON), National Industrial Development Centre and several others. The Kingdom ranks 19th in registering property due to new reforms such as digitizing land records.



Tax Credits and Exemptions

Tax credits of up to 50% are offered for employing Saudi nationals and their training costs.



Financial Incentives for Research and Development

Multi-purpose loans and financing facilities are offered for innovation and technology projects by King Abdulaziz City for Science and Technology (KACST) and Saudi Industrial Development Fund

REGIONAL COMPETITIVENESS

Riyadh

Makkah

Al-Madinah

Sharqia

Aseer

Jazan

Tabuk

Northern Borders

Al-Jouf

Al-Baha

Najran

Qassim

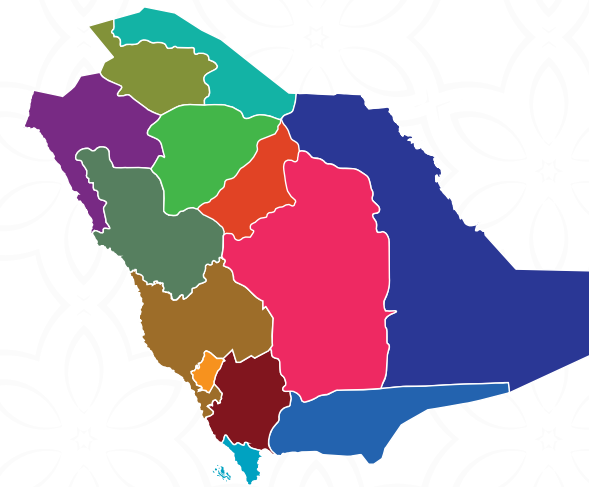
Hail

Saudi Arabia enjoys a central place in the world's geography and has long been the heart of Arab civilization. Bordered by Iraq, Jordan, Kuwait, Oman, Qatar, The United Arab Emirates, Yemen, and Bahrain, it is the largest country in the Arabian Peninsula.

Occupying a land area of 2,000,000 square kilometers, the Kingdom boasts a coastline of 2,639 kilometers on the Arabian Gulf and the Red Sea. The Kingdom's climate is different across all regions owing to varying topographies and landscapes.

Saudi Arabia is divided into 13 administrative regions, each with its own unique heritage and traditions. Whereas the population and urbanization of the Kingdom is mainly concentrated in some regions, all regions have seen maturity in economic activity in recent years, owing to their agricultural assets, tourism and mining sectors, among others.

Riyadh is the capital city and the Kingdom's financial hub. Major cities in the Kingdom are Jeddah, the port city; Dammam, the center of oil industry and Makkah and Madinah, the two holiest cities in Islam. The following diagram summarizes the key competitive sectors and emerging sectors for investment opportunities in each region.



● Competitive sectors

● Emerging sectors



Makkah

- Port Infrastructure
- Air Infrastructure
- Hajj and Umrah visits
- Gold
- Fishing and Aquaculture
- Automotive
- Sun, Sand and Mountains tourism



Al-Madinah

- Cultural and Heritage Tourism
- Hajj and Umrah visits
- Copper and Other Base Metals
- Gold and Silver
- Petrochemical
- Other High Potential Minerals
- Aluminum



Sharqia

- Energy – Oil & Gas
- Petrochemicals
- Port Infrastructure
- Automotive
- Rail Infrastructure



Aseer

- Cultural and Heritage Tourism
- Adventure Tourism
- Honey Production



Jazan

- Evergreen, Tropical Fruits/vegetables
- Fishing and Aquaculture
- Petrochemicals
- Sun and Adventure Tourism



Tabuk

- Sun, Sand and Mountain Tourism
- Fishing and Aquaculture
- Renewable Energy
- Information and Communication Technology (ICT)

Riyadh

- Information and Communication Technology (ICT)
- Insurance and Insurtech
- Fintech
- Machinery and Other Equipment
- Air Infrastructure
- Rail Infrastructure
- Tourism (Cultural & Heritage, Business)
- Healthcare and Life Sciences
- Education
- Renewable Energy

● Competitive sectors

● Emerging sectors



Northern Borders

- Mining
- Chemicals
- Transport and logistics



Al-Baha

- Cultural and Heritage Tourism
- Adventure Tourism
- Fruits/vegetables and grains
- Honey Production
- Almond Harvest
- Coffee



Qassim

- Bauxite
- Dates production
- Livestock Production



Al-Jouf

- Olive Cultivation
- Fruits, Vegetables and Grains
- Renewable Energy
- Culture and Heritage Tourism
- Eco-Tourism



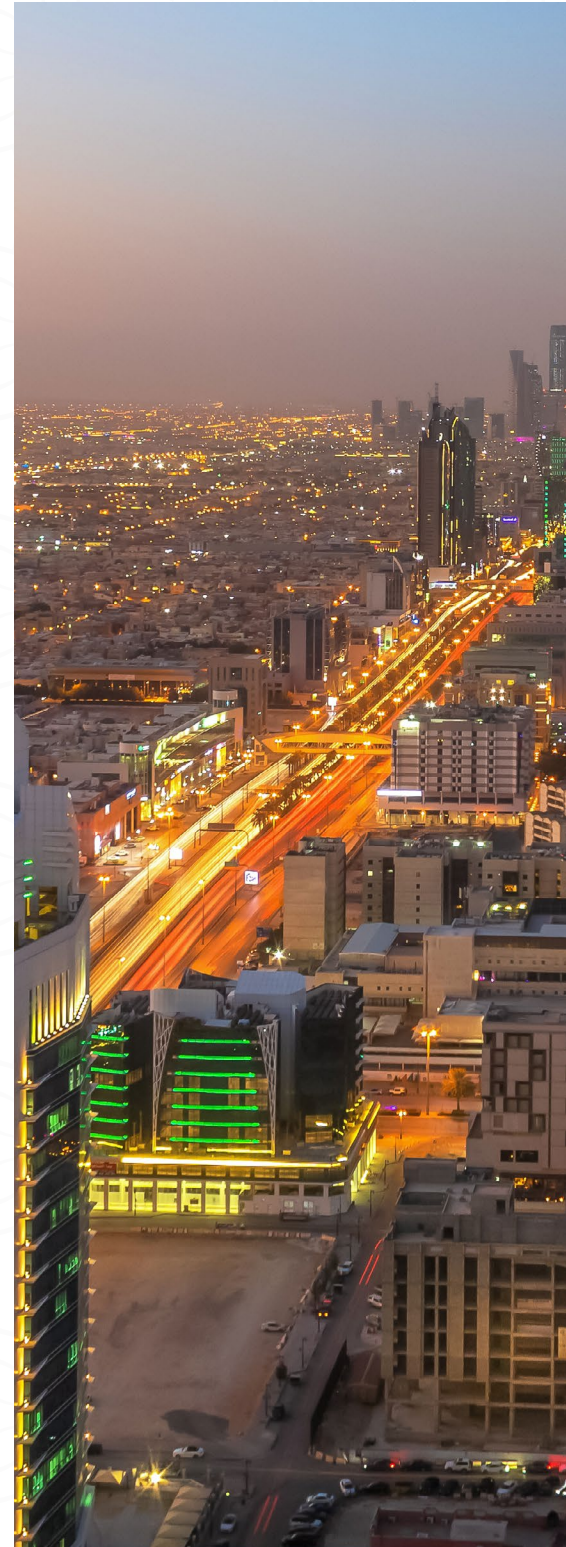
Najran

- Mining
- Citrus Fruits and Vegetables
- Culture and Heritage Tourism



Hail

- Fruits/vegetables
- Grains and Barley
- Poultry and Livestock Production
- Cultural and Heritage Tourism
- Adventure Tourism



Importance of Site Selection

Business location is an essential component in its eventual success or failure. Site selection can be pivotal in all sorts of businesses, including entrepreneurship, service, construction and manufacturing. Research indicates that optimum location is one of the primary causes of business success.

The site selection process has evolved considerably over the past years due to availability of massive amounts of data, development of advance software applications, economic growth and corporate expansion and general globalization of corporations. Several factors are considered when making the optimum selection such as demographics, logistics costs, educational facilities, economic performance, real estate availability, local employment drivers, recent expansions, infrastructure conditions, utility costs and others.

Process of Site Selection

The site selection process is a complex process that may be facilitated by different levels of government and economic development organizations by providing the company with information, making available prepared sites, fast-tracking permits and offering cost reductions such as economic development incentives. The process may have the following steps:

1. **Planning:** When taking on a new project, investors should consider their corporate strategy, purpose of their facility and advice from stakeholders.
2. **Research:** This stage involves site search and using data to advance from a long list of considered locations to a shorter list with narrower criteria. Sectors and sub-sectors that are developmentally advanced at a location are also considered at this stage.
3. **Modeling Costs:** Cost variables including acquiring, constructing and equipping a facility costs are assessed for different locations using financial analysis techniques.
4. **Touring:** Touring committees allow a search team to prepare a checklist for the final selection of site.

Regional Differences in Saudi Arabia

Like every country in the world, Saudi Arabia has varied economic development in its 13 regions. Investment flows differ from region to region, influenced by factors such as

A. Economic Development Level: One of the important factors affecting a country's foreign direct investment is the domestic economy. The core element of domestic economic factors is domestic growth in the regions.

B. Key Sectors: Sectors that are competitive for investment are different across all regions such as industrial manufacturing, renewable energy, mining, tourism, agriculture and others. Certain sectors are emerging as potential sectors for investment that provide ample opportunities for foreign and local investors which are also considered for choosing the suitable region.

C. Factor Endowment: The abundance of regional resources can affect the scale of investment of enterprises to a large extent. Technological capabilities, coastal regions, abundant human resources are some factors that differentiate regions.

D. Size of Foreign Trade: The Size of foreign trade is also an important factor in measuring the scale of foreign direct investment. The Size of foreign trade improves the level of regional economic development, market internalization advantages and advanced technology and equipment is available to the investors in the region. The available supporting funds and incentives in the regions are also important factors in determining the investment.

In this section, we outline the regions of the Kingdom and the factors that distinguish them.

Riyadh



Riyadh region is the economic powerhouse of Saudi Arabia and a leading hub in the Middle East.

With large-scale of transformation, industry growth and government initiatives across the region, Riyadh's competitive and unrivaled investment environment is creating a global brand that attracts talent, businesses, and tourists, and is synonymous with prosperity and quality of life.

Riyadh contributes almost 50% of the Kingdom's non-oil GDP. This growth is in large part supported by sizable government initiatives which are facilitating transformation across the Kingdom, with a focus on large-scale projects in Riyadh. Key program established by the Ministry of Investment (MISA) and RCRC is the regional headquarter (RHQ) initiative which has led to premier multinational organizations establishing a base of operations in Riyadh and transforming the region into a leading global destination. Through the program, eligible companies will receive significant incentives such as Saudization exemptions, visa limit exemptions, end to end business services, spouse and dependent work permits and others.



Riyadh is recognized by its **key competitive sectors** of **technology, financial services, industrial manufacturing, transport and logistics, tourism, healthcare and education**, which have been thriving in recent years by continued government efforts.

Information and Communication Technology (ICT)

During the 2020 G20 Summit, Riyadh was designated as the first digital capital city in the Arab world. The region has the highest proportion of technology-skilled labor in the Kingdom as a result of a strong presence of related university programs. The government is further supporting technology development through ventures intended to provide high-performance public cloud services in the Kingdom, especially in Riyadh, involving Saudi Telecom Company (STC), Electronic World Trade Platform (eWTP) (an initiative to promote and facilitate global trade and digital economy), Arabia Capital, and Alibaba cloud. With all the available support, Riyadh offers opportunities for investors looking to capitalize on the ICT sector growth.

By 2025, e-commerce in the Kingdom is expected to surpass USD 13 billion

Financial Services

Riyadh has a leading financial services sector, supported by technological advancements and key initiatives under Saudi Vision 2030. Areas with potential include commercial and digital banking, automated insurance, investment banking and capital markets. The Kingdom is seeing an increase in the insurance and insurtech sector, driven in large part by the country's sharia

compliant insurance markets – one of the largest in the world. As the financial capital of the Kingdom, Riyadh is at the center of the insurance and insurtech ecosystem, with continued projected opportunities on the horizon for the region. In its 2020 global report, Startup Genome named Riyadh as one of the top 20 cities to watch for in terms of achievements in financial technology (fintech).

SAMA is injecting more than USD 13 billion into Riyadh's financial sector

Industrial Manufacturing

Riyadh accounts for approximately 40% of the Kingdom's manufacturing sector being the home for over 3,500 factories and 8 industrial cities, the largest number across the Kingdom. With surplus of skilled workers and fiscal incentives – as SIDF loans - which reduce operational costs, the sector is expected to attract global manufacturing companies are to Riyadh for their future operations and manufacturing endeavors.

The region will be home to the largest industrial city in the world

Transport and Logistics

World-class infrastructure in Riyadh is a key driver that enables this sector to flourish further. The region is home to a network of three airports that hold a total share of 55% of air cargo handled in Saudi Arabia. The region's rail network and premier dry port also supports the movement of key goods such as minerals and industrial raw materials. Riyadh city will host the first metro network in Saudi Arabia and expected to accommodate more than 3.6 million daily passengers.

Tourism

Riyadh City is going through notable transformation to solidify its position as one of the world's leading global business, tourist, and quality of life hubs, with tremendous potential to develop its business tourism industry while hosting multiple world-class events as the Financial Investment Initiatives (FII), the Global Entrepreneurship Congress among others. The region is also home to historic sites such as Al Masmak Palace, the Diriyah area, the old town of Al Ghat, and the village of Sadus. Markets, huge commercial complexes, malls, car shows, sports clubs, significant hotels and restaurants, and modern parks and gardens can also be found in Riyadh.

10 million visitors come to the region during the 100 days of 'Riyadh Season' (an entertainment festival)

Healthcare and Life Sciences

Riyadh is home to a growing life sciences ecosystem – comprised of high-quality and accessible healthcare facilities and research centers. The region's world-class healthcare entities are supported by ongoing government initiatives aimed at further propelling Riyadh as a dominant life sciences hub in the Middle East. The region is also home to the King Fahad Medical City (KFMC) – one of the fastest growing medical complexes in the Middle East. Riyadh has also been placed at the forefront of the Kingdom's ambition to localize 40% of the pharmaceutical sector by 2030.



For details on existing and potential investment opportunities in Riyadh, refer to "Invest in Riyadh".



Makkah



Makkah Region is a global hub with unparalleled investment opportunities. The region's strategic location and religious importance has positioned it under the world's spotlight.

Situated on the Red Sea, Makkah has a thriving tourism, fishing and aquaculture sectors along with growing mining opportunities. Investors can benefit from regional and local growth and innovation across Makkah City, Jeddah, and Taif.



Makkah is recognized by its **key competitive sectors** of **transport and logistics, tourism, mining and fishing and aquaculture**, which have been thriving in recent years by continued government efforts.



Transport and Logistics

Located on the Arabian Peninsula and overlooking the Red Sea, Makkah is well connected to the neighboring regions and to the rest of the world. Global shipping companies moving their goods to and from the region benefit from Makkah's strategic connections to Asia, Africa and the Gulf Cooperation Council (GCC), with approximately 12% of global trade passing through the Suez Canal (the connection between the Mediterranean with the Red Sea).

Makkah's three main ports handled over USD 4 billion in exports and USD 11.6 billion in imports in 2021



Tourism

The region's tourism sector has something for everyone. As Islam's holiest region, the city of Makkah has long attracted 8.5 million international Umrah visitors and 1.8 million Hajj performers from around the world in 2019. Today, a growing number of tourists are starting to uncover the region's natural and cultural wonders – including old-world architecture in Jeddah Old Town, scenic beaches across the Red Sea Coastline, Taif's unique landscape of mountains and more than 900 rose farms and expanding entertainment options.



Mining

Makkah is widely recognized as a hub for mining, holding several of the most important operational mines and exploration projects in the Kingdom such as Mansourah-Massarrah, which is expected to be the Kingdom's largest gold mine. The region has a robust investment ecosystem, holding about 15.4% of total mining licenses in the Kingdom as of 2019.

Makkah holds 58% of the Kingdom's gold reserves



Fishing and Aquaculture

Located on the Red Sea, Makkah has a global competitive advantage in the fish farming and production sector. The region is responsible for more than 80% of the total fish production in the Kingdom which ascended to 70 thousand tons in 2018. The Ministry of Environment, Water and Agriculture of Saudi Arabia (MEWA) has identified four investor ready locations across Makkah that are geographical and environmentally suitable for aquaculture.

The National Fisheries Development Program (NFDP) plans to attract more than USD 4 billion of foreign and local investment in the aquaculture sector

Makkah's growing economy also supports the **emerging sectors** of **automotive manufacturing and sun, sand and mountain tourism**, that seek investment to further bolster their development.



Automotive

With a growing number of automotive manufacturing companies, Makkah Region, and specifically Jeddah, has positioned itself as an emerging automotive hub in the Kingdom. Auto-parts manufacturers and assemblers in Jeddah account for 27% of the total number in the Kingdom, which provide a range of activities related to supplying and assembling vehicle components. With local and global market demand set to increase, this sector is anticipated to continue to grow in Makkah.

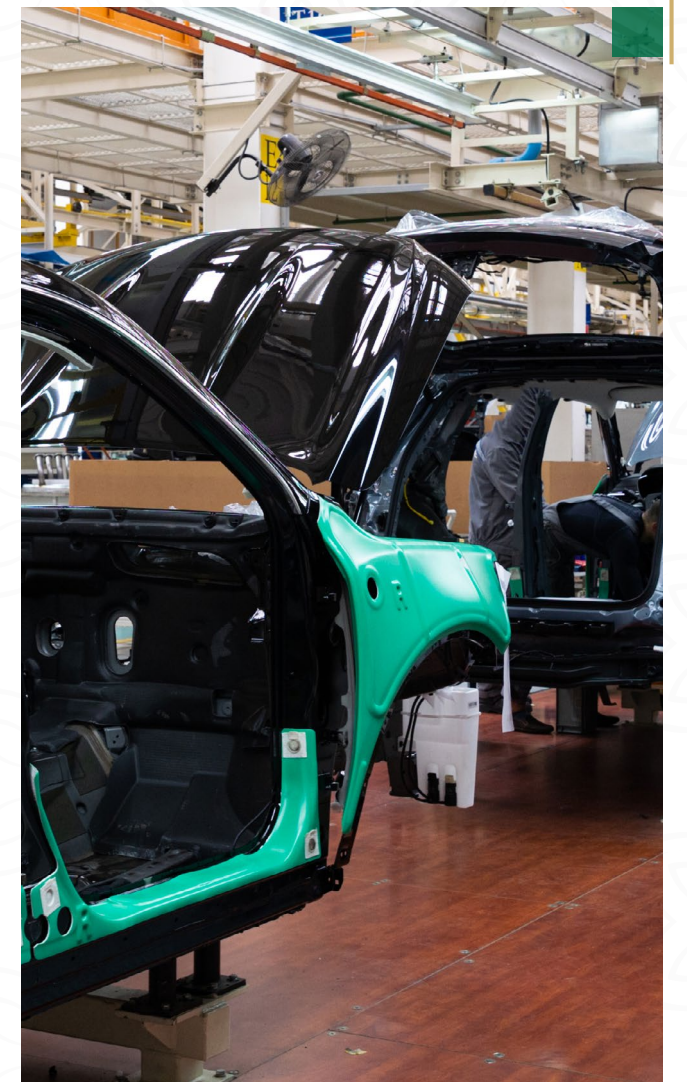
King Abdullah Economic City will be the home to LUCID group manufacturing facility of electric vehicles



Sun, Sand and Mountains

Makkah Region is home to sandy beaches found along the Red Sea coastline, scenic mountains, and desert sand banks. With global tourism experience set to continue growing over the coming years, opportunities exist to further develop Makkah's hidden gems and support the region's emerging sun, sand and mountains destination sub-sector.

Makkah has the 2nd highest global overnight international visitor spending globally



For details on existing and potential investment opportunities in Makkah, refer to "Invest in Makkah".



Al-Madinah



As home of one of the holiest cities of Islam and one of the Kingdom's largest tourism mega-projects, Al-Madinah is a globally renowned touristic destination.

With abundant natural resources, access to the Red Sea and advanced infrastructure, the region also has a world-class petrochemical sector and an expanding mining and metals industry. Furthermore, strategic projects such as the Knowledge Economic City offer opportunities in diversified industries. Al-Madinah's two main ports handled almost USD 1.1 billion in exports, and over USD 1.4 billion in imports in 2021.



Al-Madinah is recognized by its **key competitive sectors** of **tourism**, **mining** and **petrochemicals**, which have been thriving in recent years by continued government efforts.



The region is home to 7 historical mosques including the Prophet's Mosque, key Islamic heritage sites which attract millions of visitors. Adding to Al Madinah's strength as a tourist destination, the region also features the AlUla mega-project, an archaeological, cultural, and touristic complex including the first UNESCO World Heritage Site in Saudi Arabia. In 2019, international and domestic tourism to Al-Madinah generated over USD 1.6 billion in tourist expenditures.

More than 7 million trips to Al-Madinah in 2021 where AlUla is expected to attract 2 million visitors annually by 2035



Al-Madinah possesses an abundance of mineral resources, including large reserves of base metals such as copper, as well as an important mineral processing and metal manufacturing sector. It also features a longstanding precious metal extraction industry with significant reserves potential, including the Mahd-Al Dahab mine, one of the largest and oldest gold mines in the Kingdom.

The region holds over 42 million tons in crude copper, lead and zinc reserves and 1.2 million tons of other precious metals reserves (gold and silver)



Al-Madinah holds a strategic position for petrochemicals due to its privileged access to east-west pipelines. Another important enabler is Yanbu Industrial City with one of the largest oil refining facilities in the world. Petrochemical companies in the region benefit from large export capacity through the region's Red Sea ports offering access to regional and international markets.

Home to one of the world's largest oil refineries, processing 400,000 barrels of oil per day

Al-Madinah's growing economy also supports the **emerging sector** of other high potential **minerals mining** that seeks investment to further bolster its development.



Al-Madinah features abundance of other high-potential minerals with applications in advanced industries such as aerospace and pharmaceuticals. The region boasts 430 million tons of niobium and tantalum reserves and 12 million tons of magnesite and magnesium carbonate. Uranium deposits have also been identified. Aluminum manufacturing shows promising demand in the region due to the presence of an emerging industry.



Sharqia



Home to some of the largest oil fields in the world, Sharqia is known as the Kingdom's prime energy hub. The region's abundant natural resources and industrial ecosystem support the development of competitive oil, gas and petrochemicals industries.

Sharqia has world-class transportation infrastructure which enables large-scale local and global trade. Sharqia also provides a platform for new and innovative industries for the region, such as automotive. With and a strategic location and unparalleled government support, opportunities in the Sharqia await.



Sharqia is recognized by its **key competitive sectors** of **energy** and **petrochemicals** which have been thriving in recent years by continued government efforts.

Energy – Oil & Gas

Two of the largest onshore and offshore oil fields in the world by reserves – Al Ghawar and Al Safaniya – are located in the region, as well as Saudi Aramco (the Kingdom's leading oil and gas company) and Saudi Basic Industries Corporation (one of the largest chemical companies in the world) and an energy mega project King Salman Energy Park (SPARK), with a fully integrated industrial ecosystem. The region plays a key role in achieving Saudi Vision 2030's objectives of growing value in the oil, gas and petrochemical sectors of the Kingdom.

The region accounts for more than 50% of the Kingdom crude oil production

Petrochemicals

The region leads the Kingdom in terms of petrochemical exports in the country, being the home to largest petrochemical companies and the world's largest integrated chemical complex built in a single phase (SADARA).

Competitive access to raw materials positions the region as an ideal place to build synergies with the oil industry and to expand into downstream solutions, such as specialty chemicals.



Transport and Logistics

The region has direct access to all GCC countries through land and sea transportation, with 66% of non-oil exports passing through Sharqia's seaports. Specifically, the region's favorable location on the eastern coastline with major ports supporting the large-scale movement of goods to and from the Kingdom and enable the region's growing industrial sector. In addition to ports, King Fahd International Airport in Dammam is the 3rd largest airport in the Kingdom number of passengers. The region has a railway network connecting to Riyadh with plans to advance the freight system connecting key industrial cities.

Well-connected region with four of the major ports in Saudi Arabia, third largest international airport in the Kingdom and a railway network



Sharqia's growing economy also supports the **emerging sectors** of **transport and logistics**, **automotive manufacturing** and **railway**, that seek investment to further bolster their development.



Automotive

The region's ongoing expansion centers around industrial manufacturing capacity, with a focus on the automotive sector. Sharqia benefits from access to raw materials, numerous industrial cities and government support for the establishment of the automotive cluster and the first vehicle manufacturing company in Saudi (SNAM).

Sharqia accounts for 30% of the total auto-parts manufacturers and assemblers in the Kingdom



Railway

Eastern Railway is an important corridor for the transport of goods through the region and to neighboring markets. Opportunities exist to further leverage the region's railway network to support the large-scale movement of goods across the region and to neighboring countries.



For details on existing and potential investment opportunities in Sharqia, refer to **"Invest in Sharqia"**.



Aseer



Aseer is a hidden gem – with rich heritage, unique tourism locations, and a fruitful natural landscape.

Located on the Red Sea coast within the Sarawat Mountains (Saudi Arabia's longest mountain range), Aseer is seeing large-scale government support aimed at transforming the region and enhancing growth across key subsectors – including adventure tourism and honey production.



Aseer is recognized by its **key competitive sector** of **tourism** which has been thriving in recent years by continued government efforts.

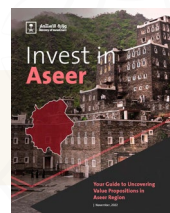
Culture and Heritage Tourism

With rich heritage, a unique topography including unspoiled wilderness and high mountain peaks, Aseer is set on becoming a haven for adventure seekers and a key tourism hub in the Middle East. Visitors will have the chance to enjoy outdoor activities along the region's 180 km-long coastline, desert dunes in Tathilth and Bisha, and over more than 4,000 traditional and culturally significant villages such as Rijal Almaa. Visitors will also benefit from growing luxurious and modern accommodations across the region through Saudi Vision 2030 project, Al Soudah Development. Combining the urban, cultural, and natural elements, notable opportunities are materializing in Aseer to support this emerging tourism destination.

Aseer aims to attract more than 10 million visitors by 2030

USD 13.3 billion for tourism initiatives for the region aimed to transform it to a year-round destination.

The region accounts for 24% or 778,164 kilograms of the total honey produced in the Kingdom



For details on existing and potential investment opportunities in Aseer, refer to **"Invest in Aseer"**.



Jazan



With abundant natural resources and a strategic location on the Red Sea, Jazan offers great economic opportunity.

Jazan is one of the Kingdom's most important agricultural regions, producing a wide range of tropical fruits and other agricultural products. With a 300 kilometers-long coastline, it also boasts a thriving aquaculture and fishing industry, as well as an emerging sun and adventure tourism sector. Jazan's proximity to major pipelines and its oil refining capacity makes it a key petrochemical hub. The region also features Jazan City for Primary and Downstream Industries (JCPDI), a major national project for economic growth and diversification.

Aseer's growing economy also supports the **emerging sector** of **honey production** that seeks investment to further bolster its development.

Adventure Tourism

Aseer is considered the greenest area in Saudi Arabia and the forests of Aseer constitutes of 80% of the Kingdom's forest. The region's mountain range includes 20 of the highest peaks in the Kingdom – including Al Soudah (the highest peak in Saudi Arabia raising over 3,000 meters above sea level) and Aseer National Park (the first park to be opened in the Kingdom spreading over 4,500 square kilometers. The mountains of Aseer are a key draw to the region and with the support of national initiatives are expected to attract around 3 million visitors by 2030.

Aseer is home to Al Soudah – the highest mountain peak in Saudi Arabia with a height of 3,000 meters above sea level

Honey Production

The region's natural wonders further support a fruitful agriculture sector. Aseer's climate and location have produced an abundance of fertile lands ideal for honey production. The region is the 2nd highest honey producer in the Kingdom. The region's mountainous landscape creates an exemplary location for the production of Sidr honey, a renowned premium honey known for its high quality. With global honey production facing challenges including declining bee populations, Aseer's honey production ecosystem has remained strong.

Aseer is promised strong ongoing support for future growth of key sectors through leading entities such as the Aseer Development Authority.



Jazan is recognized by its **key competitive sectors** of **agriculture, fishing and aquaculture** and **petrochemicals**, which have been thriving in recent years by continued government efforts.



Agriculture

Known as the “Kingdom’s fruit basket” the region produces 30 different types of fruits such as mangoes, figs, guavas, pineapples, bananas, papayas, watermelons, and more. Coffee is another important agricultural product of the region and a vital part of Jazan’s heritage, with a 300-year-old tradition around Khawlani coffee. Jazan is also renowned as one of the richest areas for aquaculture resources in the Kingdom.

With a coffee production of around 500 (2019), Jazan is one of the Kingdom’s most important coffee producers.



Fishing and Aquaculture

With extensive territorial waters on the Red Sea, Jazan is renowned as one of the richest areas for aquaculture resources in the Kingdom. Fish production in the region represents 35% of total output of all Red Sea fisheries and almost 20% of total fish production in the Kingdom. The main products stemming from Jazan are shrimps, crustaceans, mollusks, among others.

In 2018, the region accounted 76% of the country’s total fish farming ponds area



Petrochemicals

Jazan’s strategic location and significant oil refining capacity, makes it an industrial hub for diversified downstream production. Jazan’s refinery, one of the largest in the Kingdom, is the cornerstone of an expanding petrochemicals industry. With capital investment totaling more than USD 18 billion, the facility has capacity to process 400,000 barrels of oil per day. The region is also home to Jazan City for Primary and Downstream Industries (JCPDI), which gathers 10 diverse industries including petrochemical, conversion metals, agriculture and aquaculture.

The region is home to one of the most important refineries in the Kingdom and the largest Integrated Gasification Combined Cycle (IGCC) complex in the world.



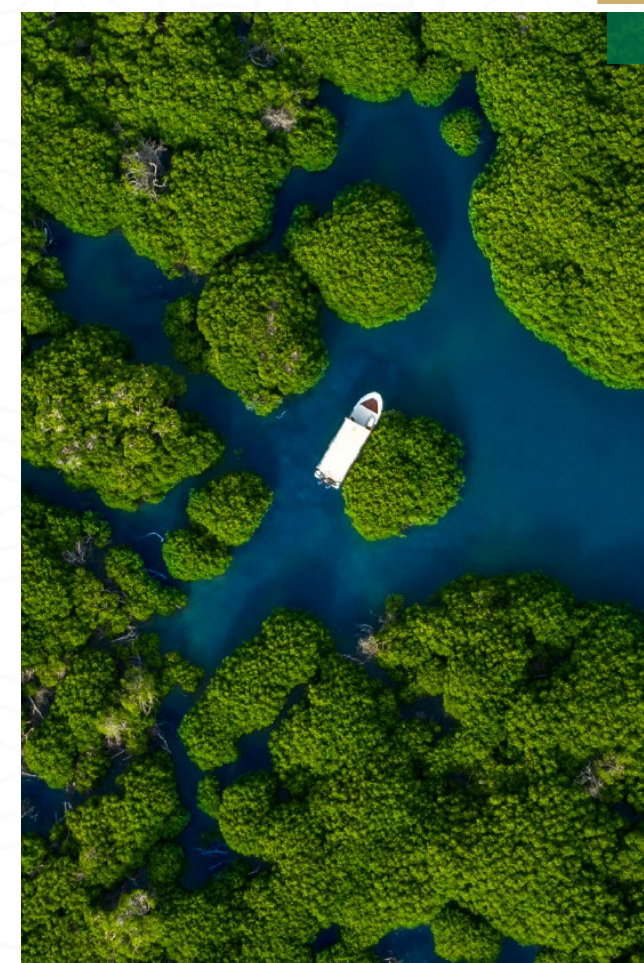
Jazan’s growing economy also supports the **emerging sector** of **tourism** that seeks investment to further bolster its development.



Sun and Adventure Tourism

With a unique mix of natural assets ranging from pristine islands to breathtaking mountains, the region is also increasingly capitalizing on its varied geography to foster the development of its rising tourism industry. Existing tourist attractions include archaeological sites as well as spectacular sun and adventure destinations, most famously the Farasan Islands. Designated as a UNESCO biosphere reserve in 2021, the pristine islands have received international attention and are the focus of multiple investments. Other natural landmarks of the region are Al Muwasem Beach in the south and Al Shuqaiq Beach in the north, the Faifa mountains, Jabal Qahar and Wadi Lajab.

In 2019, there were around 2.4 million trips to Jazan, the vast majority of which were domestic trips



For details on existing and potential investment opportunities in Jazan, refer to “Invest in Jazan”.



Tabuk



Tabuk is a region undergoing unparalleled transformation. The region is home to some of the Kingdom's most groundbreaking initiatives and hundred-billion-dollar investments.

In NEOM, a futuristic urban development, the region is creating 'tomorrow's world' by bringing together natural wonders and emerging technologies. As Saudi Arabia's largest giga project and a key initiative of Saudi Vision 2030, NEOM will spur rapid growth and investment across the region's key sectors – including tourism, fishing and aquaculture, renewable energy, and ICT. Through NEOM, Tabuk is witnessing a digital transformation across all sectors. The region will be home to the world's first hyper-connected cognitive city, which will showcase cutting-edge developments in 5G, the Internet of Things (IoT), data analytics, virtual reality, augmented reality, smart homes and autonomous vehicles.



Tabuk is recognized by its **key competitive sector of tourism** which has been thriving in recent years by continued government efforts.



A rising tourism destination by the Red Sea, Tabuk also offers a combination of coastal and desert scenery, unique landmarks, and heritage. Adding to its natural assets, several giga projects – including AMAALA and the Red Sea Project – are helping to position the region as one of the main attractions for tourists in the Kingdom. AMAALA is a luxury tourism destination set to be completed in 2027, with 3,000 hotel rooms offering wellness, sports, arts, culture, sea, sun and lifestyle activities. The Red Sea Project is the world's most ambitious regenerative tourism project featuring 90 pristine islands, miles of sweeping desert and dramatic mountain landscapes.

NEOM is expected to host 1 million visitors by 2025 and 5 million visitors by 2030

Tabuk's growing economy also supports the **emerging sectors of renewable energy, fishing and aquaculture and information and communication technology**, that seek investment to further bolster their development.



With its location on the Red Sea, Tabuk has a comparative advantage in the fish farming and production sector. The region is one of the largest fish producers in the Kingdom. MEWA has identified two investor-ready locations in the region that are geographically and environmentally suitable for aquaculture, Umluj and Diba. Umluj and Diba are characterized by a suitable climate, developed road network and, proximity to sea landing home point.

Tabuk was ranked 2nd in the Kingdom for production of fish and 1st for production of European Seabream in 2018 – 2,080 tons



Renewable Energy

Tabuk's climate and location help provide key building blocks on which to grow the region's renewable energy sector, in particular solar and wind energy. The region experiences the highest wind speeds in the Kingdom and receives abundant sunlight. As a result, two locations in Tabuk have been identified by Ministry of Energy for solar and wind energy production due to notable comparative advantages.

Largest solar panel factory in the MENA region with an investment of nearly USD 187 million is located in Tabuk



Information & Communication Technology (ICT)

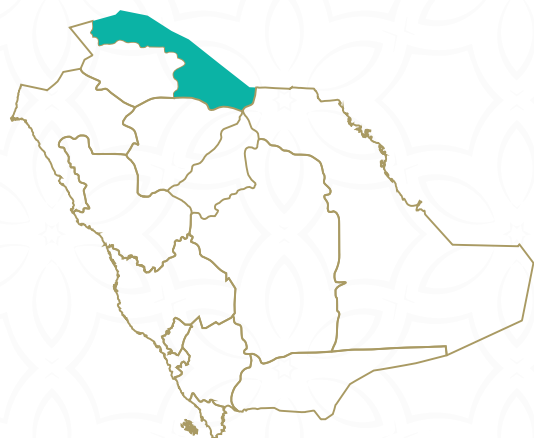
With multiple initiatives and projects underway in the region, it is safe to predict that Tabuk will become a prominent ICT destination. NEOM will not only lay the infrastructure for hyperconnectivity, but also for data access, processing, analysis, and human interaction with advanced technologies such as robotics. As the location for this important technology complex, Tabuk will support the Kingdom as an emerging ICT hub globally.



For details on existing and potential investment opportunities in Tabuk, refer to "Invest in Tabuk".



Northern Borders



Northern Borders is Saudi Arabia's emerging metals and chemicals hub.

Supported by an abundance of natural resources, well-established mining and chemical production sectors, and a reliable rail and road network, this booming ecosystem is bringing vital metals and chemical products to national and international markets.



Northern Borders is recognized by its **key competitive sectors** of **mining** and **chemical products** which have been thriving in recent years by continued government efforts.



Mining

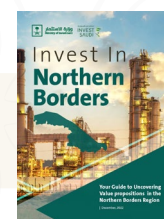
Northern Borders holds 7% of the world's total phosphate reserves. With increasing government investment, the Kingdom aims to become the 2nd largest phosphate producer in the world by 2024. Coupled with the global phosphate fertilizer market projected to pass over USD 90 billion by 2028, Northern Borders presents unparalleled opportunities for investors in the sector.

One of the largest phosphate reserves in the world



Chemicals and Chemical Products

The region has 2 high-production capacity industrial cities one of which is Wa'ad Alshamal – the Kingdom's leading phosphate and chemical production site. With ease of access to phosphate and other minerals, Northern Borders' chemical production industry shows promise for future growth. In 2019, the chemical production sector had an existing investment ecosystem, holding approximately 10% of the national and joint licenses in the Kingdom, which can be leveraged for future opportunities.



For details on existing and potential investment opportunities in Northern Borders, refer to "Invest in Northern Borders".



Northern Borders's growing economy also supports the **emerging sector** of **transport and logistics** that seeks investment to further bolster its development.



Transport and Logistics

The region also has a strong road and rail transportation network with over 98,011 kilometers of well-maintained roads and highways, and a leading freight network equaling over 1,550 kilometers in length. This network, along with the recently opened Jedaidat Arar port, links Northern Borders with growing national markets and key international markets (including Jordan and Iraq). The region's transport infrastructure helps provide companies operating in the region with reliable transportation networks to get their products to national and international markets.



Al-Jouf



Aptly named ‘the food basket of the Kingdom’, Al-Jouf is the Kingdom’s agricultural hub. From hosting the largest olive farm to being the highest producer of wheat in the Kingdom, Al-Jouf has a lot to offer.

The region’s climate has not only helped put the region at forefront of achieving the Kingdom’s goal of food self-sufficiency, it has also enabled it to take the pilot seat for the Saudi Green Initiative by being the site of the Kingdom’s first two renewable energy projects. The region represents the northern gate to the Kingdom as it connects to Jordan – facilitating trade and logistics through the Al-Haditha land port, the third busiest land port in the Kingdom with USD 247 million (2019) worth of import-export flow.



Al-Jouf is recognized by its **key competitive sectors** of **agriculture** and **renewable energy** which have been thriving in recent years by continued government efforts, including the establishment of a strategic office.



Agriculture

Al-Jouf is one of the largest agriculture producer of the Kingdom and most forested region. Home to the record-holding largest olive farm in the world, Al-Jouf produces a number of varieties of high-quality olive oil for internal consumption and export. The region has hosted the Annual Olive Festival since 2008 to boost the economic and social outlook of the local community. Honey, dates, vegetables, fruits, wheat, and fodder are also prime cultivations in the area.

Al-Jouf has the highest production of wheat (149,661 tons) in the Kingdom in 2018



Renewable Energy

Al-Jouf has contributed to the Kingdom’s move towards becoming a notable renewable energy producer and in achieving the Kingdom’s aim of Net Zero Emission by 2060. The Sakaka Solar Photovoltaic Plant and Dumat Al Jandal Onshore Wind Farm are multi-million projects which have a combined capacity of 700 Mega Watts.



For details on existing and potential investment opportunities in Al-Jouf, refer to “**Invest in Al-Jouf**”.



The total capacity of Sakaka Solar PV Plant and Dumat-al-Jandal Onshore Wind Farm in Al-Jouf including providing power to around 115,000 Saudi homes

Al-Jouf’s growing economy also supports the **emerging sector** of **tourism** that seeks investment to further bolster its development.



Tourism

The region is one of the oldest places to be inhabited by humans and is full of archeological sites. The region is covered in part by the King Salman Royal Nature Reserve, a wildlife preservation initiative and is home to the tentative UNESCO World Heritage site of Dumat-al-Jandal. Al-Jouf holds the potential to attract national and international attention to its cultural, heritage and eco-tourism destinations with 58% of the land area designated as protected by the Saudi Wildlife Authority.



Al-Baha



Al-Baha is the smallest region in the Kingdom and is home to one of the most beautiful mountain ranges and forests scattered with rare wildlife, plants, and trees in the Kingdom.

The region has a favorable year-round climate and the highest precipitation rate in the Kingdom. Al-Baha is abundant in trees bearing pomegranates, dates, olives and several other fruits and grains. The region offers a wide range of investment opportunities focused on promoting the region's growth and development.



Al-Baha is recognized by its **key competitive sectors** of **tourism** and **agriculture** which have been thriving in recent years by continued government efforts.

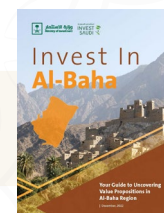


Nestled between the Makkah and Aseer regions, Al-Baha is gaining prominence due to its majestic landscape which includes valleys, mountains, waterfalls, and forests – making it an ideal get-away for tourists. The region is also home to multiple heritage sites including caves, castles and villages, particularly the Zee-Ain Heritage Village, a tentative UNESCO World Heritage Site, that give visitors a taste of history and life in early days of Islam. The tourism sector has been gaining strength in the region by attracting domestic and foreign tourists, with total tourist expenditure amounting to USD 414.4 million in 2020. Hosting one of the highest summits in the Kingdom, Jabl-Shada, the region attracts mountain climbers and campers as well.

Al-Baha is set to host the Kingdom's first forest resort, 1,700 meters above sea-level.



A moderate climate, ample rainfall, an abundance of groundwater and soil fertility present significant competitive advantages for agriculture production in the region. Host to the Annual International Honey Festival, Al-Baha the top producer of honey. Apart from the production of fruits and grains, Al-Baha's pomegranate production is the highest in the Kingdom with 30,000 tons annually. The sector has immense investment potential to further strengthen the Kingdom's efforts in achieving food sufficiency.



For details on existing and potential investment opportunities in Al-Baha, refer to "Invest in Al-Baha".



Al-Baha holds a fruit cultivated area of more than 8 millions square meter in 2019

Al-Baha's growing economy also supports the **emerging sectors** of **almond harvesting** and **coffee production** that seek investment to further bolster their development.



The mountainous terrain of Al-Baha coupled with moderate temperature provide an ideal climate for the growth of almond trees. The present scale of almond plantation offers room for growth to further explore the potential of this market with current production of 30,000 kgs of almonds annually (2020).

There are an estimated 30,000 (2020) almond trees in the region



Al-Baha holds 18,000 coffee trees with Shadweya coffee being unique to the region. The region will soon be home to a Coffee City under the Saudi Coffee Initiative which is set to attract investment in the sector, further highlighting the importance of coffee in the Arab region.

Al-Baha currently produces 20 tons (2021) of pure coffee

Najran



Home to abundant unexploited reserves of copper, zinc, granite, and other precious metals, Najran is a land of opportunity for the mining sector.

Abundant natural resources, together with supportive government initiatives, such as the Najran Valley Development Project, create a competitive environment for this industry. With fertile lands and numerous historical sites, opportunities for growth also lie on the horizon for the agriculture and tourism sectors.



Najran is recognized by its **key competitive sector** of **mining** which has been thriving in recent years by continued government efforts.



Najran's mining sector strengths lie with its natural wealth. The region has the largest geological reserves of copper in the Kingdom, has been ranked as the 2nd most competitive region for copper mining, and has the 3rd largest base metals reserves in the Kingdom. The ecosystem is further supported by established organizations, such as the Al Masane Al Kobra Mining Co (AMAK) which has operated the the Al Masane Mine project since 2008. The mine specializes in producing copper and zinc and has received investments totaling USD 124.55 million.

The Al-Masane mine project is one of the Kingdom's biggest mining projects for ore, copper, zinc, and lead production



For details on existing and potential investment opportunities in Najran, refer to "Invest in Najran".



Najran's growing economy also supports the **emerging sectors** of **agriculture** and **tourism**, that seek investment to further bolster their development.



Najran features green landscapes, fertile soils and an abundant water supply – collected in the Najran Valley Dam – which supports the region's agriculture sector. With its natural wealth and supportive government projects, Najran's agriculture sector is poised for continued growth. Najran grows a variety of fruit such as peaches, apricots, apples, lemons and oranges (which are plentiful in the region). The region also has a notable livestock industry, focused on lambs and goats.

Najran holds 465,376 fruitful trees (excluding palm) with 27,240 tons of fruit production in 2018



Najran's tourism sector has shown notable potential. The region is home to around 200 archeological and historical sites with ongoing excavations promising to uncover more hidden treasures. The region boasts a unique landscape with valleys, mountains and deserts. Najran's potential for cultural and heritage tourism has been brought into the spotlight by the recent designation of the Hima Cultural Area as a UNESCO World Heritage Site.

The Hima Cultural Area was designated as a UNESCO World Heritage Site in 2021

Qassim



Qassim is a region rich in natural resources and agriculture. Home to the only bauxite mine in the Middle East, Qassim is a major contributor to the production of aluminum in the Kingdom.

Beyond Bauxite, the region has nonfuel materials which are mined for their commercial usage. With an abundance of natural resources and favorable climate conditions, Qassim offers notable investment opportunities in mining, agriculture (including a focus on date production and livestock breeding).



Agriculture

Qassim rich soil and a desirable climate, the region is an agriculture leader in the Kingdom. Specifically, Qassim is known for the crop production of grapes, lemons, oranges and dates. Home to the largest palm tree agriculture project in the world (Al Batin), the region is also rich in palm trees. Each year, the region hosts the biggest date festival in the world in the city of Buraidah.

In addition to being agriculturally rich, Qassim has rural lands that favor livestock production including sheep, goat, poultry and especially camels. To develop and support camel breeding production, the region has established the world's largest camel hospital (Salam Veterinary Camel hospital). Qassim provides different investment opportunities within the camel sector including production of meat and dairy products.

Qassim is recognized by its **key competitive sectors** of **mining** and **agriculture** which have been thriving in recent years by continued government efforts.



Mining

Al Baithah Mine – a high-efficiency aluminum production complex – produces approximately 5 million tons of bauxite which contributed to the production of 1.8 million tons of aluminum in the Kingdom in 2020. With bauxite reserves of 183.4 million metric tons, Qassim presents unparalleled investment opportunities in this booming sector.

Home to the only bauxite mine in the Middle East (Al Baitha) – with abundant reserves accounting for 183.4 million metric tons

2nd highest number of palm trees in the Kingdom, with around 8 million palm trees



For details on existing and potential investment opportunities in Qassim, refer to “**Invest in Qassim**”.



Hail



Hail is poised to play a significant role in helping the Kingdom undertake key transformational objectives – including increasing food security and growing the tourism sector.

The region's strategic location within the Kingdom has positioned Hail as an important trade hub, comprised of historical routes going from east to west and north to south. The region's location has further provided Hail with a central place in the Arabian Peninsula's development.



Hail is recognized by its **key competitive sectors** of **agriculture** and **tourism** which have been thriving in recent years by continued government efforts.



Agriculture

With Hail's water availability, suitable soil, and appropriate climate, the region features abundant agricultural resources. The region is a key producer of a variety of agricultural products, such as fruits and vegetables, grains, barley, and livestock. Hail's fertile lands and agricultural know-how are enabling modern agricultural farms and new hydroponics facilities. Various initiatives are also being developed to expand the region's food processing capacities and integrate the food value chain.

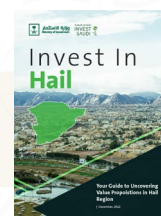
4th largest sheep breeding and 5th largest poultry farming across the Kingdom (2018)

Hail accounts for over a third of potato production in the Kingdom



Tourism

Hail also boasts a rich cultural heritage and significant archeological sites, as well as a breathtaking topography including a mix of caves, mountains, plains, and volcanoes. These unique attributes have contributed to making the region one of the fastest-growing tourism destinations in the Kingdom, with tourist trips



For details on existing and potential investment opportunities in Hail, refer to **"Invest in Hail"**.



to the region more than doubling from 2016 to 2020. The region is building on this momentum and expanding its accommodation and entertainment offerings, with key projects including the Hail Season Cultural Festival and the Hail International Rally, along with major hotel and museum developments.

Home to 2 UNESCO World Heritage sites and natural assets

Hail's growing economy also supports the **emerging sector** of **tourism adventure** that seeks investment to further bolster its development.



Adventure Tourism

With breathtaking red sand dunes and mountainous areas, Hail represents an attractive location for adventure tourists interested in out-of-the-ordinary sports and hiking experiences. One of the region's greatest assets for adventure tourism is the Al-Nufud Desert, which spreads across 40,000 square kilometers. Along with desert entertainment activities, Hail hosts yearly desert festivals celebrating the region's heritage through diversified activities involving poetry, food, desert live shows, etc.

Adventure visitors to the region are drawn to the Al-Hatima Volcano Crater which has a 2 kilometers diameter

KEY PROJECTS, INITIATIVES & PROGRAMS

NEOM

AMAALA

Red Sea Global

Qiddiya

Diriyah Gate Project

The Saudi Green Initiative

Rua Al-Madinah

Dar Al Hijra

Rou'a Al Haram

National Transformation Program (NTP)

Privatization Program

National Industrial Development and Logistics Program (NIDLDP)

Pilgrim Experience Program

Saudi Downtown Company



NEOM

NEOM is a major initiative of Saudi Vision 2030 and one of the country's largest giga projects. The futuristic project calls for the construction of a new sustainable city on a 26,500-square-kilometer plot of deserts, valleys, and mountains.

The smart city will be exclusively powered by renewable energy, including the world's largest hydrogen plant and **100 percent clean energy generated** by wind and solar sources. Furthermore, the city will be equipped with superior characteristics, such as secure 5G hyperconnectivity, purpose-built data centers, innovation and startup-ready ecosystems, and consumer-focused solutions. The NEOM project is currently working on a number of projects, when put together the entire project reaches an estimated budget of **USD 500 billion**.

The city will enact a progressive legislation that is in line with current international standards, while also maintaining accessible reach to the rest of the globe, as it is only 4 hours away by plane from nearly **40% of the global**. This will positively impact the economic growth within NEOM and with future partners.



AMAALA

AMAALA is recognized as one of Saudi Vision 2030's mega projects, currently the project is working towards becoming a luxury tourism destination, which is being developed along Saudi Arabia's Northern Red Sea Coast to curate transformative personal journeys.

The project takes a holistic approach to health and wellness, focusing on three key dimensions: **wellness and sports, arts and culture, and finally the sea, sun and lifestyle**.

The project consists of three major pillars: The Coastal Development, The Triple Bay, and The Island. AMAALA will have six hotels and around **1,000 hotel rooms** as part of the first phase of development, which is **expected to be completed by 2024**. Further development will have approximately **3,000 hotel rooms** split over 25 hotels, as well as 200 high-end retail establishments, fine dining, spa, and recreational services, which **will be completed in 2027**.



Red Sea Global

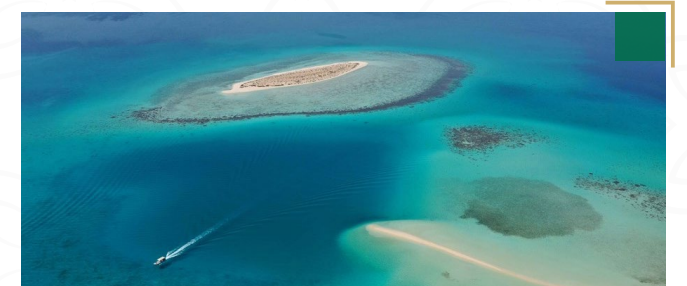
Red Sea Global

The Red Sea Project is considered the most ambitious regenerative tourism project in the world.

The project features a diversified mountainous landscape spanning from canyons to volcanoes, as well as an archipelago of pristine islands, with over **28,000 square kilometers** of magnificent desert scenery and a diverse mountainous landscape. The area in which the project will be built is home to over **90 islands** that serve as biodiversity hotspots, as well as a lagoon with 175 different coral varieties and **195 different fish species**. Furthermore, near the project site tourists will find Harrat Lunayyir, a volcanic field with mineral-rich soils and clays and a UNESCO World Heritage site.

The Red Sea project will be at the forefront of the Kingdom's efforts to diversify its leisure industry. The project's purpose is to protect, preserve, and boost local ecosystem while also establishing a new standard for sustainable development. The project is estimated to add **USD 4 billion** to the Kingdom's GDP per year and create up to **35,000 jobs once it is fully operational**.

The project's first phase will involve the development of luxury residential units and hotels, as well as logistical infrastructure including air, land, and sea transport hubs. Approximately by the end of **2023**, the project will have **5 islands fully developed**, and **16 hotels with 3,000 rooms** to welcome tourists. However, **by 2030**, the project will reach its full potential and hold **22 islands developed and 48 hotels with 8,000 rooms**.



Qiddiya

Qiddiya is a entertainment megaproject complex with five distinct pillars: sports and wellness, nature and environment, parks and attractions, motion and mobility, and arts and culture.

The mega project will create numerous opportunities for all investors, contractors, suppliers, strategic capital, and infrastructure partners, as well as healthcare providers. Phase one of the project is expected to be completed in 2023, and currently covers roughly **334 square kilometers**. One of the projects' key highlighting features is a water theme park, which will be Saudi Arabia's first and the MENA region's largest water theme park. With a budget of **USD 750 million**, the park will span **252,000 square meters** of land and feature **22 rides** and attractions, nine of which will be the first in the world.



Diriyah Gate Project

The Diriyah Gate project will be transformed into a prominent lifestyle destination for culture and heritage.

The destination will be roughly a **20-minute drive** from Riyadh's city center and will include hotels, retail, and education. The project will aim to protect **At-Turaif, a UNESCO World Heritage Site**, and the unique environment of Wadi Hanifah.

The project focuses on five asset classes: heritage and culture; hospitality; lifestyle and retail; education; and life and work. Holding such asset classes entails a large number of visitors. More specifically, the project forecasts **27 million visitors by 2030**, and the destination will have over 19 hotels and resorts, which will total over **3000 hotel rooms** across the Diriyah Gate. There are over 5 museums and 5 cultural academic institutions at the destination.

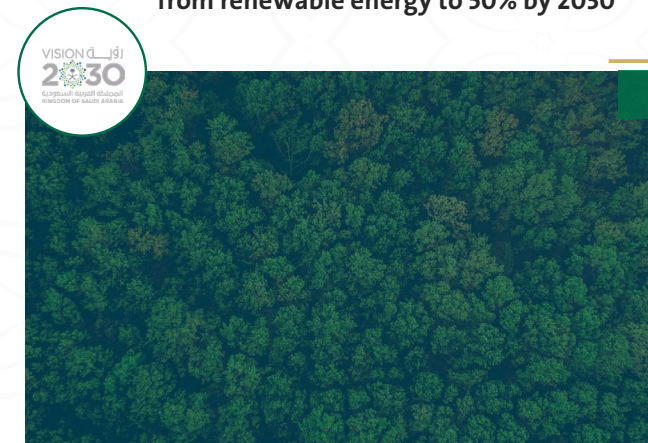


The Saudi Green Initiative

The Saudi Green Initiative is an ambitious national initiative for the Kingdom of Saudi Arabia aiming to improve quality of life and protect future generations.

Saudi Arabia is taking a leading role in global efforts, by committing to protect at least **30% of the global ocean in Marine Protected areas**, and Other Effective area-based conservation measures by 2030, contributing to United Nations Framework Convention on Climate Change (UNFCCC) climate action by guiding and supporting actors to achieve global climate change goals, and cutting global methane emissions by **30% by 2030**. Top commitments under the initiative include:

- Reducing Carbon emissions by more than 4% related to global contributions by 2030
- Planting 10 billion trees across Saudi Arabia by 2030
- Raising protected areas to more than 20% of total land area by 2030
- Increasing domestic generation capacity from renewable energy to 50% by 2030



Rua Al-Madinah

The Rua AlMadinah is a mega mixed-used real estate development valued at USD 10 billion. The project is located in the holy city of Al Madinah and is roughly the size of 1.35 kilometers square.

The project is motivated by a **unique Saudi Vision 2030 to integrate with Al-Masjid Al-Nabawi** and produce an unmatched experience for the residents and visitors. The massive project will combine the heritage of Al-Madinah with a modern paradigm to provide a sustainable, economically successful environment.



Dar Al Hijra

A massive mixed-use project, Dar al Hijra is a cornerstone of Saudi Vision 2030 for the Kingdom of Saudi Arabia.

The project will be located in Al Madinah and consist of residential units, hotels, and office buildings. More specifically, **80 residential towers** with a combined **key capacity of 40,000**, of which **76 are 4-star hotels** and **6 are 5-star hotels**. The project is anticipated to measure about 1.6 kilometers square and cost **USD 15 billion**.



Rou'a Al Haram

The Rou'a Al Haram is a mega project located in Makkah and aims to support the increased capacity for pilgrims and visitors to the Grand Holy Mosque performing Hajj or Umrah.

The project was established by the Public Investment Fund (PIF) and is anticipated to cost between USD \$10 and **USD \$15 billion** and span an area of **1.3 kilometers square**. By 2030, the project is expected to create **160,000 new jobs** with an estimated **USD 2.1 billion** in annual GDP contribution.

National Transformation Program (NTP)

The program was launched to enable an environment of operational excellence of public, private and non-profit sectors.

Saudi Arabia is taking a leading role in global efforts, by The first phase of the program saw **transformation in healthcare**, enhanced urban landscape, construction of desalination plants, expanded digital transformation and technical solutions, women empowerment and increased inclusion in workforce and many such accomplishments. NTP aims to increase contribution of **digital economy to 19.2% by 2025**.



Privatization Program

With the aim to enhance private sector participation, this program also seeks to attract FDI and improve the efficiency of public services.

Its key objectives include unlocking state-owned assets for private sector and privatize selected government services. The program seeks to have **USD 16.5 billion investment from public-private partnership by 2025**.

National Industrial Development and Logistics Program (NIDLP)

Transforming the Kingdom into the leading industrial and logistics powerhouse, this program has achieved its objectives by developing local sectors and improving access to global markets.

Since its launch, the program has initiated the largest geological survey program, added **5 new shipping lines** to the Kingdom's ports, globally launched the "Saudi Made" program and launched renewable energy projects.

Pilgrim Experience Program

This program aims to amplify the experience of Hajj and Umrah pilgrims by providing high quality services from entry, to performing rituals, to discovering the Kingdom.

Under the program, more than **68,000 guided tourism** tours have been set up. The program served **22.5 million domestic** and **international pilgrims** during 2019.



Saudi Downtown Company

Saudi Downtown Company is a subsidiary of the Public Investment Fund, the key enabler of the advancement of Saudi Vision 2030.

The company is guided by the fund's strategy and mandated with the development of destinations and downtown projects in 12 Saudi cities around the Kingdom. The objectives of the projects are to enhance the quality of life and to catalyze economic activity in Saudi cities by creating and enabling new opportunities and experiences for residents, visitors and the businesses in various sectors like retail, hospitality, residential, entertainment, offices, and others. The projects will act as a platform that will provide an unparalleled access to **12 Saudi cities** and an ecosystem for businesses to thrive. The projects will feature mixed-use developments that spread over a total land area of **10+ million square meters**. In addition, the company, as the master developer of the projects, will invest aggressively in developing the required social and physical infrastructure of these projects. The company is part of PIF's efforts to increase trade and investment opportunities in various cities across Saudi Arabia to enhance their attractiveness and create a positive impact in their local economies. The projects will also contribute to creating new opportunities for the private sector and new job opportunities. The company was officially launched on October 3rd, 2022, by **His Royal Highness Crown Prince Mohammed bin Salman, Prime Minister and Chairman of the Public Investment Fund (PIF)**. The 12 cities are Al-Madinah, Al-Khobar, Al-Hufuf in Al-Ahsa, Buraydah, Najran, Jizan, Hail, Al-Baha, Arar, Al-Taif, Dumat Al-Jandal, and Tabuk.



SUCCESS STORIES

LUCID

Jabal Omar Development Company

ROSHNI

ACWA Power

Amazon SA

The Kingdom is brimming with positive experiences of tech-giants, industrial companies and service providers who invested in the Kingdom and there is no looking back for them.



LUCID

Peter Rawlinson, CEO & CTO

Saudi Arabia is undergoing a massive transformation, with an emphasis on sustainability, high technology, and clean projects. Saudi Arabia is also strategically located, accessible from three continents with just a short flight. Therefore, from the country we will be able to service Europe and MENA. Taken together, these factors are a perfect fit for Lucid's core objective of providing our electric vehicles and sustainable mobility to as many markets as possible.

We have thus far had excellent support with a variety of public entities in Saudi Arabia, including our majority shareholder, **Public Investment Fund (PIF)**. We were encouraged by this strong relationship to expand our presence in the Kingdom, as our company works synergistically with Saudi Vision 2030's future looking approach.

There is high demand for quality and high-tech products in Saudi Arabia with the spending power to realize their desires. This makes a compelling case for a company like Lucid, and we have already received over **30,000 customer orders for our Lucid Air EV**, as well as a commitment from the Saudi Arabian government for up to **100,000 vehicles** – the largest number of orders for any market outside of the U.S.

Indeed, much of this potential has been unlocked due to the transformation agenda currently underway. Lucid as a company cannot do this alone. It requires a wide-reaching national approach to build complementary services, charging infrastructure, a robust local supply base, and **well-trained high-tech workforce**. We view this as a clear and welcome signal that Saudi Arabia is open for business and welcoming companies that match Lucid's high-tech advanced manufacturing.

As such, establishing a Lucid facility in the Kingdom will contribute to bringing some of the most sophisticated technology in the world to the Kingdom.

Every **original equipment manufacturer (OEM)** of advanced technology like ours needs a local supply chain to be competitive. We are excited to see how **the Kingdom is attracting diverse international suppliers**, but also building the capacity of the local supply chains to contribute towards an automotive ecosystem's development in Saudi Arabia. This process is gaining momentum, and has a multiplier effect for employment, as each OEM job can bring **10 auxiliary jobs** to the surrounding area. Lucid is also well-suited to benefit from the Kingdom's renowned production of aluminum and plastic – both of which will feed directly into our advanced manufacturing. In all of these areas, the theme is consistent: public-private sector partnerships maintain the drive of expanding supply chain development in the country.





شركة جبل عمر للتطوير
JABAL OMAR DEVELOPMENT CO.

Jabal Omar Development Company

Khalid Al-Amoudi, Chief Executive Officer

Before the onset of the pandemic, the number of Hajj and Umrah visitors reached an all-time high of 19 million, and on average 1 out of every 10 pilgrims visited or stayed at Jabal Omar – so we are well-positioned to take advantage of a recovery in visitor numbers that saw over 6.6 million pilgrims performing Umrah during Ramadan 2022.

Government strategy is playing an important role in this positive trend. The Ministry of Hajj and Umrah is increasing this year's Hajj capacity to **1 million pilgrims** – that's a great turnaround after two difficult years. The Kingdom's ability to provide **a safe environment** for tourists has been recognized internationally - Bloomberg's Global Covid Resilience Ranking Placed Saudi Arabia second highest in January this year.

The government's actions in a range of areas have had beneficial consequences for our sector. Its support for megaprojects across the Kingdom has increased demand for land and generated investment opportunities. Saudi Vision 2030 has brought almost **\$1 trillion of announced real estate and infrastructure investment** to the nation since 2016, according to recent research. This capital is stimulating the entire value chain, from commodity producers to suppliers, sub-contractors, major developers and real estate consultancy. More particularly, a series of regulatory changes have created a more favorable environment for private real estate players, boosting activity and helping the market to shake off the effects of the pandemic. Combined, developments such as these are attracting further investment and strengthening the private sector's role in the Saudi real estate sector.

Our Saudi Vision 2030 is to build and operate a prime, mixed-use mega complex with high end hotels, **a great shopping experience, luxury residential units** and other prime commercial assets that will shape the urban landscape of the central area of Makkah. Government programs aimed at

supporting the Hajj and Umrah industry – such as e-visas and the introduction of the long leasehold format - are adding further momentum. There is a growing demand for high quality housing and leisure options, and we are here to serve it.

Global spending on Halal tourism increased from **\$58 billion to \$102 billion in 2021** and is expected to reach **\$189 billion by 2025**. The world's hospitality players are responding accordingly, attracting Muslim tourists with options such as halal food and prayer facilities. Looking to Saudi Arabia, **more than 30,000 hotel rooms** are currently under construction to meet pent-up demand from pilgrims returning to its holy cities. Capturing this growth opportunity means building partnerships and creating attractive, integrated products. The ability of a visitor to the Kingdom to carry out Umrah, stay at a luxury hotel and shop at a premier mall in **Jabal Omar**, and then relax at a Jeddah resort or explore historical sites - all in one trip - is a key pull-factor for the Saudi market.



ROSHN

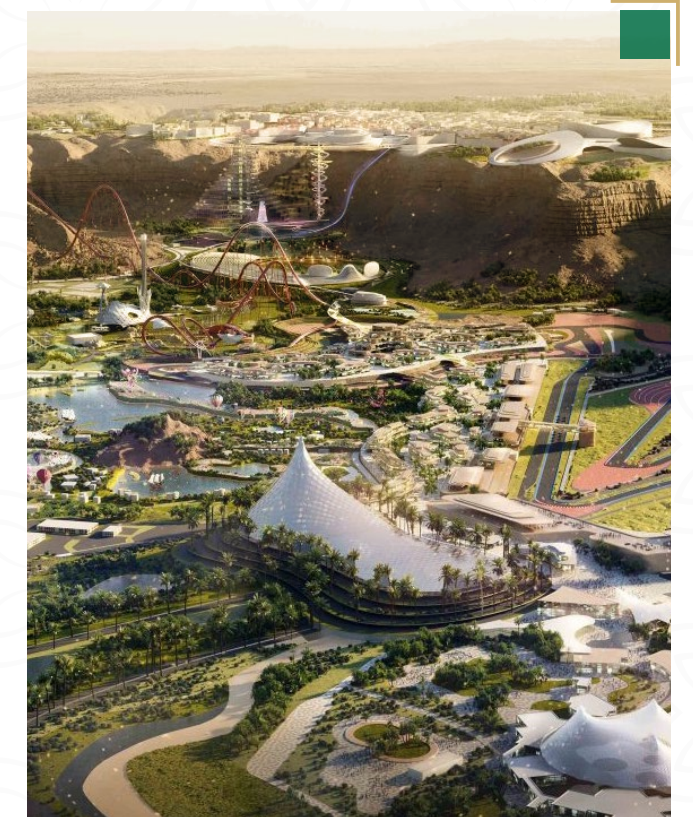
David Grover, Group CEO

The drive to meet the government's ambitious homeownership target is sector-wide and includes publicly funded giants, private sector players, domestic, global suppliers and investors, both at home and abroad. We are building communities that will change the way we live by encouraging people to recycle more, produce less waste, and live healthier and more active lifestyles.

As a PIF-powered organization, **ROSHN** is able to undertake projects at scale. As our initial project in Riyadh, SEDRA, moves into its later phases of development, we are already working on bringing our Saudi Vision 2030 of high-quality, integrated communities to Al Kharj in the Central Region, Al Hofuf and Al Qatif in the Sharqia, and the Western Region's Jeddah, Makkah and Abha. The private sector is playing an important part in this process: building efficiently at this scale requires us to use the latest construction techniques and innovative materials, many of which we have secured through partnerships with domestic and global entities - including global construction giant Samsung C&T, with which we are exploring modular construction techniques, and Retal Urban Development, renowned for its cutting-edge housing options for new urban neighborhoods. This collaborative approach between the public and private sectors ensures that cutting-edge technology and techniques are disseminated across the industry, **benefiting both developers and their customers.**

Demand for sustainable housing options is growing. This is a global trend, and in Saudi Arabia it is also being driven by pro-active government policies, such as the **Saudi Green Initiative**, that are supporting the private sector around sustainability as well as increasing consumer awareness. This development brings benefits to all stakeholders. Sustainable real estate projects offer a higher quality of life in terms of environment and energy savings, which makes them **popular with consumers**. Real estate developers in the Kingdom are

increasingly aware of this and are **building a growing array of sustainability concepts** into their projects. The ultimate beneficiary of this trend is Saudi Arabia itself, which will enjoy a cleaner and greener future as a result of the changes we are seeing in the industry today.





ACWA Power

Paddy Padmanathan, Vice Chairman and Chief Executive Officer

The goal of Saudi Vision 2030 has been to reorient the economy of Saudi Arabia beyond oil and gas. Not so much replacing oil as transcending it. It's much more than plans and words: it's real action. In order to drive economic efficiency, the country has been boosting private sector participation, industrialization, and creating a knowledge economy.

These may sound ambitious, but they are already being achieved. The country also wants to end liquid fuel burning by 2030, even though it generates 45% of today's electricity. Toward this end, it is increasing its renewable energy capacity to 50%, from practically naught five years ago. In addition to an ambitious plan to install 56,000MW using mostly solar and wind, it is also exploring geothermal and even hydroelectric. Energy efficiency and reducing waste are the country's next big priorities, not to mention unlocking investment opportunities.

Since 2015, the country has added 1,000MW of renewables into the system. That may not sound significant by itself, but there is another 3,000MW in construction and 4,000MW in the tender stage. Once a project is initialized here, it moves very quickly. Additionally, the scale at which the country is doing these projects is very different—not 100 or 150MW at a time, but 1,000 or 1,500MW. Since it is procuring so much capacity, the market has also been able to seriously contemplate localizing technology, component production, and manufacturing.

Currently, the Kingdom takes raw materials and ships them to East Asia, only to then reimport them as value-added products. We can and should be producing this equipment in Saudi Arabia, which provides another significant opportunity for manufacturers and investors.

To give but one example, there are leading innovation centers at the King Abdullah University of Science and Technology (KAUST) and the King Abdulaziz City

for Science and Technology (KACST), replete with excellent hardware and human capital. Granted, we at ACWA Power are not inventors. Our core business is to develop and invest in power generation. But we see the opportunity to create more value by optimizing all the information and operational experience we have and then applying it innovatively in the field. Saudi Arabia provides a sound economic foundation, an established infrastructure, and an enabling investment framework that transparently welcomes innovative projects. It also has a host of hard-working people who are enterprising, savvy, and agile; who quickly adapt to new manufacturing and control systems and technologies; and who know how to take risks. All of this makes the Kingdom a very attractive proposition that people need to pay more attention to. Invest in one plane ticket and two days of your time and see for yourselves.

By splitting the H₂O molecule to produce hydrogen with low-cost electricity, Saudi Arabia can eliminate carbon emissions altogether. It can be used as an energy source for so many things—steelmaking, cement, and more—all of which helps in the decarbonization quest. Saudi Arabia is not the first to go after green hydrogen, but it is currently building the first at-scale production facility in the world. At NEOM, an approx. \$5 billion facility will soon be ready to produce 650 tons of green hydrogen a day, or 240,000 tons per year—more than all the green hydrogen plants in the world currently produce. And there are 9 more projects of this scale set to launch by 2030. The resources are there, the land is there, the sun is there, the willingness and opportunity are there.

amazon.sa Amazon SA

Ronaldo Mouchawar, Vice President of Amazon Middle East and North Africa (MENA)

The retail marketplace has been undergoing significant transformation in recent years, which COVID-19 has only accelerated. Within this short period, we have witnessed fast adoption of e-commerce and digital services in the Kingdom, and, in particular, localized services to audiences in-market.

From Souq and Amazon, to Careem and Uber, and Hunger Station—all these services have experienced high adoption in the region due to the high propensity of the majority young population of the Kingdom to embrace new technology.

Today, Saudi Arabia's e-commerce market is estimated at \$13.3 billion, a growth of roughly 40-50% in the past three years, with significant localization occurring in the market as firms commit to the significant consumer base in the Kingdom and the greater GCC.

In Amazon's case, we launched amazon.sa in 2020, which empowers local businesses and creates far more choice for customers. Since then, we have announced a series of infrastructure investments to further enhance the customer experience in Saudi Arabia with the opening of 11 new buildings, a move that is set to create at least 1,500 new jobs, in addition to hundreds of opportunities with partners. We also launched the Prime membership program in the Kingdom, which gives customers fast, reliable, and free local and international delivery, a feat achievable due to the advances in logistics.

What stands out for me is the pace of change and the uniquely high level of public-private cooperation in the market. With a fast-moving system of reform, you have fewer bureaucratic hurdles and legacy systems that so often hamper investment in other jurisdictions. For instance, we have seen vast changes in regulation concerning media, content, and digital payments, which allows us to deploy new products and services at speed. There have also been significant developments in the logistics ecosystem, as Saudi Vision 2030 prioritizes

logistics as a key driver of change. The number of companies, type of services, speed and quality of delivery have all grown and become more integrated. Subsequently, the import and export of goods has become much easier. This side of the business has seen serious improvement,

thanks to cooperation between Amazon, other private companies, and the public sector, especially MISA.

Our key concern is knowing our customer, understanding what they need, and working out how best to serve them. This is a process that necessitates deep collaboration across a range of sectors and service providers. For example, when it comes to payments Saudi Arabia uses a payment network called "mada". This payment processor is already integrated throughout the value chain and, by partnering with them, we are able to unlock easy, safe, and trusted payment solutions for our customers. Monsha'at also stands as a key collaborator in the Kingdom. Our ultimate goal is to innovate for our customers, so we work together with whoever is doing that to build and support the right ecosystem that will serve the Saudi customer and the Kingdom's retail marketplace.



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The Kingdom's Ministry of Investment (MISA) is your gateway to tapping into unique and fruitful investment opportunities in Saudi Arabia.

MISA aims to facilitate and support new and current investors in their journey of venturing into a land of countless opportunities. MISA is eager to provide you with the necessary components to successfully invest within the Kingdom. This includes sharing relevant market and economic information, site research, and real-estate valuers to help familiarize investors with the Saudi Arabian ecosystem. Investors also have access to MISA's well-established infrastructure and connectivity.

Not only does MISA's connectivity range from trade associations, all sector companies, relevant universities, and much more, but the Ministry is responsible for issuing and regulating investment licenses.



The range of MISA's support is uncanny; whether it is providing and advising on available incentives or ongoing support for operational issues, MISA will serve as your guide to opportunities in Saudi Arabia.



More detail can be found in investsaudi.sa and [Investor Journey](#).

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