

# INVEST SAUDI



Q1 2023

## GIGA & MEGA PROJECTS:

REDEFINING  
SAUDI ARABIA

### INTERVIEW WITH

Nadhmi Al-Nasr,  
CEO, NEOM

## SPECIAL ECONOMIC ZONES:

EMBEDDING THE KINGDOM  
IN GLOBAL MARKETS

### INTERVIEW WITH

Nabil M. Khojah,  
Secretary General, ECZA



UMLUJ, SAUDI ARABIA



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# TRANSFORMING THE INVESTMENT LANDSCAPE



JANUARY 2023

## H.R.H. the Crown Prince announces launch of the Events Investment Fund (EIF)



H.R.H. Mohammed bin Salman announced the establishment of EIF, capitalized with SAR 14bn (over \$3.7bn) working to diversify the Kingdom's economy, attract foreign investment, and support the Kingdom's transformation into a global tourism destination.

FEBRUARY 2023

## H.R.H. the Crown Prince announces the launch of the New Murabba Development Company



H.R.H. Mohammed bin Salman, Chairman of the Public Investment Fund (PIF), announced the launch of the New Murabba Development Company. Covering an area of over 19 sq km, the New Murabba will be the world's largest downtown, featuring a multitude of hotel, retail, residential and office spaces. (See more on page 14).

MARCH 2023

## H.R.H. the Crown Prince announces "Riyadh Air," the Kingdom's new national carrier



Crown Prince Mohammed bin Salman announced the establishment of PIF owned Riyadh Air, Saudi Arabia's new national carrier based out of the capital. Riyadh Air aims to connect the Kingdom to over 100 destinations by 2030, which will support the Kingdom's goals under the National Transformation Program (NTP) by improving the ease of doing business and facilitating infrastructure development that drives growth.

# New Events Investment Fund to support four key sectors

The Events Investment Fund (EIF) strives to elevate Saudi Arabia as a global hub for events by developing sustainable infrastructure for the culture, tourism, entertainment, and sports sectors. In building cutting-edge venues across the Kingdom, the EIF aims to drive growth in these sectors, support the delivery of the ambitious national events calendar, and provide high-return opportunities and partnership deals for the private sector.



## The EIF aims to:



**Support** the National Tourism Strategy by increasing the contribution of tourism to the GDP from 3% to more than 10% by 2030



**Develop** domestic and foreign direct investment into the Kingdom's businesses, with goals of supporting an impact of SAR 28bn (\$7.4bn) to the GDP by 2045



**Facilitate** strategic partnerships between the government and the private sector resulting in a significant number of new job opportunities for Saudis and an enhanced quality of life for residents

## The EIF plans to establish the Kingdom as a global events hub by financing 35 world class assets



**16**  
theaters



**5**  
convention centers



**5**  
indoor arenas



**3**  
art galleries



**2**  
shooting ranges



**2**  
auto race circuits



**2**  
horse race circuits

# GIGA AND MEGA PROJECTS REDEFINING SAUDI ARABIA

The Kingdom is embarking on a world-leading giga and mega project development program, funded by the Public Investment Fund (PIF), designed to create new ecosystems, unlock new sectors, diversify the economy, and enable pioneering new technology. There are currently five giga-projects in the Kingdom, with several mega-projects underway within each development

**GIGA-PROJECT**



NEOM نيوم

**SAR 1.87tn (\$500bn)** investment by PIF

**9mn** inhabitants by 2045

**14** economic sectors

**100%** clean energy generation

**Strategic** coastal Red Sea location

**Unique** development opportunities

**Investment** potential across diverse sectors

**MEGA-PROJECTS**



SINDALAH

**2024** first phase launch



شہزادی OXAGON

**2024** first phase launch



TROJENA

**2026** first phase launch

**THE LINE**

**2030** first phase launch

**GIGA-PROJECT**



Red Sea Global

**Pioneering** developer owned by PIF

**Two world-leading** responsible and regenerative tourism destinations

**Massive investment** and partnership potential for hospitality and tourism

**MEGA-PROJECTS**



The Red Sea Development Company

**2024** first phase launch



AMAALA

**2024** first phase launch

## GIGA-PROJECT



**ROSHN**

National real estate developer powered by PIF

70% Saudi home ownership goal by 2030

Improving quality of life for Saudis

200 sq km of integrated neighborhoods

## GIGA-PROJECT



SAR 237bn (\$63.2bn) development of foremost historical, cultural and lifestyle destination in Saudi

Anchored on At-Turaif, the UNESCO World Heritage Site  
 Birthplace of the Kingdom of Saudi Arabia at Diriyah

## MEGA-PROJECTS



**SEDRA**

BY RO SHN

2022 first phase launch



**ALAROUS**

BY RO SHN

2022 first phase launch



**WAREFA**

من روشن

2023 first announced



**ALFULWA**

من روشن

2023 first announced

## MEGA-PROJECTS

**At-Turaif**

**2022**  
opened to the public

**Bujairi Terrace**

**2022**  
opened to the public



## GIGA-PROJECT



334 sq km footprint

40km west of Riyadh

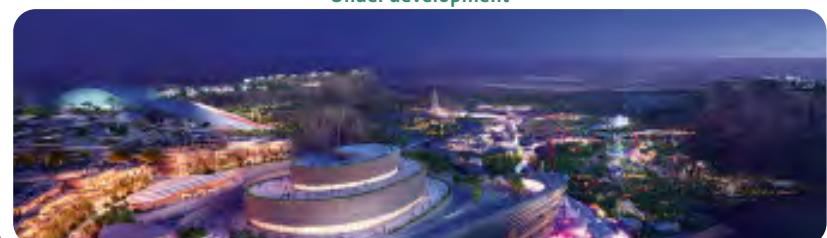
2.5 times size of Disney World

Entertainment, sports, and cultural destination

## MEGA-PROJECT



**Under development**





NEOM نيوم

NEOM offers many unique investment opportunities of different sizes across multiple industries:

#### Economic Crossroads

Location linking three continents

#### Strong Foundation

Backed by PIF and local & international investors



#### SINDALAH



- + Ultra-luxury marina close to Europe and Mediterranean
- + Advanced technology golfing destination
- + Luxury lifestyle experience
- + 840,000 sq m area
- + 2,400 visitors per day by 2028



#### THE LINE

#### THE LINE

- + Civilizational revolution that puts humans first
- + Zero Gravity Urbanism - Vertical layering of city functions in three dimensions
- + 95% natural land preservation
- + Microclimatic habitats
- + Outer mirror façade
- + Advanced technology and AI
- + First residents by 2030



## TROJENA



- + Year-round outdoor skiing and adventure sports
- + Folded vertical tourist village
- + Man-made freshwater lake
- + Advanced technology observatory
- + Based on sustainability, state-of-the-art technology and design principles
- + First tourist arrivals by 2026



## OXAGON



- + World's largest floating structure
- + 13% of global trade through nearby Suez Canal
- + High-speed rail to THE LINE and NEOM airport
- + 40% of the world accessible within a six-hour flight
- + Largest cruise terminal in the Red Sea
- + Initial residents by 2024 and logistics up and running by 2025



نیوم، مکران

IN CONVERSATION WITH:

# Nadhmi Al-Nasr

CEO, NEOM



## What opportunities does THE LINE hold for foreign investors looking to participate in NEOM?

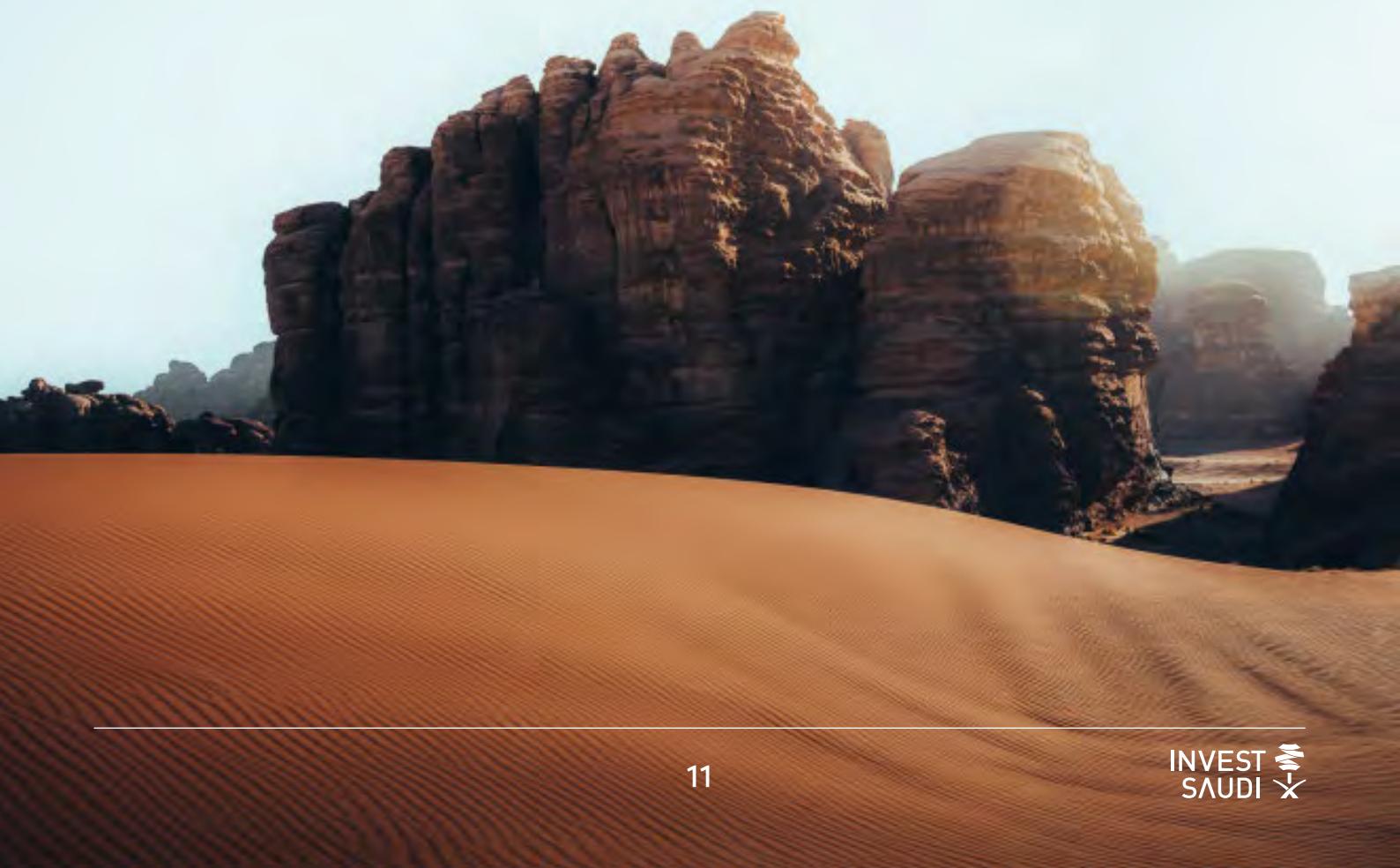
We recently revealed the design plans for THE LINE, a stunning linear cognitive city that rises 500 meters above sea level, is 200 meters wide and runs for 170 kilometers in a place that will ultimately be home to 9 million residents. Leveraging the advantages of 'Zero Gravity Urbanism,' THE LINE is a civilizational revolution that puts humans first, providing an unprecedented living experience while preserving its surrounding nature and allowing everything to be available within a short five-minute walk. Powered by 100% clean renewable energy and with no combustion-engine vehicles, THE LINE will comprise carbon-positive urban developments, providing a pollution-free, healthier and more sustainable zero-car environment for residents. THE LINE truly redefines the concept of urban development. We are doing things that have never been done before. This provides ample room for domestic and foreign investors to support frontier

technology, such as new artificial intelligence and the Internet of Things that accelerate the development of a cognitive city. Technology will be integral to the future and will change what metropolises of the future should look like. Investors will have the choice of investing in various sectors and regions of this unprecedented and groundbreaking project. We are solving new challenges each day as we build THE LINE. A never-before attempted project and one of such huge scope and scale is demanding new solutions on an almost daily basis, thereby providing an array of opportunities for companies and investors. Urban living is moving in a radically new direction and with that comes the chance to reshape how people buy, eat, shop and more. There are opportunities in design and construction – where modular is key – as well hospitality, F&B, and retail, as we define what hotels, restaurants and shops look like in this new environment. The future of healthcare, entertainment, and sports is also being reimagined, providing attractive opportunities for a wide range of investors.

## What is NEOM's approach regarding sustainability and "green" investment?

In line with Saudi Arabia's vision to build a sustainable future and a green economy, NEOM is committed to providing pioneering sustainable solutions to tackle global challenges, such as climate change and biodiversity loss. We are active in the field of nature conservation and are setting aside as much as 95% of NEOM's land and sea areas for the protection of nature. NEOM has worked closely with MEWA National Center for Vegetation Cover to develop the NEOM Regreening Initiative – a SAR 7 billion (\$ 1.8 billion) program to improve vegetation cover across NEOM through a combination of restoring habitats, removing grazing pressure, reintroducing native species, and planting trees. In fact, our goal is to regreen NEOM with 100 million trees by 2030 – a number that will contribute to achieving 10% of the Saudi Green Initiative target of 1 billion trees by the same year. By implementing the NEOM Regreening Initiative, we will rehabilitate at least 1.5 million hectares of natural habitat across NEOM's Nature Reserve. NEOM will be a world hub for clean energy generation, advanced manufacturing, technology, research and innovation, powered entirely by renewable energy. Our competitive wind and solar profiles will allow us to become one of the lowest-cost producers of renewable energy and green hydrogen in the world.

What sets us apart and enables us to attract green investors is that NEOM presents a global blueprint for the circular economy to work at scale to help solve our finite resources challenge. This opens doors to many green investment opportunities. Additionally, our strategic location at the crossroads of global transit and groundbreaking infrastructure design mark us out from other greenfield sustainability projects around the world. Our infrastructure will be liberated from outdated environmental and energy designs through careful planning, innovative design and advanced construction, which will set a benchmark for other countries to follow. One of the advantages of NEOM's legacy-free, greenfield status is that we offer entrepreneurs and investors of all kinds opportunities to explore new ideas in what can be termed a 'living lab.' Creative and imaginative ideas are applied and tested in real-world environments that have applications in other markets. We believe this is an appealing proposition. As NEOM continues to deliver on its promise, there will be many opportunities to invest in our projects to encourage the development of sustainable technology. This falls in line with Saudi Vision 2030's goals to move away from a reliance on oil, raise investment, and truly transform the Kingdom's economy to one that has the health of the planet as well as the advancement of humanity at its heart.



# THE LINE

Announced in July 2022, THE LINE embodies the future of innovation in business, livability, and sustainability, and offers unique investment opportunities across multiple sectors.

## THE LINE



**170km**  
long



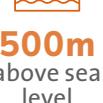
**200m**  
wide



**34 sq km**  
footprint



**100%**  
renewable  
energy



**500m**  
above sea  
level



**20 min**  
end-to-end  
transit time



**95%**  
nature  
preservation



**Direct access**  
to Saudi and  
global markets



**Solar and wind  
advantages**  
for accessing  
abundant clean  
energy



**A trailblazing  
business  
ecosystem**  
focused on  
incubation and  
innovation



**Cognitive city**  
which harnesses  
the power of  
the tech sector,  
integrating AI into  
its model

# THE LINE offers never-before-seen efficiencies in city functions:



**Zero gravity urbanism**  
design allows residents to move  
seamlessly in three directions



**Vertical layering**  
of city functions challenges  
traditional flat, horizontal cities



**Free**  
of roads, cars, and emissions



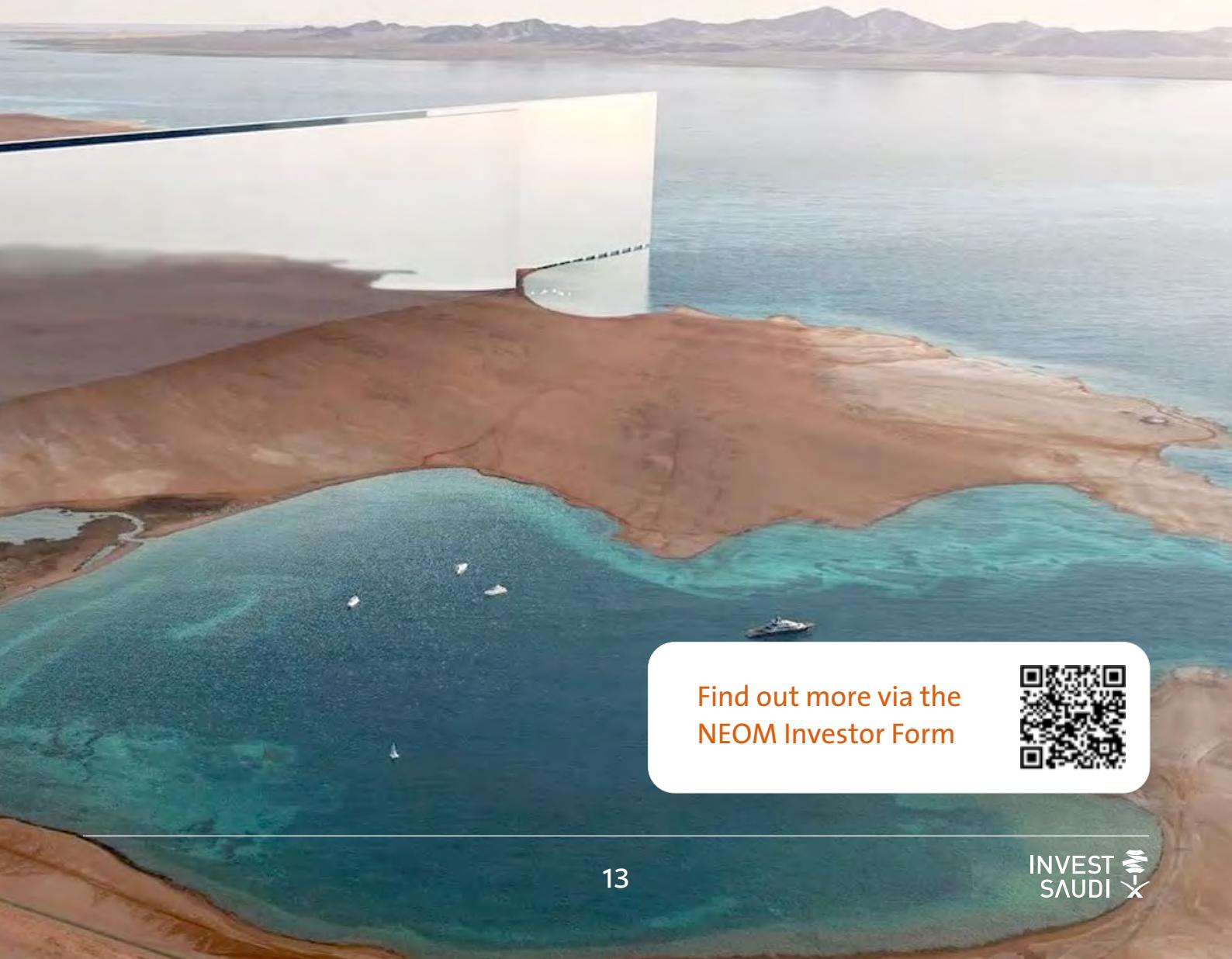
**Outer mirror façade**  
blends into natural  
environment



**Microclimatic habitats**  
through optimal balance of sunlight,  
shade, and natural ventilation



**Advanced technology**  
and AI create a cognitive city



Find out more via the  
NEOM Investor Form



# NEW MURABBA

Due for completion in 2030, the New Murabba Development Company will create the world's largest modern downtown in Riyadh, contributing to the city's future development by unlocking promising industries and enabling new investment opportunities for the private sector:



NEW MURABBA



**SAR 180bn**  
(\$48bn)  
contribution to  
non-oil GDP



**334,000**  
direct and indirect  
jobs



**Premium investment  
destination**  
for the hospitality sector,  
with retail, cultural and  
tourist attractions



**Technology  
and design**  
universities to be  
developed to grow the  
pool of local talent

**19**  
sq km  
footprint

**104**  
thousand  
residential units

**9**  
thousand  
hotel rooms

**620**  
thousand sq m  
leisure assets

**1.4**  
mn sq m  
office space

At the heart of the New Murabba development is a new icon, The Mukaab:



**Iconic landmark**  
defining  
Riyadh's new  
skyline



**20 times**  
larger than the  
Empire State  
Building



**2mn sq m**  
of floor  
space



**Modern Najdi**  
architectural  
style

# DIRIYAH GATE PROJECT

In January 2023, PIF announced the Diriyah Gate Project as its fifth giga-project, in what is considered the heartland of Saudi Arabia's 300-year history.



The development will see the historic town of Diriyah transformed into a global tourism destination, with its main anchors rooted in Saudi culture and heritage

**Investment opportunities**  
across construction, hospitality,  
retail and entertainment sectors

**SAR 64bn**  
(\$17bn)  
global tourism destination

**Historical and cultural**  
heart of Saudi Arabia

**7 sq km**  
mixed-use historic, cultural and  
lifestyle destination

**20+**  
luxury and ultra-luxury  
hospitality venues

**30+**  
cultural attractions, including  
museums and academies

**100,000**  
projected  
population

**25mn**  
local and international  
visitors annually

**Diriyah Community  
Entrepreneurship Program**  
launched in 2022 to support  
entrepreneurs and businesses

“As the birthplace of the Kingdom of Saudi Arabia, the Diriyah Gate Development Authority seeks to establish Diriyah as a modern, cosmopolitan city, a globally renowned cultural destination, and one of the greatest gathering places in the world.”

**Jerry Inzerillo**

Diriyah Gate  
Development Authority,  
Group CEO



# PRIORITY SECTORS AND KEY DEALS

Driven by Vision 2030, Saudi Arabia continues to advance its agenda for economic diversification and non-oil GDP growth. Invest Saudi has identified 15 priority sectors with the potential to unleash growth through a range of untapped opportunities.



Biotech and Pharma



Defense



Advanced Manufacturing



Metals and Mining



Petrochemicals and Conversion Industries



Energy



Agriculture & Food Processing



Environment Services



Financial Services



Healthcare



Human Capital & Innovation



Transport and Logistics



Real Estate



Tourism and Entertainment



ICT

Several investment deals and projects are enhancing the growth of key sectors in the Kingdom. The following page highlights one critical deal across each of Invest Saudi's priority sectors.

#### BIOTECH AND PHARMA

## Boehringer Ingelheim investment boosts Saudi Biotech sector

MISA and Boehringer Ingelheim signed an investment agreement during the Riyadh Biotechnology Summit 2023. The agreement has a SAR 498mn (\$133mn) investment value and aims enhance the Biomedical sector in Saudi Arabia, as well as strengthen the sector's value chain and R&D in the Kingdom.



#### DEFENSE

## Oshkosh Defense signs deal to provide expertise to Saudi Armed Forces

American company Oshkosh Defense, producer of military vehicles and mobility systems, signed an MoU with Saudi company Zahid Tractor and Heavy Machinery Company. The partnership aims to offer Saudi Arabia's Armed Forces with expertise and resources to support maintenance, repair and overhaul tactical wheeled vehicle programs.



#### ADVANCED MANUFACTURING

## US-based Emerson looks to build state-of-the-art manufacturing hub at SPARK

Global US-based technology, software, and engineering powerhouse Emerson will build a state-of-the-art innovation and manufacturing hub at King Salman Energy Park (SPARK). Set to open in December 2024, the facility will be one of the company's largest investments in the Middle East.



## METALS AND MINING

### Eurasian Resources Group and Ma'aden forge partnership to boost Mineral Exploration

Leading natural resources producer, Eurasian Resources Group (ERG), signed an MOU with Ma'aden to build a best-in-class technology hub to explore efficient and cutting-edge ways for accelerating mineral exploration in the Kingdom. ERG also announced its intention to invest SAR 187.5mn (\$50mn) in the sector.



## PETROCHEMICALS AND CONVERSION INDUSTRIES

### MISA signs SAR 3.75bn agreement to enhance manufacturing in petrochemicals and agrochemicals

On the sidelines of the World Economic Forum Annual Meeting, MISA inked a SAR 3.75bn (\$1bn) investment agreement with India's UPL Limited to boost the manufacturing of petrochemicals and crop protection solutions through agrochemicals in the Kingdom.



## ENERGY

### NEOM Green Hydrogen Company secures SAR 31.5bn worth of investments from 23 banks and investment firms

The NEOM Green Hydrogen Company (NGHC) reached financial close on SAR 31.5bn (\$8.4bn) worth of investment from 23 banks and investment firms across the globe by the end of Q1 2023. As the world's largest green hydrogen project, global investments into NGHC will contribute significantly towards the growth of Saudi Arabia's burgeoning renewable energy sector.



نَوْمَة

## AGRICULTURE AND FOOD PROCESSING

### Pure Salmon looks to the Kingdom to build the largest salmon farming project in the world

MISA, the Ministry of Industry and Mineral Resources, and the Ministry of Environment, Water and Agriculture signed an investment agreement with Singapore owned Pure Salmon. Pure Salmon KSA will establish a 10,000 tones per annum land-based aquaculture facility, followed by two additional increases of 10,000 tones each, in what will be the largest salmon farming project in the world. The investment value is estimated at SAR 1.9bn (\$507mn).



## ENVIRONMENT SERVICES

### MISA bolsters waste management and water sectors at the German-Saudi Forum

The Saudi delegation that took part in the German-Saudi Forum in Berlin signed seven MoUs with German companies. Among these, MISA signed an MoU with HTCycle in waste management another with Wilo Group to drive innovative solutions in the water sector.



## FINANCIAL SERVICES

### China's International Capital Corporation signs MoU to bring financial services to the Kingdom

MISA signed an MoU with China's International Capital Corporation (CICC) to drive investment into the financial sector. CICC will bring its high-quality, value-added financial services to the kingdom, offering investment banking, equities, FICC asset management, private equity, and wealth management services.



## HEALTHCARE

### Medtronic signs deal to locally manufacture intensive care ventilators in Saudi Arabia

American global health technology company Medtronic partnered with Saudi company Pioneers Technical Systems Company to produce the first locally manufactured intensive care ventilators. The partnership will contribute to the manufacture of 1,200 ventilators annually. (See more on Page 62).

**Medtronic**



## HUMAN CAPITAL AND INNOVATION

### Area9 Lyceum set to boost human capital development

MISA signed an MoU with Area9 Lyceum, a cloud-based adaptative-learning software provider headquartered in Denmark, to introduce its industry-leading adaptive learning platform to the Kingdom.



## TRANSPORT AND LOGISTICS

### DHL Supply Chain and Aramco to establish procurement and logistics

Aramco and international logistics provider DHL Supply Chain announced a shareholder's agreement for a new procurement and logistics hub in Saudi Arabia. This Joint Venture aims to be operational in 2025 and will be the region's first hub of its kind, catering to customers in the industrial, energy, chemical, and petrochemical sectors.



## REAL ESTATE

### MISA and Tatweer Misr sign deal to bolster the real estate sector

During the MIPIM 2023 event, MISA and the Ministry of Municipal and Rural Affairs and Housing signed an MoU with leading Egyptian real estate company Tatweer Misr. The MoU aims to drive investment opportunities in the Kingdom's real estate sector, improve the quality of city services, and facilitate the development of smart, sustainable urban landscapes.



وزارة الاستثمار  
Ministry of Investment

وزارة الشؤون البلدية  
والقروية والإسكان  
Ministry of Municipal Rural Affairs & Housing



TATWEER  
MISR

## TOURISM AND ENTERTAINMENT

### GL Events looks to bring events expertise to the Kingdom

MISA signed an investment agreement with GL Events, a French event organizer and exhibitions infrastructure supplier. The partnership will enable GL Event's growth in the Kingdom while bolstering the sports sector, which holds significant potential for economic development.



وزارة الاستثمار  
Ministry of Investment



## ICT

### LEAP facilitates groundbreaking deal with Microsoft

US multinational technology corporation Microsoft intends to invest in a new cloud data center region in Saudi Arabia, the company announced at the international technology conference LEAP 2023, held in Riyadh in February. The move will see the software giant delivering new investments in local infrastructure (See more on Page 63).



Microsoft

# INVESTING IN SAUDI ARABIA



3.8%

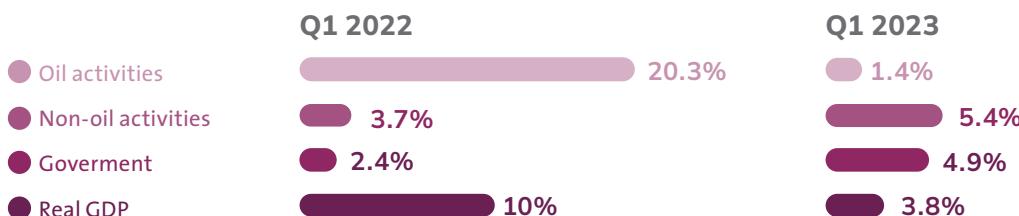
y-o-y rise in real  
GDP in Q1 2023

Data underlines the strength of the Saudi economy, which registered solid growth figures, low and stable inflation, and significant increases in industrial production during the first quarter of 2023, indicating an attractive landscape for investment.

## Diversifying growth and outperforming peers

Saudi Arabia's uninterrupted run of economic expansion was extended in Q1 2023 with growth driven by the Kingdom's rapidly diversifying non-oil sector.

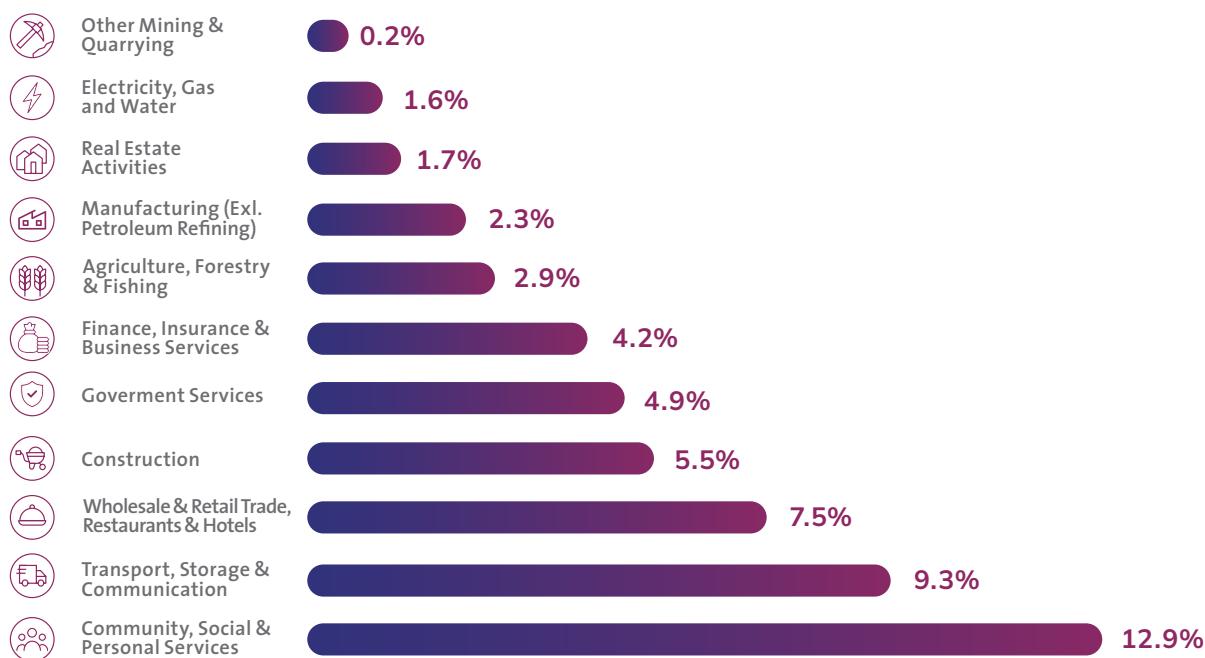
### Real Y-o-Y GDP growth in constant prices



Source: GaStat

The Kingdom's growing non-oil sector saw strong upticks in the community services, transport and retail industries in Q1 2023, with construction and government services also playing an increasingly important role.

### Real Quarterly Y-o-Y Non-oil GDP Growth in Constant Prices by Economic Activities, Q1 2023

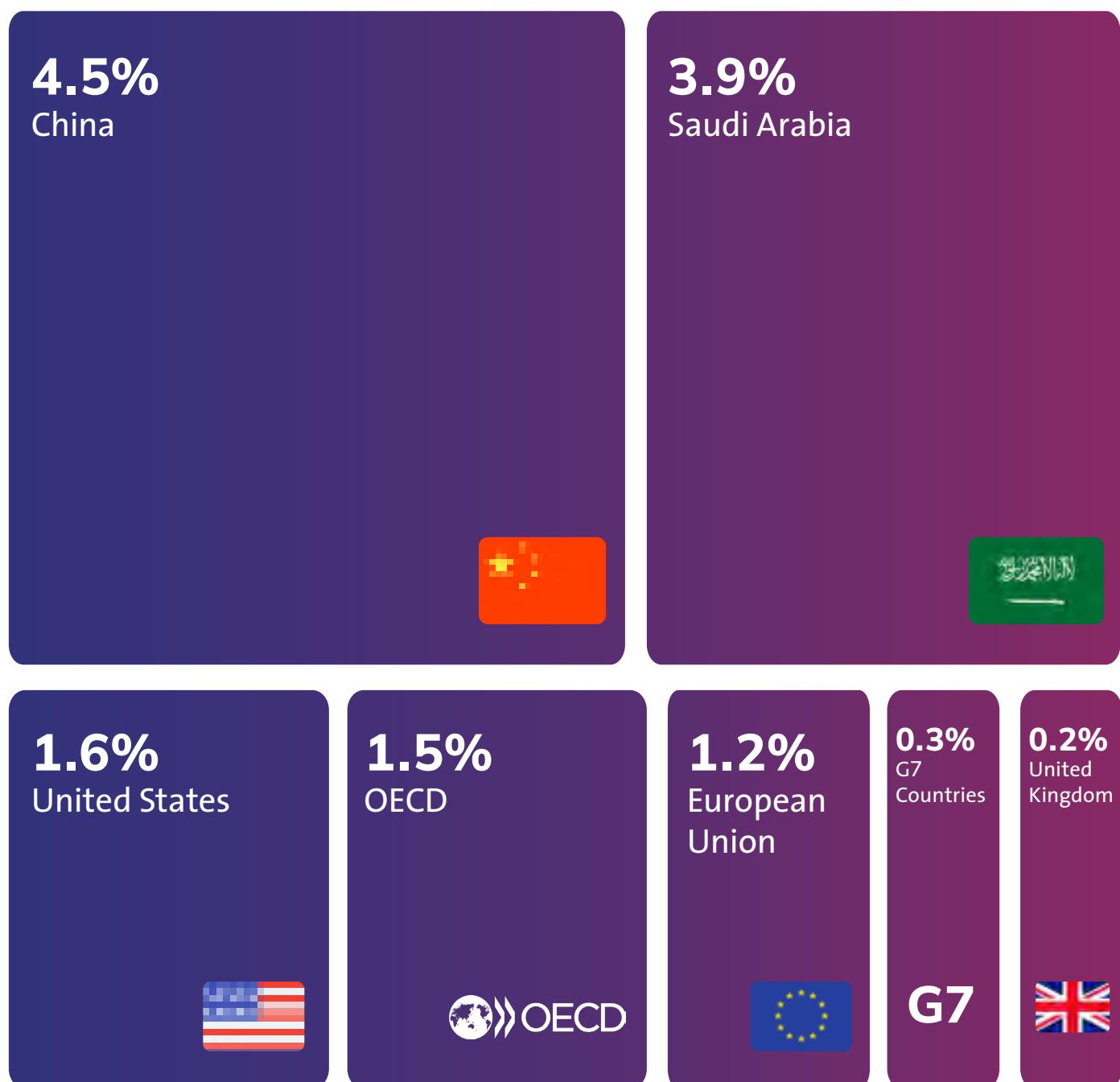


Source: GaStat

# Saudi Arabia among leading economies

While high inflation and hikes in central bank policy rates continue to slow economic growth around the world, Saudi Arabia remains in the economic fast lane, experiencing growth that outpaced several advanced economies during Q1 2023.

## Saudi Arabia and Leading Economies Annual GDP Growth, Q1 2023



Source: OECD

# Building momentum: New licenses and investment

Growth in Ministry of Investment (MISA)-issued investment licenses demonstrates the attractiveness of the Kingdom as an investment destination, with investors finding opportunities across a broad range of sectors. In Q1 2023, the construction sector lead foreign investment license issuances, with the manufacturing, and professional and scientific sectors also attracting significant interest. The construction sector is expected to continue generating vast opportunities for investors as the Kingdom's development plans for giga and mega-projects, tourism, and housing progress.

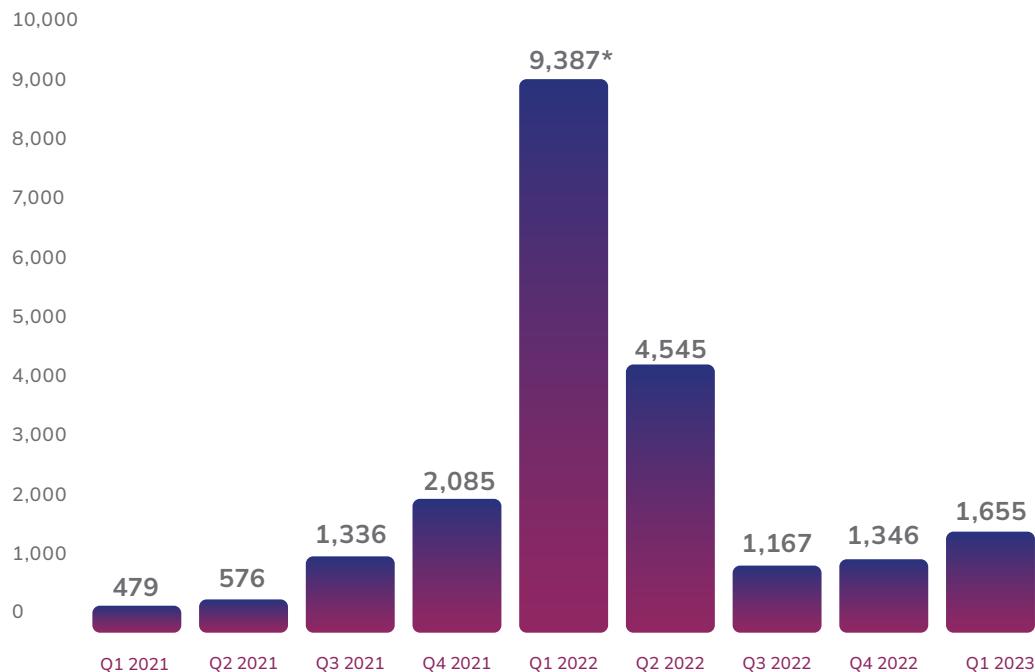
**1,655**

foreign investment licenses  
issued by MISA in Q1 2023

**2.3%**

quarterly increase  
in licenses

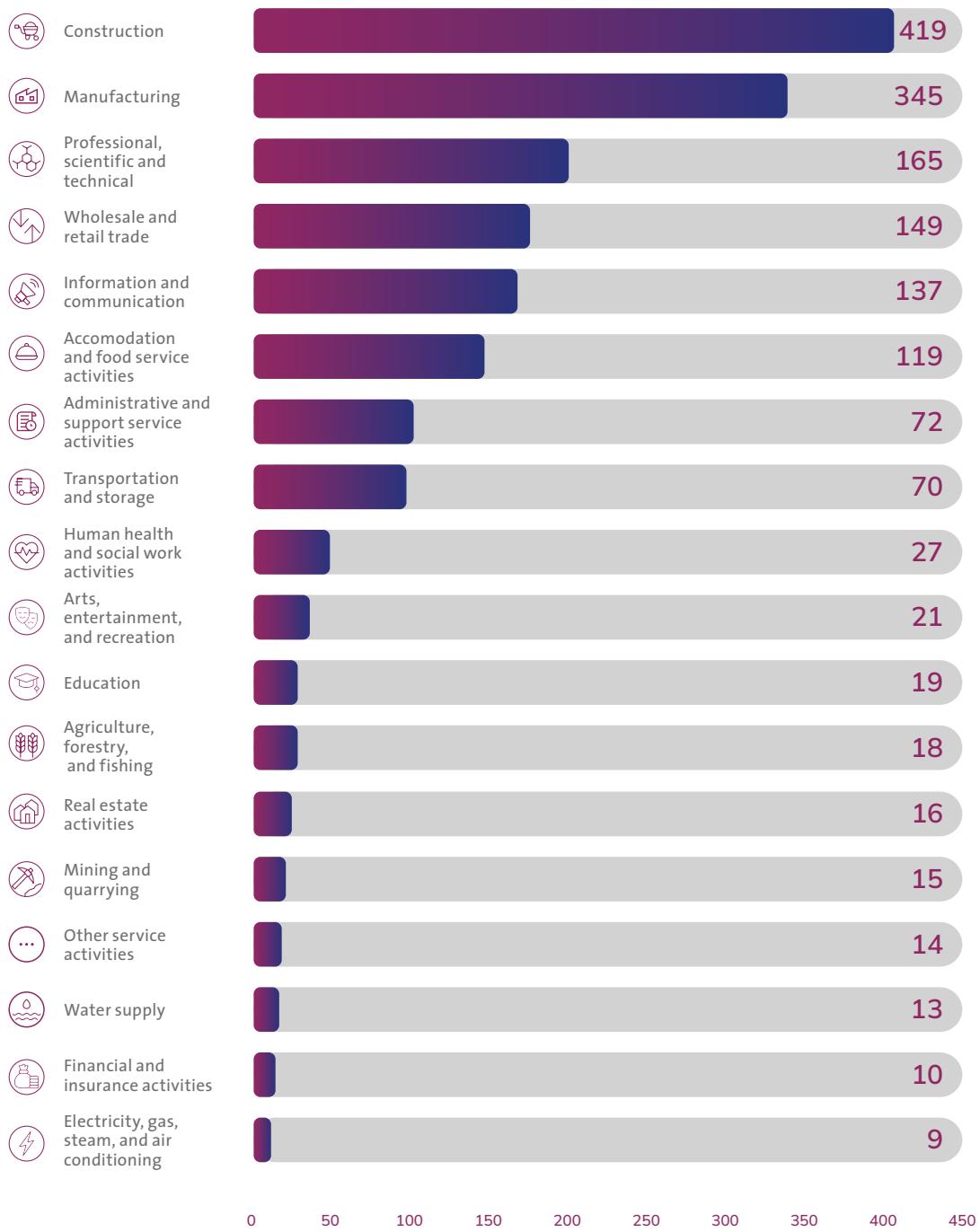
## Newly Issued Foreign Investment Licenses, Q1 2023



\* High volume due to investment licenses granted under 'Tasattur', an initiative to combat the spread of commercial fraud

Source: MISA

# Newly Issued Foreign Investment Licenses by Sector, Q1 2023



Source: MISA



The Saudi Exchange (Tadawul) remains a powerful investment channel and important tool of economic diversification, with the first quarter seeing gains in market capitalization and the number of listed IPOs.



**SAR 9.98tn**

(\$2.66tn)

market capitalization  
in Q1 2023

**SAR 4.21bn**

(\$1.12bn)

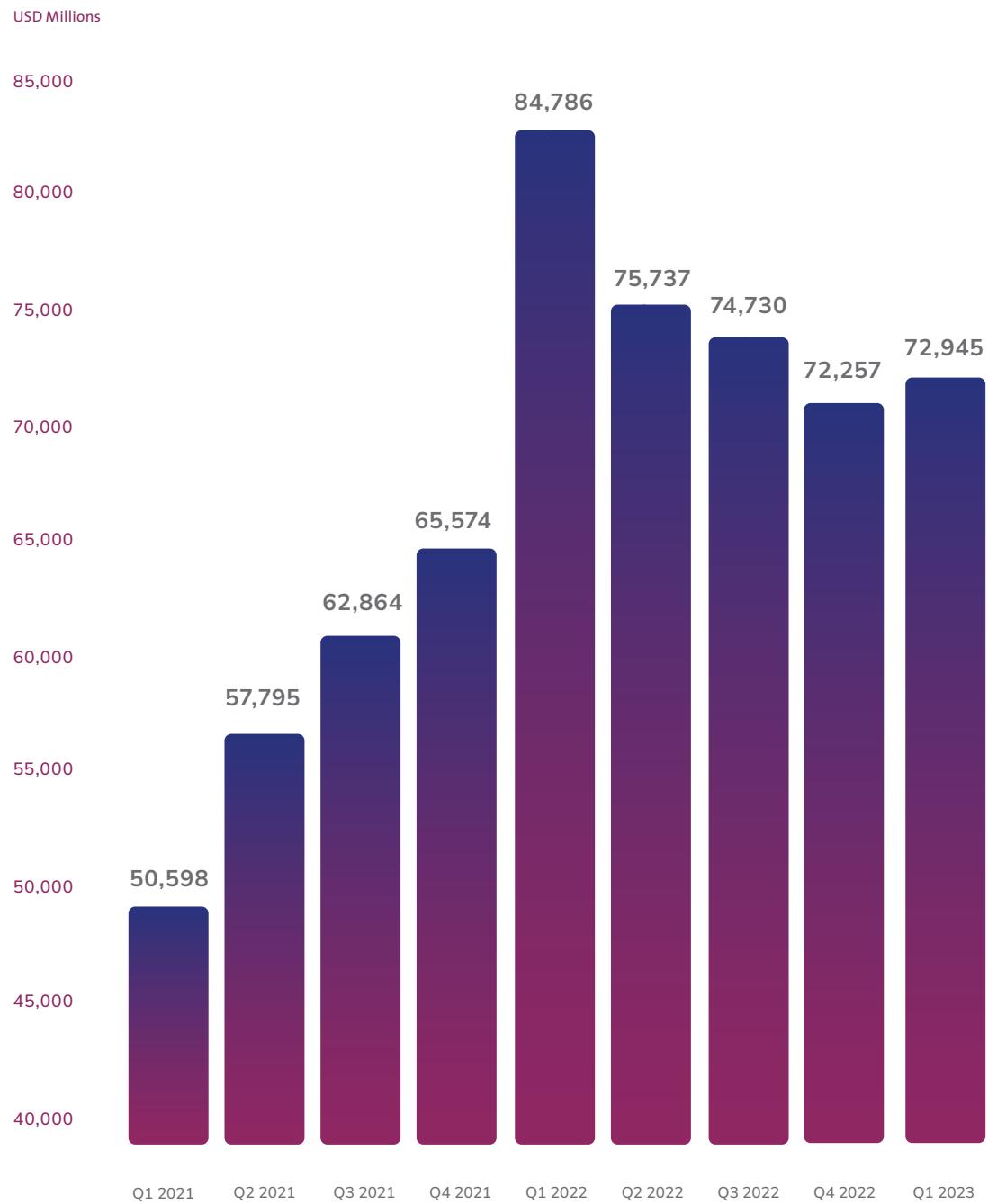
average daily value traded  
during Q1 2023

**9 new IPOs**

listed in Q1 2023 across  
the Main Market and  
NOMU – Parallel Market



# Qualified Foreign Investors (QFI) Ownership in Tadawul



Source: Tadawul

## An expanding market: Production and consumption

Increases in capital flowing to newly licensed factories are helping to boost Saudi Arabia's manufacturing capacity, with a rise in the Industrial Production Index (IPI) demonstrating the continued expansion of the nation's industrial output. Powered by the development of world-class infrastructure, the increased integration of supply chains, and investment-friendly regulation, this growth continues to generate new opportunities for investors to capitalize on a flexible and highly-integrated industrial economy.

**SAR 6.22bn**

(\$ 1.65bn)  
directed to newly licensed  
factories in Q1 2023

**SAR 3.9bn**

(\$1.04bn)  
invested in new  
licenses in March 2023

**4.1%**

y-o-y increase in  
Industrial Production  
Index in March 2023

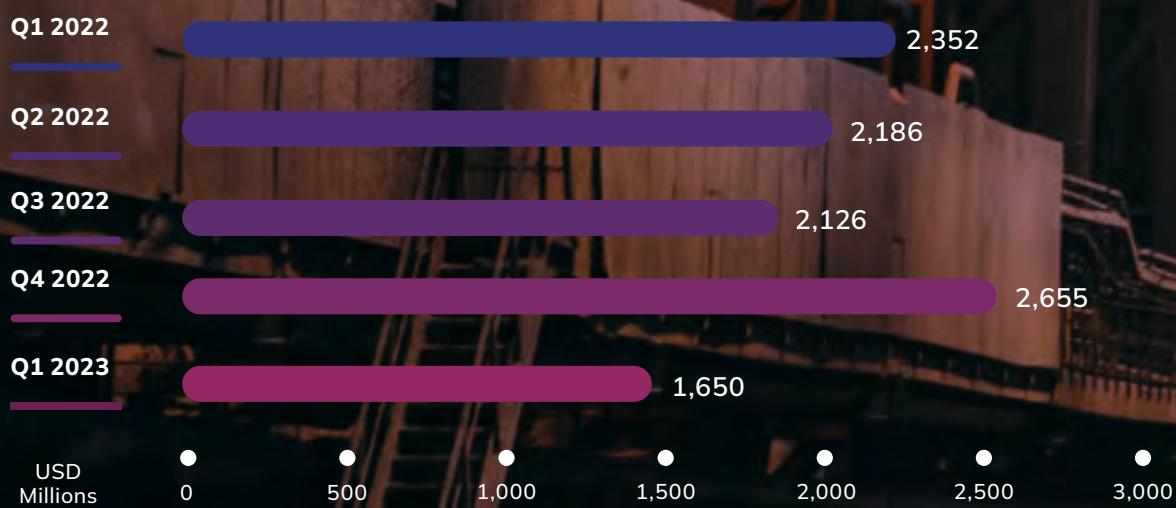
**10,825**

industrial establishments  
in the Kingdom as of  
March 2023

**3.2%**

y-o-y rise in industrial  
establishments since  
March 2022

### Capital of Newly Licensed Factories



Investors and businesses in Saudi Arabia have access to a large and growing consumer market. Consumer spending remained strong in Q1 2023, with point-of-sale (PoS) transactions increasing and the rapid expansion of electronic payment channels highlighting the Kingdom's transition to a digital economy.

**24.9%**

y-o-y increase in  
PoS transactions in  
Q1 2023

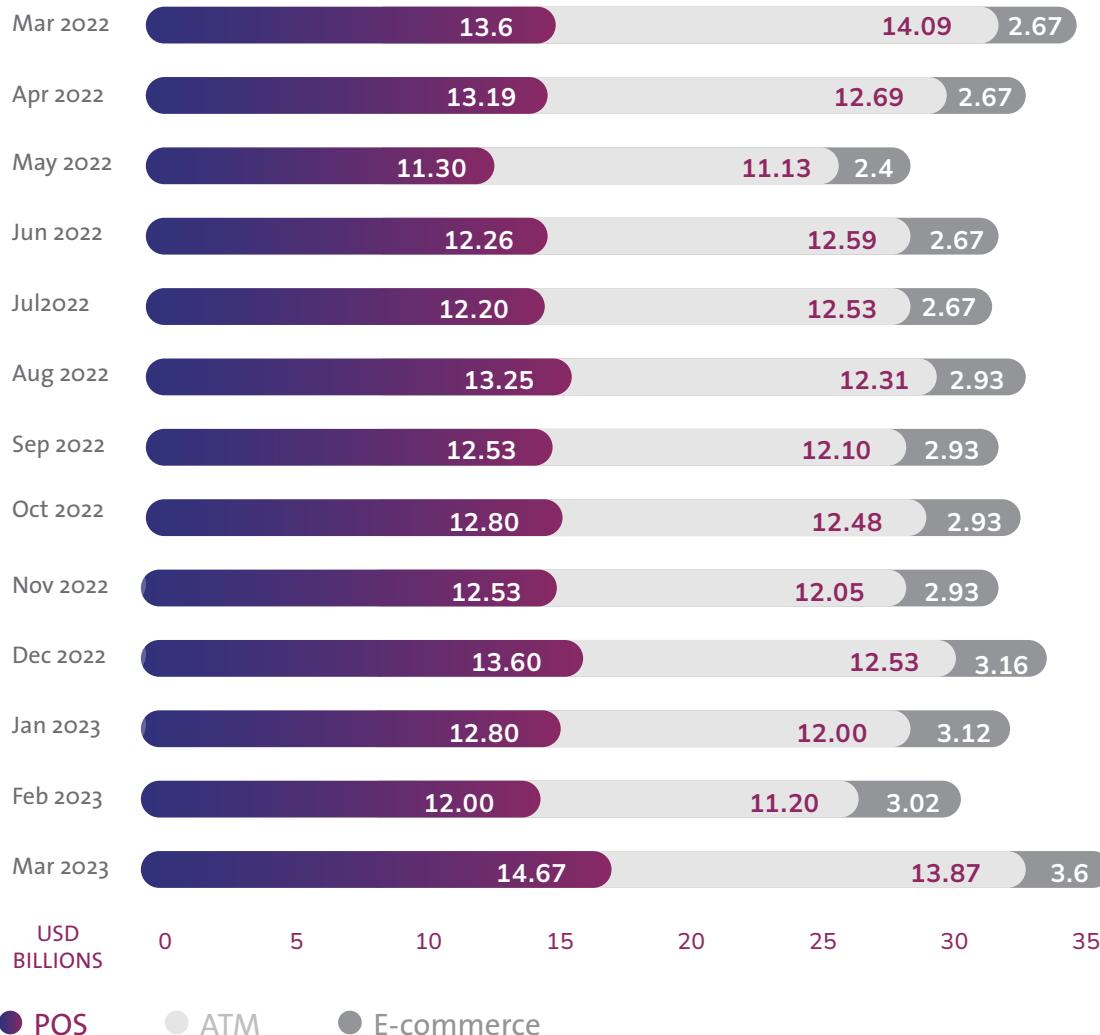
**51.9%**

y-o-y growth in Mada  
Card transactions  
between between Q1  
2022 and Q1 2023

**1.2%**

y-o-y reduction in ATM  
cash withdrawals in  
Q1 2023

## Consumer Spending Indicators



Source: Saudi Central Bank (SAMA)

Price inflation remains relatively low in Saudi Arabia: The Kingdom's Consumer Price Index (CPI) increased modestly in March 2023, driven by higher prices in housing, water, electricity, and fuels, but remained significantly lower than the OECD average.

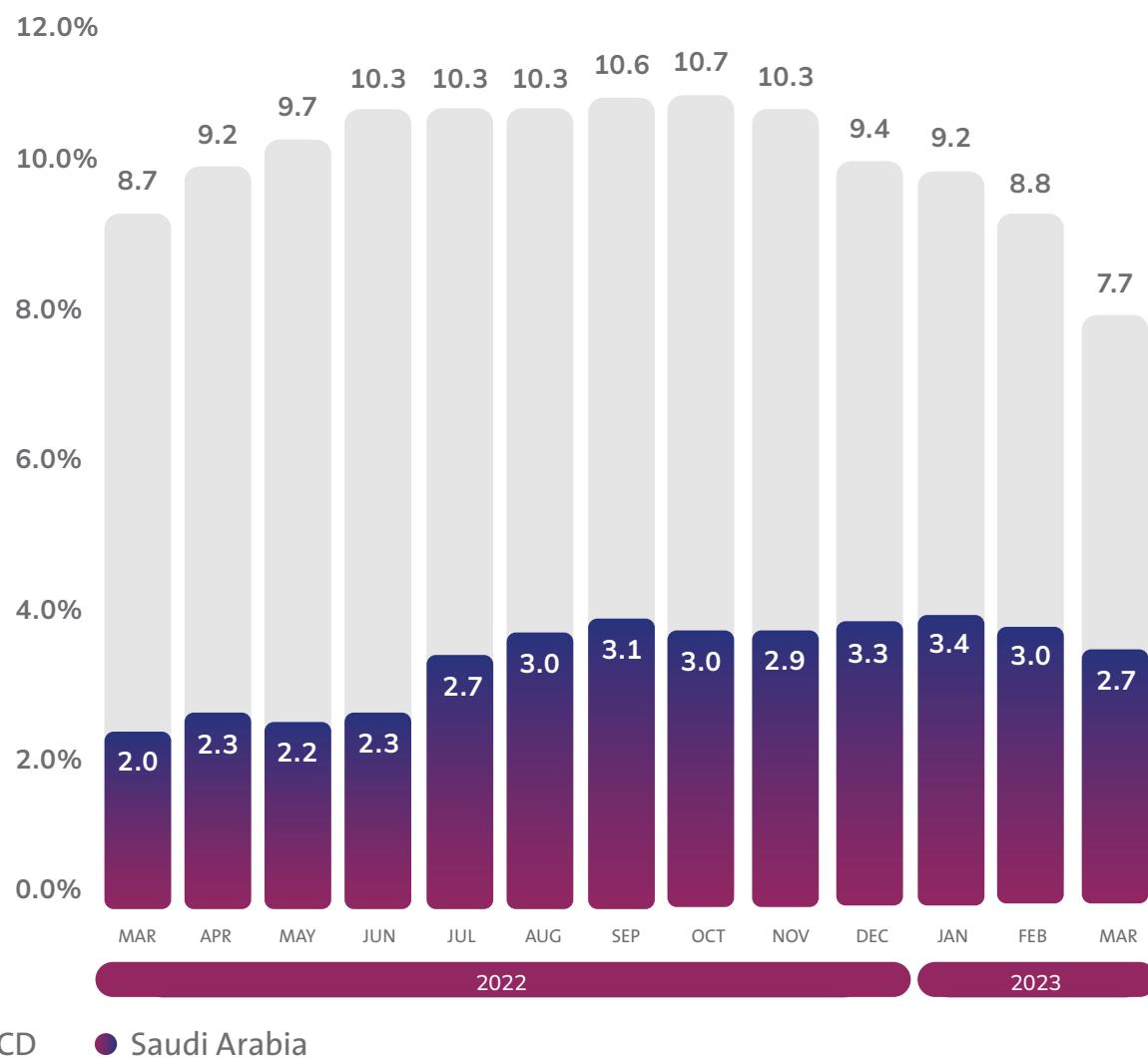
**2.7%**

increase in KSA CPI  
in March 2023

**7.7%**

rise in average CPI of OECD  
countries during March 2023

### Saudi CPI Compared to OECD



OECD

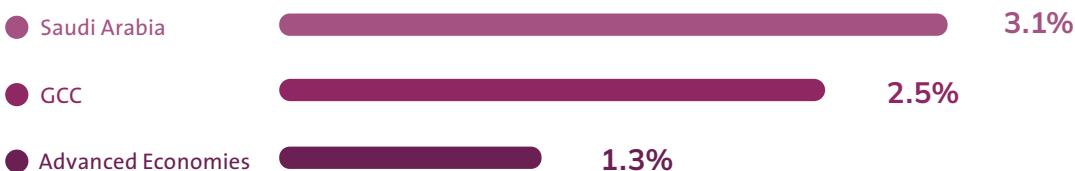
Saudi Arabia

Source: OECD, GaStat

## Looking ahead: A positive trajectory

Saudi Arabia's strong macroeconomic position and ongoing process of economic reform underpin a positive outlook. The International Monetary Fund (IMF) forecasts Saudi Arabia's real GDP to expand by 3.1% over FY 2023 compared to an average of 2.5% among GCC economies and 1.3% for advanced economies.

### Global Growth Outlook for 2023



Source: IMF and World Bank



SAUDI ARABIAN GRAND PRIX,  
JEDDAH, SAUDI ARABIA

Discover more about the Saudi Arabian F1 Grand Prix 2023



# GLOBAL WINDOW OF OPPORTUNITIES

INVEST SAUDI



# Formula 1 Deals



At this year's Saudi Arabian Grand Prix, Invest Saudi facilitated 14 investment agreements with leading sports companies, with the aim to develop the Kingdom's growing sport and entertainment sectors. The agreements form part of Saudi Arabia's broader vision to establish the Kingdom as a global sports hub by encouraging mass sports participation, nurturing local talent, and expanding the nation's profile within elite sports.

**Notable agreements were formed with:**

**BAC**

**VELOCE**  
—LIFE—

**BAC Cars and VeloceLife**  
to build a manufacturing plant for BAC sportscars in Saudi Arabia

**PUREGYM**

**PureGym Group**  
to expand the availability of gym and fitness facilities

**SEEDORF**  
GROUP

**Seedorf Group**  
to establish sport academies and clinics

**MERITUS.GP**

**Meritus Formula 4**  
to activate Formula 4 racing academies and host championships in the Kingdom



Fueled by social transformation under Vision 2030 and a government commitment to the expansion of sports in the Kingdom, such as through the new Events Investment Fund, Saudi Arabia's sports sector represents a significant opportunity for international investors looking to break into a rapidly growing market.

**SAR 82.5bn  
(\$22bn)**

sector contribution to non-oil GDP by 2030

**SAR 7.5bn  
(\$2bn)**

government investment into the sport sector by 2024

**SAR 18.75bn  
(\$5bn)**

additional private sector contribution to the sector

## Ian Briggs

Design Director/  
Co-Founder of Briggs & Co



BRIGGS  
AUTOMOTIVE  
COMPANY



Find the full  
testimonial  
video here

“The enthusiasm in the automotive industry is what attracted us to operate here in Saudi Arabia, and we are truly proud to be a part of this fantastic environment.”

## Peter Thompson

Chairman of the Asian Autosport  
Action (AAA) and Owner of Meritus.GP



Find the full  
testimonial  
video here

“The sports industry in Saudi Arabia has been booming, and Invest Saudi has created great opportunities for international investors in the global motorsports sector.”



# SPECIAL ECONOMIC ZONES (SEZs)

## Making the Kingdom a global industrial hub

While a sluggish growth outlook persists for other advanced economies, Saudi Arabia has emerged as a production and investment hub, harnessing the power of industrial reform to improve the local, regional, and international connectivity of trade and transport networks.

**5.4%**

 y-o-y increase in non-oil sector in Q1 2023

**6%**

 increase in industrial production since Q1 2022



**SAR 13.1bn**  
(\$3.5bn)  
capital stock of new factories licensed from Jan-Feb 2023

 **FDI inflows**  
14.5% y-o-y increase

2021 **SAR 25.82bn (\$6.89bn)**

2022 **SAR 29.57bn (\$7.89bn)**

\* Excluding \$12.4bn Aramco deal with EIG Global Energy Partners

Building on this, Saudi Arabia is establishing a thriving Economic Cities (ECs) and Special Economic Zones (SEZs) ecosystem that will drive growth and industrial diversification, offering fiscal incentives and unparalleled access to a well-developed transport infrastructure and globally connected market.



IN CONVERSATION WITH:

# Nabil M. Khojah

**Secretary General,  
Economic Cities and Special  
Zones Authority (ECZA)**



## Why are Special Economic Zones (SEZs) critical to Saudi Arabia's vision for industrialization and economic diversification?

SEZs provide a new gateway to growth for investors in a global landscape where the very nature of industry is fast-changing. The Kingdom itself needs to respond to these shifts and our SEZs will support this effort.

These SEZs embed two key factors into their design to support the Kingdom's overall vision for industrialization and economic diversification.

Firstly, and linked to the changing nature of industry, our SEZs are focusing on strategic sectors that are increasingly critical in the global economy, provide local or regional solutions for investors, and have space to grow within the Kingdom. By focusing our efforts to attract not only original equipment manufacturers, but a wider base of component manufacturers, we are localizing the industry. If you look at significant infrastructure projects ongoing or planned across the Middle East and Africa, our metals conversion activities within the SEZs have significant scope to support these projects, and do so in a cost-efficient way, whether by leveraging our natural resources or providing quicker routes to market.

Secondly, this drive to grow new industries in the Kingdom is backed by an investor-centric environment. Investors have three overriding concerns at present: regulatory stability, cost-efficiency, and access to talent. Our SEZ ecosystem has a specialized regulatory framework, offers access to a highly-cost competitive land and utilities, and has regulations to support the attraction and growth of foreign and local talent. Through this offer, we have already seen investors from a range of sectors

sign up to our SEZs, supporting both industrialization and diversification efforts.

If we can grow these industries in our SEZs, there will be a positive impact on the wider economy. We have seen this in other countries, where local SMEs have tapped into the opportunities and linkages that exist within SEZs, supporting their own growth and prosperity, and creating a localized supply base for investors.

## How will the new SEZs in Saudi Arabia provide a competitive advantage for businesses seeking to establish a presence in the region and participate in global trade?

With two coastlines on the Red Sea and Arabian Gulf, we offer an unrivalled connectivity to regional and global markets. Each of our SEZs is strategically located next to major logistics infrastructure that will support businesses trade ambitions, wherever they look to do business. The ongoing transformation of our infrastructure, for example through the GCC Rail or East-West land bridge, will only enhance this connectivity.

And let's not forget our young and vibrant population. We have the largest population in the GCC, with 58% of the working age population under 35 years. Again, each of our SEZs is located next to vibrant urban centers that will provide ready access to a highly-skilled and willing workforce.

## ECZA and NIDLP, key pillars of the SEZ framework

As the enabler and regulator of Saudi Arabia's ECs and SEZs, the Economic Cities and Special Zones Authority (ECZA) is the national reference for the Kingdom's efforts to develop a diversified and globally competitive business environment backed by specialized regulations, competitive



National Industrial  
Development and  
Logistics Program



incentives and highly efficient government services. ECZA works to fulfil the objectives of the National Industrial Development and Logistics Program (NIDLP), which aims to launch eight SEZs by 2025, and transform the Kingdom into an industrial and global logistics hub by maximizing the value of four key sectors: Industry, Mining, Energy and Logistics.

# ECZA: Incentivizing innovation

As an umbrella regulator, ECZA has full administrative supervision over ECs and SEZs. Leveraging its roles as both government regulator and ecosystem enabler, ECZA works to promote the investment of national capital, attract FDI inflows, and fulfill the aims of the Kingdom's NIDLP and National Investment Strategy (NIS).

## Governance Model

Regulating ECs and SEZs



Providing integrated government services

Overseeing the development and operation of ECs and SEZs

Developing commercial incentives and monitoring exemptions implementation

## COMMERCIAL INCENTIVES

**5%**

Corporate income tax for up to 20 years

**0%**

customs duties on capital equipment and inputs inside SEZ

**0%**

Withholding tax permanently for repatriation of profits from SEZ into foreign countries

**0%**

VAT for all intra-SEZ goods exchanged within the zone and between zones

### Flexible and supportive

regulations around foreign talent during first 5 years

### Expat levy

ensuring fees exemption for employees and their families in the zone

# Developed business ecosystem

Designed in consultation with global investors and in alignment with international best practice, the Kingdom's SEZs ensure an investor-centric ecosystem.



## Core regulations

in line with  
international  
best practices



## Holistic design

to attract  
entire industries  
and value chains



## Highly detailed blueprints

and integrated  
blueprints



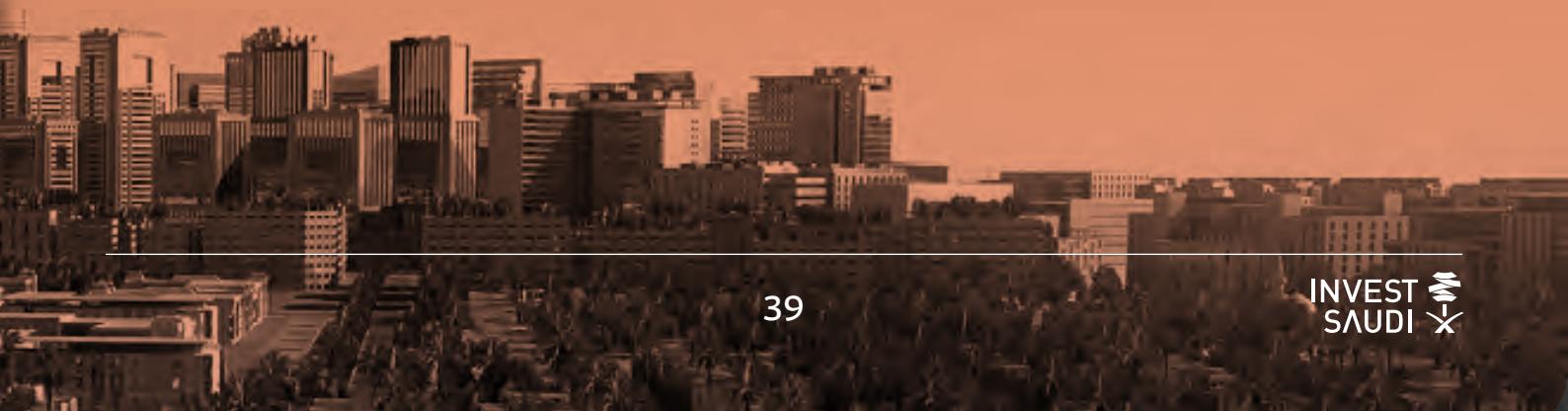
## Cross-government agreements

activate incentives  
and regulations



## Integrated

Government services  
platform (One-Stop-Shop)



# Investor-centric business environment

The SEZ business environment provides an optimal investor experience.

—  
**Simplified**  
licensing process

—  
**Import/Export**  
regulations that support  
the seamless flow of  
goods

—  
**A single,**  
overarching  
Intellectual Property  
Rights regulation

—  
**Unrestricted**  
capital repatriation

—  
**Supportive**  
labor regulations  
and conditions

—  
**30 double**  
taxation agreements  
provide tax protection  
and transparency

—  
**Robust**  
safeguards for  
arbitration

—  
**Security**  
and stability through  
real estate and  
property regulations

—  
**Best-practice**  
companies' regulation

# Four new SEZs launched

Designed with the needs of global investors in mind, the zones will accelerate the development of key growth sectors within the Kingdom, including advanced manufacturing, mining, medical technology, and cloud computing.

By establishing tailored economic environments with supportive regulatory ecosystems, companies and investors can reap the benefits of specialization and competitive advantage in one of the fastest growing economies in the G20, while connecting to key global value chains.



**1** King Abdullah  
Economic City (KAEC)

**2** Ras Al-Khair SEZ

**3** Jazan SEZ

**4** Cloud  
Computing  
SEZ





## King Abdullah Economic City (KAEC) SEZ

With its advantageous location on the Red Sea, the KAEC SEZ is the Kingdom's premier destination for advanced manufacturing and logistics. Located near Jeddah, this SEZ provides businesses with ready access to a highly skilled workforce and a gateway to global trade routes through the King Abdullah Port, ranked the world's most efficient port by the World Bank in 2022.

**13%**  
of global trade  
through the Red Sea

**62%**  
of the world's population  
within 6 hours by plane

**1<sup>st</sup>**  
most efficient port  
globally in 2021

**Up to 18m**  
berth depths

**25m**  
soft container (TEU) capacity

### SEZ focus sectors

- Automobile supply chain and assembly
- Consumer goods
- MedTech
- Logistics
- Pharmaceuticals
- ICT (Electric light manufacturing)



## Ras Al-Khair SEZ

Channeling the maritime expertise in the Arabian Gulf, Ras Al-Khair SEZ has been established to develop the Kingdom's maritime sector into a SAR 52.5 billion (\$14 billion) industry with localized, end-to-end supply chains and ship repair and maintenance capabilities. This SEZ will allow companies to access key input materials, while connecting to global markets and the busiest oil and gas traffic operations in the region via the King Salman Port.

**1<sup>st</sup>**

largest shipyard in the MENA region

**SAR 37.5bn**

(\$10bn)  
of off-take  
agreements over 10 years

**Direct rail**

access to the  
Kingdom's mines

**4**

new offshore rigs

**12mn sqm**

shipyard

**43**

vessels

### SEZ focus sectors

- Shipbuilding and MRO
- Rig platforms and MRO



## Jazan SEZ

With access to the largest mineral deposits in the Middle East region, Saudi Arabia's expanding mining industry is expected to play an increasingly crucial role in global construction and processed metal and mineral markets. The Jazan SEZ is perfectly situated to provide businesses and investors with the opportunity to tap Saudi Arabia's key minerals, metals, and industrial assets for production, while opening doors to growing markets in Africa and Asia.

**24.6 sq km**  
land area

**One**  
one of the region's largest  
ports

**Lucrative**  
titanium and  
mining industries

## Direct access

to key raw materials such  
as limestone, gypsum,  
sand, and natural gas

### SEZ focus sectors

- Logistics
- Metal conversion
- Food processing



## Cloud Computing SEZ

Like the cloud itself, this SEZ has no centralized physical location. With supportive offices in Riyadh at the King Abdulaziz City for Science and Technology (KACST), the Cloud Computing SEZ provides businesses with the opportunity to join the ranks of Google, Oracle, and Alibaba Cloud in building and operating data centers across the Kingdom.

**4<sup>th</sup> globally**

in terms of 5G deployment

**2<sup>nd</sup>**

among G20 countries for radio spectrum allocation

**SAR 37.5bn**

(\$10bn)  
Saudi Arabia cloud market size by 2030

**SAR 48.7bn**

(\$13bn)  
planned investments into data centers

**35mn**

terabytes of total internet traffic

**98.6%**

internet usage penetration rate

### SEZ focus sectors

- Cloud computing services

# REFORMS IN Q1 STRENGTHEN INVESTMENT LANDSCAPE

## Launch of National Intellectual Property Strategy

Aimed at bolstering Saudi Arabia's intellectual property ecosystem, which supports innovation and a creativity-based economy, the Kingdom has launched the National Intellectual Property Strategy (NIPST).

### Supports

the empowerment  
of innovators in  
various fields

### Stimulates

innovation  
and creativity  
competitiveness

### Solidifies

Saudi Arabia as a  
global leader in  
intellectual property

### Drives

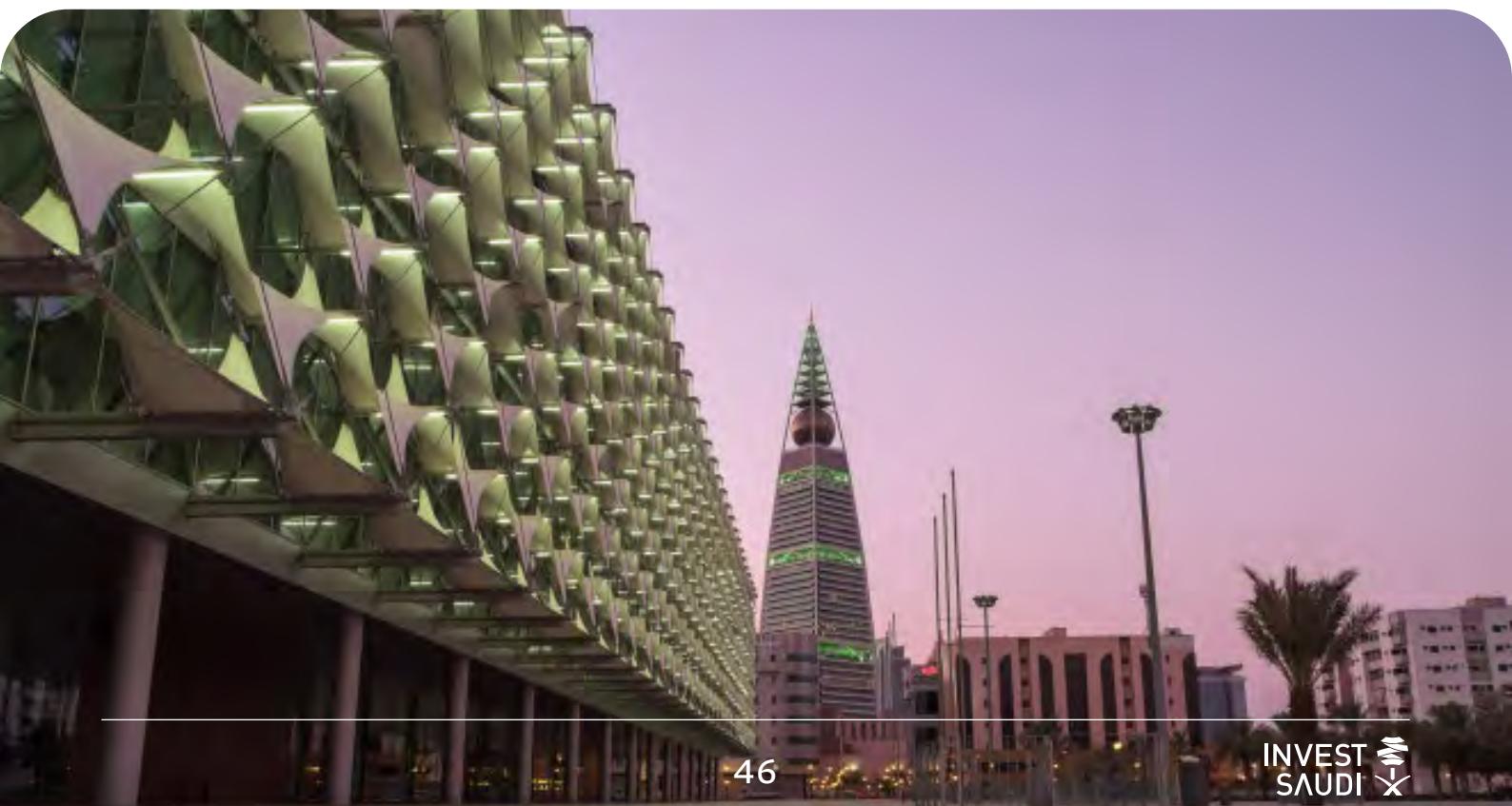
economic  
diversity

### Attracts

talented researchers,  
entrepreneurs, and  
innovators

### Enhances

protection  
of intellectual  
property rights



The NIPST is based on four fundamental pillars:



## CREATION

Support and identify intellectual property innovation

Encourage intellectual property competitiveness across sectors



## COMMERCIALIZATION

Enhance the competitiveness of intellectual property-based products

Contribute to investment and innovation in projects and cities such as NEOM and THE LINE



## ADMINISTRATION

Improve intellectual property value by establishing a high-quality registration system

Ensure effective management of creative work



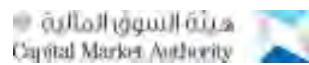
## PROTECTION

Respect and protect intellectual property rights

Stimulate the market through intellectual property protection

# New Companies Law implemented

Regulating the provisions of companies of all forms, the Ministry of Commerce (MC) and the Capital Market Authority (CMA) officially implemented the New Companies Law and its regulations in January 2023.



# ENABLE

companies to grow, expand  
and address challenges

# PROVIDE

an efficient and equitable framework for corporate governance and institutional work

AID

in fortifying the corporate regulatory environment by easing the implementation of systemic procedures and requirements

# SUPPORT

the demands and requirements  
of the entrepreneurship sector

# STIMULATE

## the business environment and support investment

# ATTRACT

domestic and  
foreign investment

# STRIKE

a balance between the interests of various stakeholders

## OFFER

# sustainable sources of finance

**BOOST**

SME growth

# Long-term reforms gain traction

Saudi Arabia continues to advance and develop previously announced reform interventions, ensuring that initiatives such as the National Investment Strategy, Global Supply Chain Resilience Initiative, and National Industrial Strategy are being consistently and effectively implemented.

## Global Supply Chain Resilience Initiative

The Kingdom's policymakers reiterated their commitment to Saudi Arabia's Global Supply Chain Resilience Initiative (GSCRI) at the World Economic Forum 2023 Annual Meeting, held in Davos, Switzerland, in January 2023.



### H.E. Eng. Khalid Al-Falih

Minister of Investment  
of Saudi Arabia,

"Saudi Arabia is playing to its strengths to enhance local and global supply chain resilience, becoming a key hub in global networks to offer access to materials, maritime networks, and the most sustainable energy mix."



The initiative has three critical goals

#### DEVELOP

a unified strategy to attract strategic supply chains to Saudi Arabia



**SAR 10bn**  
**(\$2.67bn)**

in financial and non-financial incentives

#### GROW

the Kingdom's market share in sectors where it has particular competitive and strategic advantages



**SAR 40bn**  
**(\$10.67bn)**

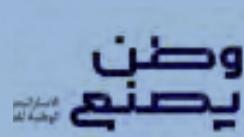
of quality, industrial and service investments in global supply chains to be unlocked by the initiative

#### STRENGTHEN

regional and global supply chains to provide investors with a competitive advantage

# National Industrial Strategy

As part of the National Industrial Strategy, the Kingdom is in the process of expanding key industrial sub-sectors recognized as having the potential to boost growth and increase regional and international competitiveness, and aims to have 36,000 new factories by 2035.



The strategy focuses primarily on the diversification of the Kingdom's industrial economy:

**12**

key industrial  
sub-sectors

**2.1mn**

job opportunities in  
the sector by 2030

**SIXFOLD**

increase in export of  
advanced technology products

**SAR 557bn**  
**(\$148.5bn)**

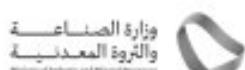
in industrial  
exports

**SAR 1tn**  
**(\$267bn)**

in investment  
opportunities

**SAR 892bn**  
**(\$237.8bn)**

industrial manufacturing  
GDP contribution by 2030



## H.E. Mr. Bandar bin Ibrahim Al-Khorayef

Minister of Industry  
and Mineral  
Resources of Saudi  
Arabia

"As we work toward achieving our aspirations for a vibrant, thriving, and ambitious nation, our National Industrial Strategy will be vital to accelerating and diversifying the Kingdom's industrial development."



# National Industrial Strategy unlocks investment opportunities

Investment opportunities developed and uploaded on the Invest Saudi platform are catalyzing new and established sectors and boosting economic growth



**50**

investment opportunities  
in machinery and  
equipment sectors



**SAR 96bn**

(USD 25.6bn)  
in value

## STEELMAKING FOR SPECIALTY HIGH VALUE-ADDED PRODUCTS

Expected investment size: SAR 15bn (\$4bn)

Expected IRR: 10%

Plant capacity: 7,500 ktpa

Payback period: 9.3 years

## LIFTING MACHINERY

Expected investment size: SAR 525mn (\$140mn)

Expected IRR: 11%

Plant capacity: 3,706 units/year

Payback period: 13 years

Find these and many more in  
Invest Saudi opportunities platform



Guided by the ambitions of Vision 2030, Saudi Arabia is advancing an expansive reform process, with a particular focus on non-oil activities. This approach is yielding significant progress – most notably through recent country upgrades by key international ratings agencies which improve the Kingdom's ability to access funds in international bond markets.

RATINGS AGENCY



MOODY'S

S&P Global  
Ratings

RATING UPDATE

Upgraded Saudi Arabia's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'A+' from 'A'

Updated credit report for Saudi Arabia, affirming its 'A1' rating

Revised upwards its sovereign rating on Saudi Arabia to 'A/A-1'

WRITTEN ROUNDTABLE WITH:

Jan Friederich

Head of EMEA Sovereign Ratings, Fitch Ratings

Ravi Bhatia

Director, S&P Global Ratings

Christian Fang

VP-Senior Analyst, Moody's



**What contributed to Saudi Arabia's recent credit rating upgrade, and how do you see this effecting levels of FDI in the Kingdom?**



**Jan Friederich (Fitch Ratings):** Saudi Arabia's upgrade to an "A+/Stable" rating reflects its strong fiscal and external balance sheets. For example, government debt-to-GDP is considerably lower than both the "A" and "AA" ratings. The government also has significant fiscal buffers in the form of Ministry of Finance deposits at the Saudi Central Bank (SAMA), and other sizeable pools of public sector assets, such as pension funds. Saudi Arabia also has one of the highest levels of international reserves relative to imports of goods and services. Its sovereign net foreign asset position, including foreign assets of the PIF and the pension funds, is also very strong, at 56% of GDP in 2022, well above the median for A category sovereigns at 3%, and the AA median of 33%. The upgrade also assumes an ongoing commitment to gradual progress with fiscal, economic, and governance reforms. The government overshot fiscal spending targets significantly in 2022, but its commitment to fiscal sustainability was illustrated by the decision in 2020 to triple the VAT to 15% at a time when most governments were providing massive fiscal stimulus.

When it comes to FDI, the main attraction is the size of the market in Saudi Arabia's large economy and the opportunities generated by the rapidly changing economy as well as the context of sweeping social reforms.



**Christian Fang (Moody's):** In March, Moody's changed its outlook on Saudi Arabia's "A1" rating to positive from stable. Our assessment was that ongoing reforms and continued investment in non-oil sectors offered increased potential of eventually reducing the Kingdom's economic and fiscal reliance on hydrocarbons and its exposure to a potential acceleration in the global carbon transition. Over the past three years, the government has made significant progress in advancing its broad-based structural reform agenda to support economic and fiscal diversification efforts and deliver on social commitments made by Vision 2030.

Substantial progress continues to be made in social reforms, judicial reforms, educational reforms, and comprehensive regulatory and economic reforms. In our view, these will enable more robust private sector investment, driving FDI and growth in the non-hydrocarbon sector. Continued progress in structural

reforms will support the sustainability of economic diversification efforts over the medium and long term beyond initial phases where certain targets are likely to be met relatively easily. By improving Saudi Arabia's business environment and investment climate, these reforms also increase the likelihood that robust growth in the non-hydrocarbon sector and employment levels can also be sustained without an excessive reliance on public spending, either from the budget or from assets of the sovereign wealth fund.



**Ravi Bhatia (S&P Global Ratings):** Saudi Arabia's significant reform momentum in recent years has begun to deliver structural improvements to both its economy and fiscal and debt management. Among these are measures to drive non-oil economic growth and widen the non-oil tax base, in addition to significant social liberalization, which also supports consumer demand. What's more, the economy will also continue to benefit from Saudi Arabia's leading role as the largest individual oil exporter in the world, not to mention the impressive non-oil growth being driven by smart investments by its sovereign wealth fund.

Taken together, these reforms support domestic demand, GDP growth, employment, and fiscal and external net-asset positions. These developments also complement Saudi Arabia's longstanding position as the world's largest oil exporter, with spare installed capacity giving it the ability to adjust production swiftly if and when otherwise rather favorable energy market conditions change. At the end of the day, we see stronger growth and reform momentum translating into higher FDI inflows going forward—all of which were reasons to upgrade our rating.

### How do you see Saudi Arabia's progress towards achieving its economic diversification targets?



**Jan Friederich (Fitch Ratings):** We expect oil activity to still account for 30% of total GDP in 2023-4, with much of the remainder being indirectly financed by the sector, too. However, significant progress has already been made, notably regarding non-oil government revenue, which has more than doubled since 2015. If oil revenue accounted for 90% of the budget a decade ago, we now project it to account for merely 60% in 2023-2024.

Further progress in diversifying the economy and fiscal revenue will also positively effect ratings. For example, a number of public sector investments and structural reforms are already beginning to unlock non-oil sectors of the economy, such as tourism, entertainment, logistics, and manufacturing. The country is also developing more complex and sophisticated products in refining, downstream, and chemicals. These measures are already showing huge results. In 2022, for example, 90% of the increase in employment was in the private sector.

The government's broader investment drive is also boosting GDP during due to substantial ongoing construction projects. If these giga-projects prove successful, they would also significantly effect long-term growth. Their liabilities are contained within government-related enterprises, many of which have substantial assets, including liquid ones.



**Christian Fang (Moody's):** Momentum is gathering behind a wide range of government-sponsored diversification projects and initiatives, the success of which is likely to be driven by private sector involvement. As a key example, during the past two years a number of giga-projects have started to enter the construction phase after several years of design and planning. While most diversification projects to date have been concentrated in urban development, tourism, and entertainment, the growing list also includes industrial ventures including petrochemical, non-hydrocarbon mining, low-carbon energy alternatives such as blue and green hydrogen, defense, and electric vehicle manufacturing. reforms will support the sustainability of economic diversification efforts over the medium and long term beyond initial phases where certain targets are likely to be met relatively easily. By improving Saudi Arabia's business environment and investment climate, these reforms also increase the likelihood that robust growth in the non-hydrocarbon sector and employment levels can also be sustained without an excessive reliance on public spending, either from the budget or from assets of the sovereign wealth fund.



**Ravi Bhatia (S&P Global Ratings):** Alongside its strong oil-sector dynamics, the structural diversification of the economy away from upstream crude production continues. Non-oil private sector activity now accounts for well over half of GDP, significantly higher than a decade ago. Along with its Saudization efforts and broader social and legal reforms, Vision 2030's emphasis on boosting female labor force participation is also having a significant effect. Less unemployment, greater social mobility, and the diversification away from oil have all contributed to upward pressure on the rating. The government and sovereign wealth funds are also driving Vision 2030 megaprojects forward, from Neom and Qiddiya entertainment park to the Red Sea Project, among others.

Saudi Arabia has, for several years now, been working on improving its business environment, investment climate and driving non-oil growth. Recent overhauls of laws, including trying to make them more business friendly, working on developing the King Abdullah Financial District, and driving projects via the Public Investment Fund (PIF), are all contributing to a perceived improvement in the business climate. Given these major improvements, more FDI could soon diversify the economy even more.



MIPIM EVENT,  
CANNES, FRANCE



Visit our website here



**EXPLORE THE  
OPPORTUNITIES**

# EVENTS SHAPING THE GLOBAL INVESTOR ECOSYSTEM

## JANUARY 2023 EVENTS

JAN 10-JAN 12

### FUTURE MINERALS FORUM 2023

Focus: Mining value chain  
Riyadh, Saudi Arabia

JAN 16

### 13TH JOINT ECONOMIC COMMITTEE (JEC) BETWEEN SWITZERLAND AND SAUDI ARABIA

Focus: Bilateral investment opportunities  
Zürich, Switzerland

JAN 16

### WORLD FUTURE ENERGY SUMMIT 2023

Focus: Sustainability and clean energy  
Abu Dhabi, UAE

JAN 16

### SWISS – SAUDI EXECUTIVE INVESTMENT FORUM

Focus: Bilateral cooperation and investment  
Zürich, Switzerland

JAN 16-JAN 20

### WORLD ECONOMIC FORUM 2023

Focus: State of the world economy  
Davos, Switzerland

JAN 24-JAN 26

### MUNICIPAL INVESTMENT FORUM – FURAS

Focus: Municipal Investment  
Riyadh, Saudi Arabia

JAN 30 - FEB 2

### ARAMCO IKTVA EXHIBITION

FOCUS: Manufacturing  
Dammam, Saudi Arabia

JAN 25 - JAN 26

### RIYADH GLOBAL MEDICAL BIOTECHNOLOGY SUMMIT 2023

Focus: Biotechnology  
Riyadh, Saudi Arabia

JAN 30 - FEB 2

### ARAB HEALTH 2023

Focus: Healthcare  
Dubai, UAE

## In Focus: World Economic Forum Annual Meeting 2023



Under the theme 'Cooperation in a Fragmented World,' MISA joined world leaders, decision-makers, and industry experts at the 53rd edition of the World Economic Forum (WEF) Annual Meeting in Davos, Switzerland. This year's meeting emphasized the crucial importance of private-public partnerships in designing collaborative solutions that address today's geopolitical, social, economic, and human development challenges.

At WEF's Annual Meeting, MISA organized an industry leadership forum for executives from the energy, petrochemicals, and mining sectors, in coordination with the Ministry of Energy and the Ministry of Industry and Mineral Resources. The discussion centered on the transition to clean energy and its impact on the energy and petrochemical industries. Saudi Arabia's clean energy plan to support the transition was also presented to participants, which included 30 CEOs of major international companies.



## FEBRUARY 2023 EVENTS

FEB 1 - FEB 4

### OMANI INDUSTRIES EXHIBITION AND INVESTMENT FORUM

Focus: Bilateral trade and industrial development  
Riyadh, Saudi Arabia

FEB 2

### MINISTRY OF INVESTMENT AND IMF MEET TO ENHANCE COOPERATION

Focus: Economic development  
Riyadh, Saudi Arabia

FEB 6 - FEB 9

### LEAP23

Focus: Information and Communication Technology  
Riyadh, Saudi Arabia

FEB 5 - FEB 6

### SAUDI – HONG KONG FORUM

Focus: Bilateral trade and investment  
Riyadh, Saudi Arabia

FEB 6 - FEB 9

### MINING INDABA 2023

Focus: Mining  
Cape Town, South Africa

FEB 14 - FEB 16

### AL-AHSA FORUM 2023

Focus: Regional economic opportunities  
Al-Ahsa, Saudi Arabia

FEB 20 - FEB 24

### GULFOOD 2023

Focus: Food Manufacturing  
Dubai, UAE

FEB 20 - FEB 24

### INTERNATIONAL DEFENSE EXHIBITION (IDEX)

Focus: Defense industry  
Abu Dhabi, UAE

FEB 27 - MAR 2

### MRW BARCELONA 2023

Focus: Technology and communication  
Barcelona, Spain

# In Focus: Saudi-Omani Investment Forum

MISA hosted dignitaries and delegates from Saudi Arabia and Oman at the inaugural Saudi-Omani Investment Forum to explore the latest trends in bilateral trade and investment opportunities between the two nations.

Under the theme 'Partnership and Integration', the forum aimed to facilitate sustainable, long-term economic partnerships across key industries and sectors to promote economic integration and supply chain resilience, in line with the goals of Saudi Vision 2030 and Omani Vision 2040. The forum featured businesses across a range of sectors, including logistics, banking, food and fashion, while the participation of several poets, artists, and folk groups provided visitors with the opportunity to celebrate the rich cultural heritage shared between Saudi Arabia and Oman.

Through panel discussions, workshops, and an industry exhibition, the forum also provided businesses & investors with a platform to explore the latest trends and developments in renewable energy, supply chain integration, tourism, and real estate.

**13 MoUs and agreements were signed across key sectors by the conclusion of the forum:**



ENERGY



PETROCHEMICALS



ICT



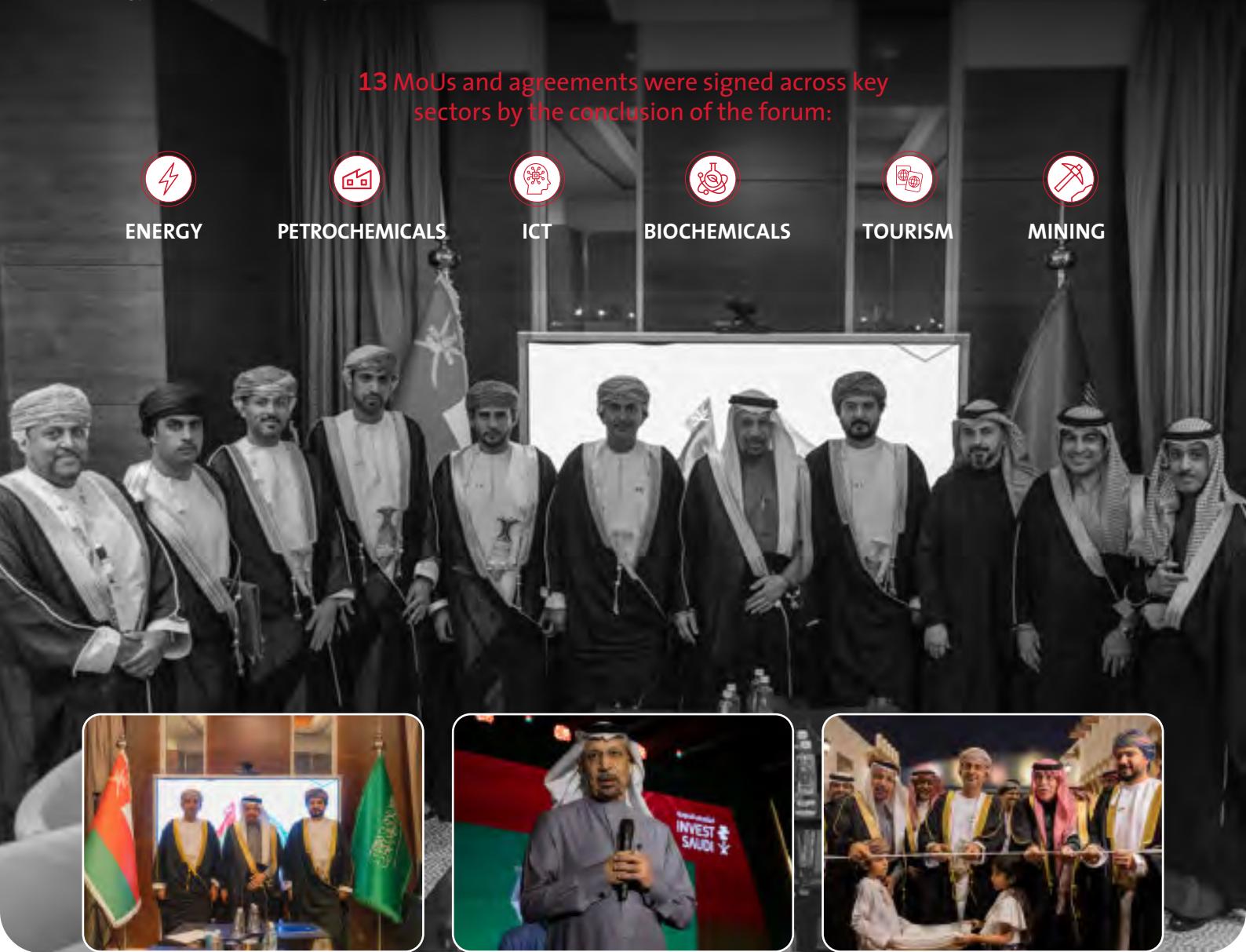
BIOCHEMICALS



TOURISM



MINING



## MARCH 2023 EVENTS

MAR 2

**SHAREEK PROGRAM EVENT**  
Focus: Public-private collaboration and investment  
Riyadh, Saudi Arabia

MAR 5 - MAR 6

**INTERNATIONAL CONFERENCE ON JUSTICE (ICJ2023)**  
Focus: Judicial systems and technology  
Riyadh, Saudi Arabia

MAR 9

**GLOBAL INVESTORS SUMMIT**  
Focus: Investment  
Paris, France

MAR 7

**GERMAN – SAUDI INVESTMENT FORUM**  
Focus: Bilateral trade and investment  
Berlin, Germany

MAR 9 - MAR 13

**BIBAN 2023**  
Focus: Entrepreneurship and Small and Medium Enterprises  
Riyadh, Saudi Arabia

MAR 11

**AUSTRIAN ECONOMIC CHAMBER ROUNDTABLE**  
Focus: Global investment  
Vienna, Austria

MAR 13

**NATIONAL TRANSFORMATION PROGRAM FORUM**  
Focus: Economic diversification  
Riyadh, Saudi Arabia

MAR 13 - MAR 16

WATCH MORE ABOUT MIPIM HERE



MAR 15 - MAR 16

**SAUDI FINANCIAL SECTOR CONFERENCE**  
Focus: Finance  
Riyadh, Saudi Arabia

MAR 17 - MAR 19

**FORMULA 1 GRAND PRIX**  
Focus: Sports and investment  
Jeddah, Saudi Arabia

## In Focus: Biban 2023

Hosted by the Small and Medium Enterprises General Authority (Monsha'at), this year's edition of Biban brought innovators, investors and entrepreneurs together again to explore the Kingdom's transformation across key sectors and discuss the role of investors driving future innovation.

**350+**

GLOBAL AND  
LOCAL SPEAKERS

**50+**

PARTICIPATING LOCAL AND  
INTERNATIONAL BRANDS

**700+**

LOCAL AND INTERNATIONAL  
ENTREPRENEURS EXHIBITING

**300+**

WORKSHOPS

**105,000+**

ATTENDEES

Under the conference's theme 'Attract-Connect-Achieve,' MISA hosted a successful workshop about the Kingdom's thriving entrepreneurial ecosystem, in collaboration with the Venture Capital and Private Equity Association.

MISA representatives shared their knowledge and expertise on government support initiatives for businesses and entrepreneurs at the Invest Saudi pavilion, while also providing innovators with a dedicated space to connect with investors at the Biban 2023 Investors Lounge.



# SUCCESS STORIES

## Saudi Arabia launches its first locally manufactured intensive care ventilator

In line with the Kingdom's goal to localize the manufacture of goods across key sectors, Medtronic EMEA and Pioneers Technical Systems Company successfully launched the Kingdom's first locally manufactured intensive care ventilator. The partnership will contribute to manufacturing 1,200 intensive-care ventilators annually, with an average Saudization of 46% of the employees within the first two years.

**Medtronic**

IN CONVERSATION WITH:

## Majid Kaddoumi

Senior Vice President & President, Central & Eastern Europe, Middle East, Africa & Russia Region, Medtronic



### How was the process of identifying a local partner for the production of intensive care unit ventilators in Saudi Arabia?

Our production journey in Saudi Arabia began during the pandemic in 2020. We were approached by Pioneers Technical Systems Company, who offered to partner in manufacturing the ventilators due to the high domestic demand. They provided a manufacturing model that met our global quality standards and we engaged with them.

We received strong support from local stakeholders such as the Ministry of Investment (MISA) and Invest Saudi, the Ministry of Industry and Mineral Resources (MIM), the National Industrial Development Center (NIDC), and the Local Content and Government Procurement Authority (LCGPA), who streamlined the licensing process and gave us the necessary support. The Saudi FDA played a pivotal role by approving our product in an exceptionally short timeframe, taking only around six weeks to study a significant number of files and data along with handling site verifications and certifications.

### What are some of the most exciting changes you are seeing in the healthcare sector and what opportunities do they present for foreign investors?

Saudi Arabia has a highly innovative healthcare delivery plan which presents an exciting opportunity for the Kingdom to emerge as the regional hub for healthcare. We, as Medtronic, are already serving the entire Arabian Peninsula from our headquarters in Saudi Arabia.

Moreover, Saudi Arabia is putting an increased focus on localizing different products through Vision 2030, and programs such as the National Industrial Development and Logistics Program (NIDLP). It is misleading to think about production as only the end product. The manufacturing process of medical devices, including ventilators, involves numerous components, and Saudi Arabia possesses a favorable position to locally manufacture these components for the healthcare industry. Already, the country has made significant strides in producing items like chips, pumps, and various mechanical and electrical parts, and there is still untapped potential for further advancements in this area.

# Microsoft invests in new cloud datacenter in Saudi Arabia



While participating at the LEAP 2023 technology conference in Riyadh in February 2023, US multinational technology corporation Microsoft announced its intention to invest in a new cloud data center in Saudi Arabia.

Microsoft's commitment will see the delivery of new investments into local infrastructure and was made in response to the growing customer demand for cloud services and data residency in Saudi Arabia from global enterprises, local businesses, and civilian public sector organizations.

Digital transformation represents a key aspect of the Kingdom's agenda for growth and economic diversification, and Microsoft's announcement comes as part of its larger strategy to empower public and private organizations globally with the cloud services they need to fulfill their digital transformation goals.

## Thamer Alharbi

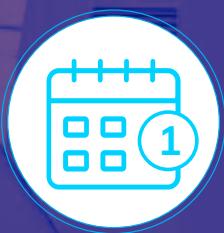
President, Microsoft Arabia

"This announcement reflects Microsoft's longstanding commitment to Saudi Arabia and its ambitions for digital transformation. Our datacenter region will enable even more enterprises and industries in Saudi Arabia to benefit from a trusted cloud framework which protects the privacy of organizations' data to the highest standard."

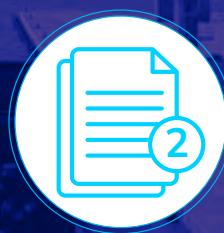
A photograph of a panel discussion at the LEAP 2023 conference in Riyadh. Five individuals are seated on a stage under a blue banner that reads "DEALING WITH THE CHALLENGES OF ECONOMIC CONSTRUCTION". The banner also lists "Co-organised by" and "Powered by" logos, including Saudi Calligraphy, KSA, and Ithra. Below the banner, five portraits of speakers are displayed with their names: Dr. Basmah AlFulaijan, H.E. Khalid Al-Falih, H.E. Bender Ibrahim AlKhairyef, H.E. Faisal AlQasim, and H.E. Dr. Abdullah bin Sharaf AlGhamdi. In the foreground, the audience is seated in rows of purple chairs, and a large screen in the background shows the LEAP 2023 logo.

# START YOUR INVESTMENT JOURNEY

Saudi Arabia has implemented numerous reforms that have significantly enhanced the ease of doing business.



1 BUSINESS DAY  
TO OBTAIN YOUR LICENSE



2 DOCUMENTS REQUIRED  
FOR AN INVESTMENT LICENSE

Learn more about what specific incentives are waiting for you on the INVEST SAUDI website, or scan the QR code.



**Investors can access a variety of guidelines to navigate their journey into the Kingdom.**



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**SAUDI**

