



وزارة الاستثمار  
Ministry of Investment

استثمر في السعودية

INVEST  
SAUDI



رؤية  
2030  
المملكة العربية السعودية  
KINGDOM OF SAUDI ARABIA

Saudi Arabia's Q4 2022

# Investment Highlights

## Inside this edition

- › Chapter one - Saudi economic performance
- › Chapter two - Investment developments
- › Chapter three - Sector highlight: Saudi Arabia Supporting the global energy transition
- › Chapter four - Key reforms and opportunities driving investment
- › Chapter five - Market opportunity propels investor interest
- › Chapter six - Investment events: local & international
- › Chapter seven - How to start your investment journey



Sakaka Solar PV Plant,  
Al-Jouf



“

**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**





# H.R.H. the Crown Prince Mohammed bin Salman sparks investments with key deals, legislation and bilateral diplomacy

Over 1000 investment opportunities went live on the Invest Saudi platform in 2022, exceeding a value of USD \$240 billion (SAR 900 billion)

## October 2022



### H.R.H. the Crown Prince unveils new Saudi Downtown Company

H.R.H. the Crown Prince Mohammed bin Salman, Chairman of the Public Investment Fund (PIF), announced the launch of the Saudi Downtown Company (SDC), which aims to build and develop downtown areas and mixed-use destinations in 12 cities across the Kingdom. The company is tasked with improving infrastructure and building strategic partnerships with the private sector and investors.



### PIF to establish five regional investment companies

On the second day of the 6th edition of the Future Investment Initiative (FII), H.R.H. the Crown Prince Mohammed bin Salman announced that PIF will establish five companies aimed at investing in Bahrain, Iraq, Jordan, Oman, and Sudan. Together with the previously launched PIF subsidiary Saudi Egyptian Investment Company, the new companies aim to invest up to \$24 billion (SAR 90 billion) in key sectors in each market.



### PIF establishes Regional Voluntary Carbon Market Company

PIF has partnered with Saudi Tadawul Group Holding Company to establish the Regional Voluntary Carbon Market Company, which will offer guidance and resources to support businesses and industry to play their part in the global transition to net zero through carbon credit purchases.



### New Global Supply Chain Resilience Initiative announced

H.R.H. the Crown Prince Mohammed bin Salman announced the launch of the Global Supply Chain Resilience Initiative (GSCRI), a new aspect of the National Investment Strategy which aims to make the Kingdom a key link in global supply chains, and a hub for global industrial companies looking to secure competitive advantages and improve business resilience.



### 6th edition of the Future Investment Initiative (FII) hosted in Riyadh

The 6th edition of the Future Investment Initiative (FII-6) took place in Riyadh, under the theme Investing in Humanity: Enabling a New Global Order. The conference highlighted key sectors of impact for future investment globally, including technology, education, healthcare, and sustainability, which form crucial areas for development in Saudi Arabia under H.R.H. Mohammed bin Salman's objectives for Vision 2030.





## November 2022



### H.R.H. the Crown Prince launches Ceer, first Saudi electric vehicle brand

H.R.H. the Crown Prince Mohammed bin Salman announced the launch of Ceer, the Kingdom's first electric vehicle brand and a joint venture between PIF and Hon Hai Precision Industry Co. ("Foxconn"). Ceer will attract inflow of over \$150 million (SAR 564 million) of foreign direct investment (FDI) and create up to 30,000 direct and indirect jobs. The venture is projected to directly contribute \$8 billion (SAR 30 billion) to Saudi Arabia's GDP by 2034. Ceer vehicles are scheduled to be available in 2025.



### PIF signs MoU with BlackRock for infrastructure projects

PIF has signed a non-binding MoU with global investment firm BlackRock, to strengthen BlackRock's Middle East infrastructure strategy and establish a framework for the joint exploration of infrastructure projects in the MENA region. Most of the investment activity will be focused on Saudi Arabia, with PIF and BlackRock working across a range of sectors to attract regional and international investors.



### H.R.H. the Crown Prince announces King Salman International Airport masterplan

H.R.H. the Crown Prince Mohammed bin Salman announced the new masterplan for King Salman International Airport, expected to accommodate up to 185 million passengers and process 3.5 million tons of cargo annually by 2050. The airport, powered by renewable energy, will cover an area of approx. 57 sq km to allow for six parallel runways.



### PIF announces launch of Aseer Investment Company

PIF announced the launch of the Aseer Investment Company (AIC) to operate as the Fund's investment arm in the Aseer region of Saudi Arabia, focusing on the promotion and stimulation of local and foreign direct investment to turn the region into a year-round tourism destination.

## December 2022



### Saudi and China sign 34 investment agreements

Saudi and Chinese companies signed 34 agreements, covering private and public sector entities, during a summit hosted by H.R.H. the Crown Prince Mohammed bin Salman, showcasing a strengthening of ties between the two major economies.



### PIF acquires up to 9.5% stake in Skyborn Renewables

PIF is investing in Skyborn Renewables, a leading offshore wind developer and operator, allowing it to participate in the acceleration of energy transition and the development of clean energy at an international scale. This investment adds to PIF's strong track record of investment in the low carbon sector, as part of its commitment to develop 70% of the Kingdom's renewable energy by 2030.





# H.R.H. Mohammed Bin Salman's official visit to South Korea

The Crown Prince and Prime Minister, Mohammed Bin Salman led a delegation of government officials and industry leaders in a visit to the South Korean President, Yoon Suk Yeol, in Seoul to further improve bilateral relations by increasing economic cooperation.

## Highlights



B2B meetings were held between Korean and Saudi businesses to explore opportunities and initiate potential partnerships



The visit by H.R.H. Mohammed bin Salman represents 60 years of diplomatic relations with South Korea

## Outcome



Aramco signed an agreement with Korea's Doosan Heavy Industries & Construction Company and the Saudi Industrial Investments Company Dussur aiming to establish a casting and forging facility that could supply the Kingdom's manufacturers with industrial and process equipment



10 MoUs were signed, with a focus on sustainable energy, strategic finance solutions, and R&D opportunities



South Korea aims to increase participation in 3 key areas of the Saudi economy

- Hydrogen in the era of carbon neutrality
- Futuristic cities - including the development of NEOM
- New growth engines in the wake of the COVID-19 pandemic





## Xi Jinping visit to Saudi Arabia

Xi Jinping, President of China, visited H.R.H Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and Crown Prince Mohammed bin Salman between December 7 and 9 at Yamamah Palace in Riyadh. The meeting was held to increase bilateral cooperation within the framework of China's Belt and Road Initiative (BRI) and the Kingdom's Vision 2030.

### Key objectives

- › Boosting cooperation in:



Automotive industry



Supply chains



Logistics



Water desalination



Infrastructure



Manufacturing



Mining



Financial sector

- › Pursuing trade and investment opportunities
- › Aligning on socio-economic issues including climate change, transport & logistics, sports, education, and foreign policy

### Outcome

**12** agreements and MoUs for cooperation in fields including hydrogen energy, housing, digital economy, and economic development

**9** agreements and MoUs signed between the government and private sectors

**25** agreements and MoUs between companies in the two countries

**\$50 bn** (SAR 187.5 mn) in deals were signed at the Saudi-China summit





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## CHAPTER 1

# SAUDI ARABIA'S ECONOMIC PERFORMANCE





## The Kingdom's growth led by non-oil activities

GDP figures for Q4 2022 show a growth of 5.5% year-on-year. Significantly for the Kingdom's ambitious economic diversification agenda, non-oil activities grew by 6.2% over the period, extending an unbroken run of quarterly expansion which began in Q1 2021, also overtaking oil activities which posted 6.1% growth over the period. Saudi Arabia's economy showed a strong performance in 2022, with real GDP rising by 8.7% over the year, surpassing International Monetary Fund (IMF) growth estimates for advanced economies of 2.7%, and 3.9% for emerging market and developing economies. This demonstrated the Kingdom's ability to overcome the challenges facing the global economy, including, "Covid-19" uncertainty, supply chain disruptions, and inflationary pressures.

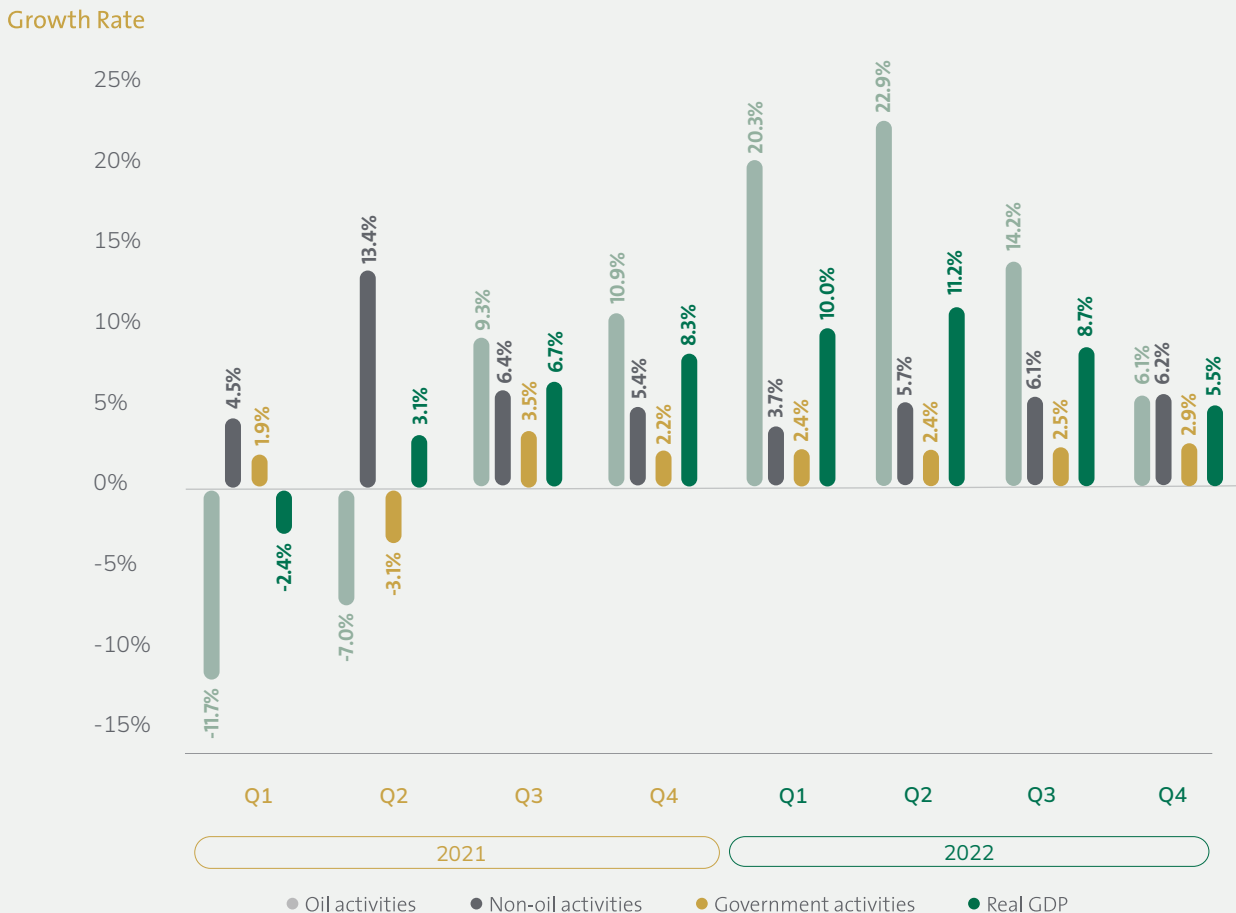
**5.5%** real GDP growth in Q4 2022  
y-o-y beating OECD average

**6.2%** non-oil GDP growth in Q4 2022 y-o-y,  
the 8<sup>th</sup> consecutive quarterly rise

**8.7%** real GDP growth in 2022

### Real GDP Growth Rates by Main Economic Activities (y-o-y)

Source: GaStat





## Saudi Arabia outperforms G20 economies in 2022

The 2022 real GDP expansion of 8.7% was the largest among the G20 countries. This extended period of economic expansion was supported by a rise in oil activities from the beginning of 2022, combined with a return to pre-pandemic levels of development in the non-oil sector. In relative terms, Saudi Arabia outperformed major global economies in Q4 2022, with the 5.5% growth rate comparing favorably against an OECD average growth of 1.1% for the same period.

### G20 Annual Real GDP in 2022

Source: OECD, GASTAT



\*Provisional

\*\*IMF estimate, January 2023

\*\*\*Argentina OECD Economic Outlook November 2022 Report

Saudi Arabia's strong macroeconomic position and ongoing process of economic reform underpin a positive outlook, signaling that the Kingdom's economic growth performance will continue to beat global trends.



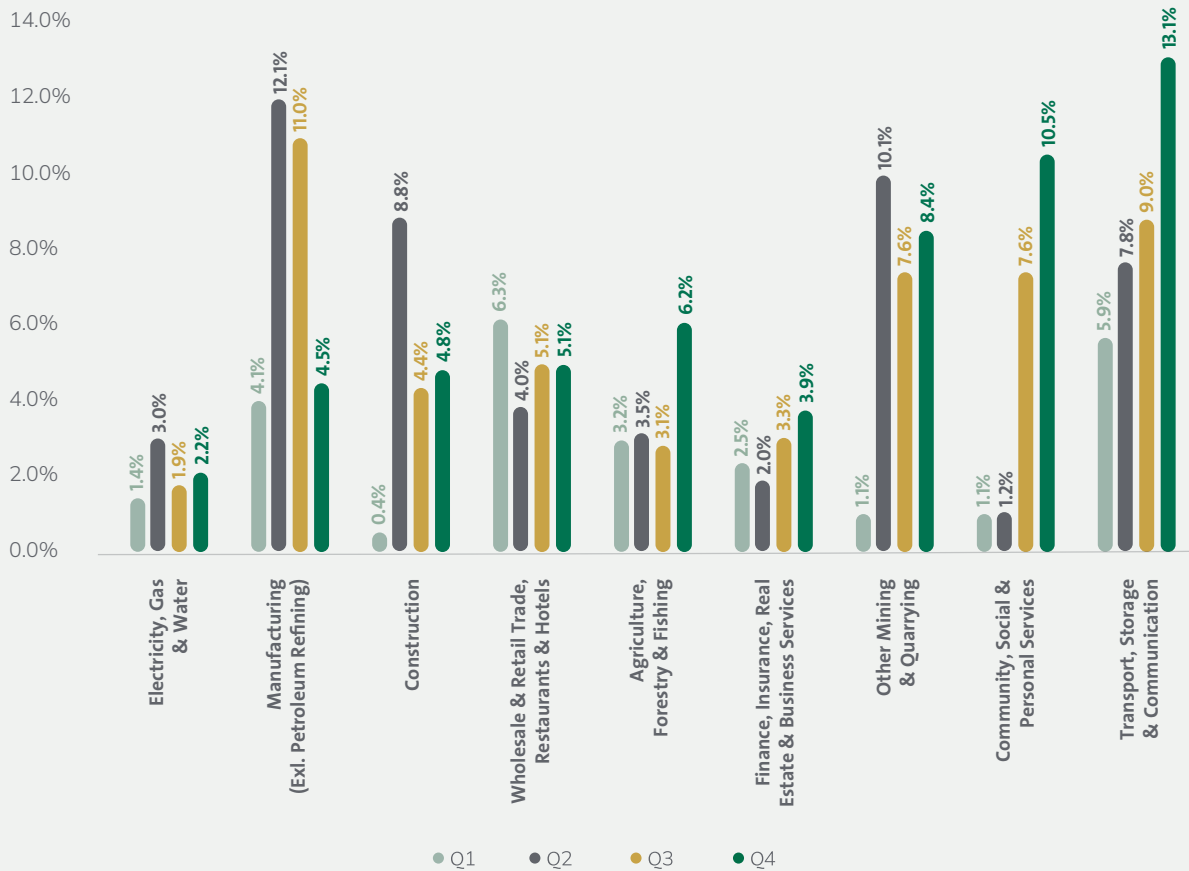
## Inclusive growth across non-oil sectors

The development of Saudi Arabia's non-oil activities is both sustained and broad-based, with a 5.4% expansion during 2022. Transport, storage, and communication overtook manufacturing in Q4 as the fastest growing sector with a growth of 13.1%, followed closely by community, social and personal services at 10.5%, and other mining & quarrying at 8.4%.

### Real GDP Growth Rates by Non-oil Economic Activities in 2022

Growth Rate

Source: GaStat







# Industrial output expands with diversification

Saudi Arabia's Industrial Production Index (IPI) grew by 10.0% year-on-year as an average across Q4 2022. The Kingdom's industrial output has shown a consistent recovery from the effects of the worldwide pandemic since mid-2021, accelerating at the end of that year and following a double-digit growth trajectory into 2022. Accounting for 74.5% of the index, mining and quarrying was a key driver, growing an average of 7.2% year-on-year in Q4 2022 as the Kingdom increased its oil production to more than 10 million barrels per day (MBPD). Manufacturing activity increased by 20.4% in the same period year-on-year.



**10.0%**

average IPI rise across  
Q4 2022 y-o-y



**7.2%**

average gain for mining  
and quarrying across  
Q4 2022 y-o-y



**20.4%**

average expansion of  
manufacturing activity  
across Q4 2022 y-o-y

## Industrial Production Index (2010=100)

Source: GaStat

Index Point

150

140

130

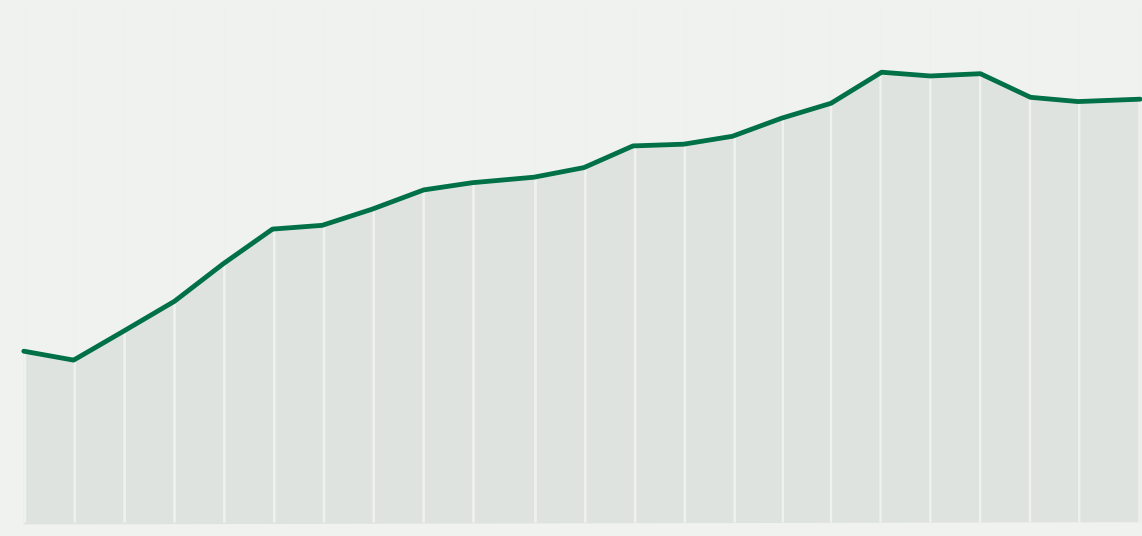
120

110

100

90

80



Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan

2021

2022

2023



## Digital transition maintains momentum

Consumer spending remained robust in Q4 2022, despite the effect of inflation on consumer goods. Point-of-Sale (PoS) transactions continued to drive spending growth during the quarter, reaching \$38.7 billion (SAR 145.0 billion), with a gain of 15.0% year-on-year. For the third consecutive quarter, PoS transactions outstripped automated teller machine (ATM) withdrawals – a consolidating trend that reflects Saudi Arabia's transition to an efficient and well-regulated cashless economy. The expansion of digital payments is further supported by the rapid growth of e-commerce transactions via Mada cards, registering a 47.4% year-on-year rise in Q4 to reach \$9.1 billion (SAR 34.0 billion).



**15.0%**

growth for the value of  
POS transactions in Q4  
2022 y-o-y



**47.4%**

growth in E-commerce  
transactions via Mada cards  
in Q4 2022 y-o-y



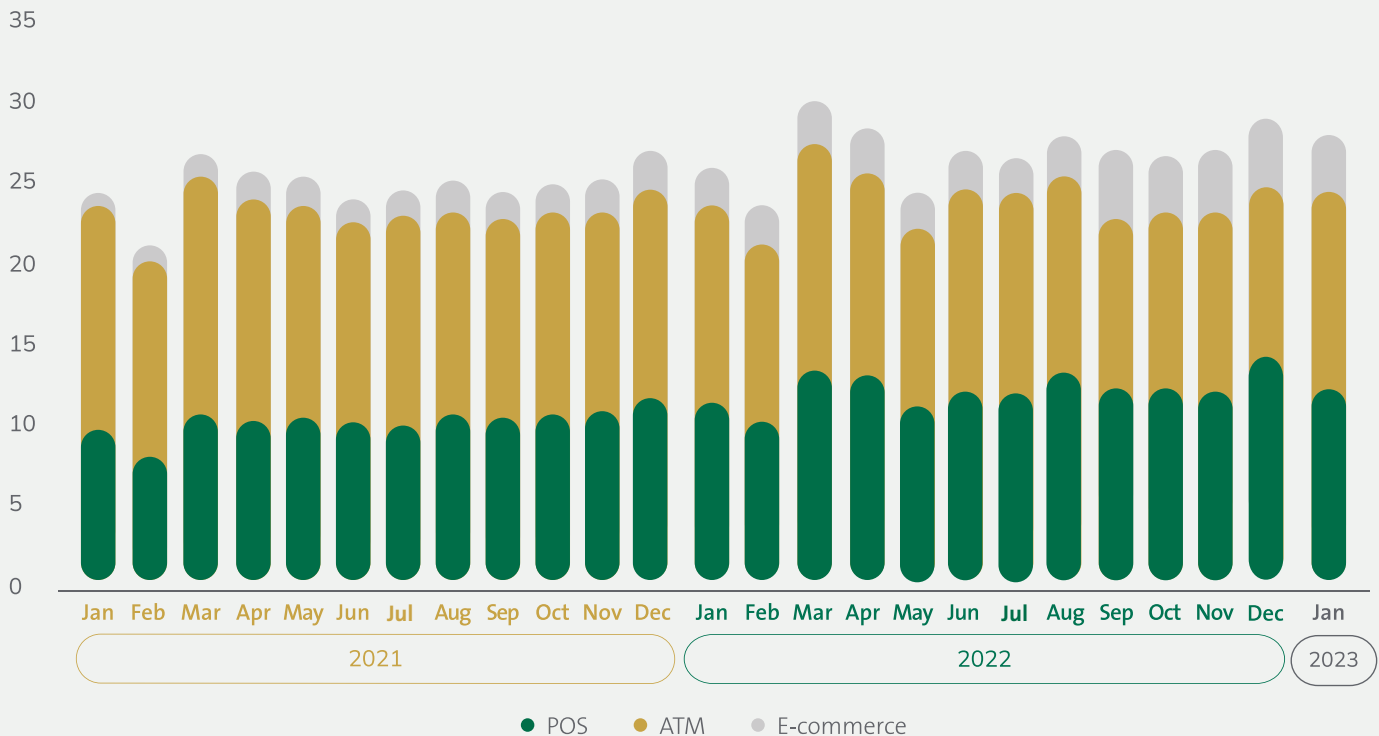
**1.8%**

reduction in cash  
withdrawals in Q4 2022,  
highlighting the shift to  
cashless society y-o-y

### Consumer Spending Indicators

Source: Saudi Central Bank

USD Billions



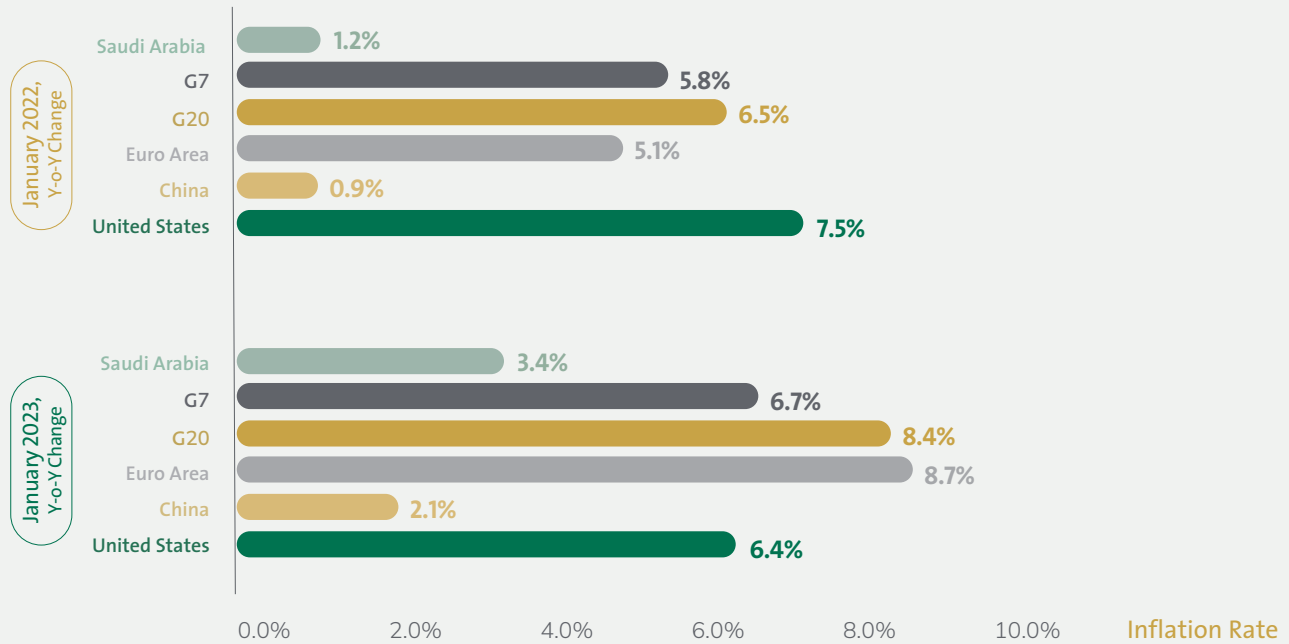


## Low inflation amid global rises

Though subject to an uptick of 2.2% between January 2022 and January 2023, the Consumer Price Index (CPI) remained competitive for Saudi Arabia in 2022, remaining well below comparable economies. Saudi Arabia's CPI increased by 3.4% year-on-year in January 2023, buoyed by the rise in the cost of housing, water, electricity, gas, and other fuels, which rose by 6.6%, and food and beverages, which rose by 4.2%. However, this modest rise compares favorably to the sharper increases in CPI seen across global markets, such as the 8.4% seen in the G20 and the 8.7% experienced in across the Euro Area.

### Consumer Price Index Y-o-Y Growth

Source: GASTAT, OECD







## Total reserve assets solid in uncertain times

Saudi Arabia navigates a challenging global economic landscape, marked by geopolitical conflicts, inflationary pressures, and sluggish regional economies from a sound financial account position. The Kingdom's reserve assets totaled \$459.9 billion in December 2022, including investments in foreign securities, foreign currency and deposits abroad, IMF reserves and special drawing rights, and monetary gold.



**\$459.9 bn**

total reserve assets in  
December 2022



**1.0%**

increase compared to  
December 2021

### Saudi Central Bank FX Reserves

Source: Saudi Central Bank

USD Billion

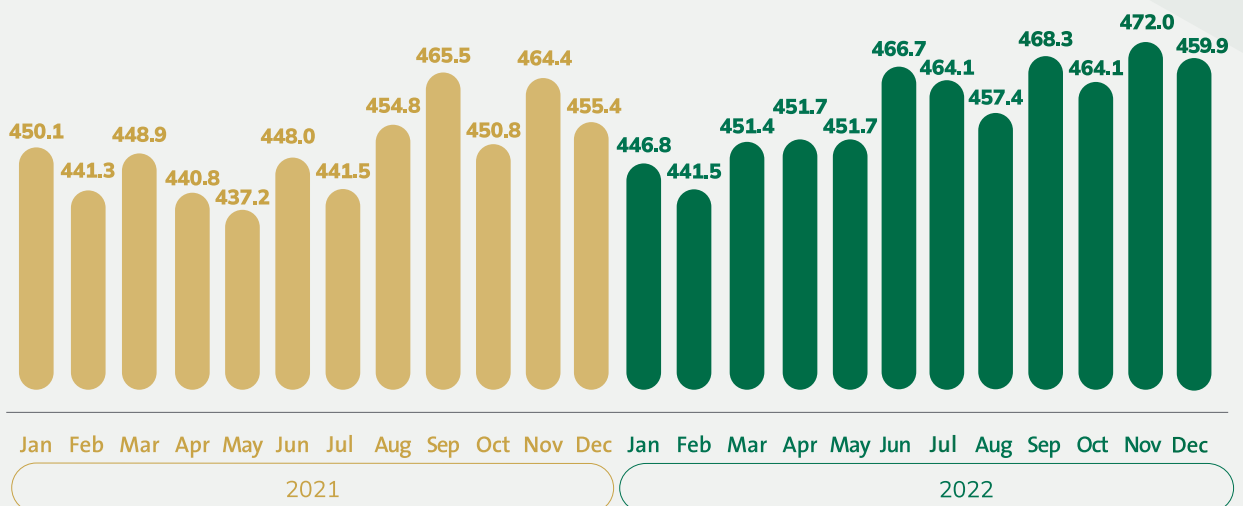
480

460

440

420

400

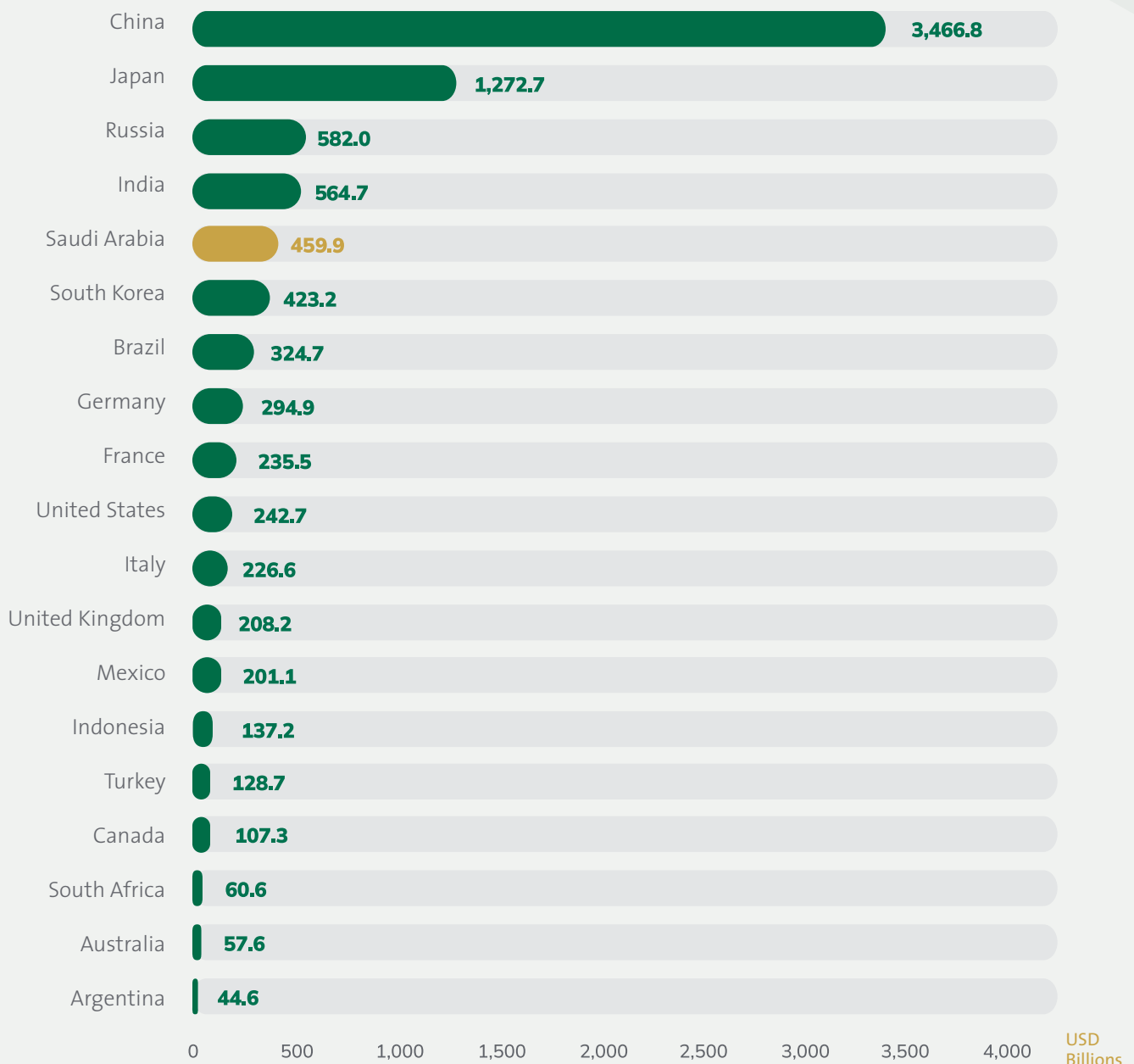




# The Kingdom continues to hold 5th largest FX Reserves among G20

## FX Reserves, G20 Countries as of December 2022

Source: IMF





# Saudi Arabia's Budget 2023

The government approved the Ministry of Finance's (MoF) Budget Statement for FY 2023 in December, which aims to increase the pace of the Kingdom's ambitious program of structural reform. As well as the continuation of fiscal sustainability, the strategic goals of the Budget are:



Completion of social and economic reforms aimed at fiscal soundness



Increasing national economic flexibility and competitiveness



Further implementation of programs, projects and strategies that boost growth



Expansion of the economic base



Comprehensive development at an accelerated pace

The investor-friendly Budget 2023 increases the government's strategic spending on development initiatives, including giga projects, Vision 2030 programs, and investment in the Kingdom's regions.



**3.5%**

projected increase in capital expenditure (CAPEX) spending in 2023 compared to expected expenditures in 2022



**14.1%**

CAPEX share of total spending in 2023

## CAPEX

2021

USD 31.2 bn (SAR 117 bn)

2022  
(estimate)

USD 40.3 bn (SAR 151 bn)

2023  
(projected)





USD 41.9 bn (SAR 157 bn)





Economically and socially significant sectors – including tourism, industry and mining, financial technology, and entertainment and sports – will be a key focus of government support.

Saudi Arabia's strong fiscal position, where revenues consistently exceed expenditure, results in forecasted budget surpluses over the medium-term ensuring the Kingdom's ability to carry out its economic reform agenda.

	 Total Revenues	 Total Expenditures	 Budget Surplus	 Budget Surplus (% of GDP)
2022 (actual)	USD 338.1 bn SAR 1,268 bn	USD 311.2 bn SAR 1,164 bn	USD 28 bn SAR 104 bn	2.5%
2023 (budget)	USD 301.3 bn SAR 1,130 bn	USD 297.1 bn SAR 1,114 bn	USD 4.3 bn SAR 16 bn	0.4%
Budget 2024 (projected)	USD 305.6 bn SAR 1,146 bn	USD 300 bn SAR 1,125 bn	USD 5.6 bn SAR 21 bn	0.5%
Budget 2025 (projected)	USD 321.3 bn SAR 1,205 bn	USD 302.4 bn SAR 1,134 bn	USD 18.9 bn SAR 71 bn	1.7%



## EXPERT OPINION

# Ismail Radwan

World Bank Lead  
Economist, GCC



WORLD BANK GROUP

## What has been the impact of recent reforms driven by Saudi Vision 2030?

One of the most impactful parts of Vision 2030 has been the drive for economic diversification, especially through the National Transformation Program, which has been helping to meet the Kingdom's goal of transforming itself into a non-oil economic leader and placing more emphasis on the role of the private sector. Saudi Arabia has also been conducting sustained efforts to make itself more attractive for global investors by reducing regulatory barriers. The benefits here go beyond raising capital, as foreign investment also brings expertise and better linkages to regional trade. Nowadays, Saudi Arabia is the most dynamic economy in the GCC region, as it is a place where things are happening particularly fast with a tangible ongoing transformation.

## What further reforms do you think would help increase foreign private sector investment in Saudi Arabia?

The Kingdom has already made great strides in encouraging foreign investment, and we believe that further efforts regarding the simplification of the regulatory framework for starting businesses can help Saudi Arabia continue to diversify. Continued implementation of the investment law and the insolvency law will also help. Further stimulation can be provided by continuing to open sectors which have historically been closed to private players, as we have seen in entertainment and tourism.

It is also important for the Kingdom to keep innovating in its labor market, to unlock firms' ability to operate and expand. As a major regional player, Saudi Arabia will need to continue looking at ways to keep attracting the most highly qualified individuals, while also developing the skills of the domestic workforce. Investment in education, perhaps by starting entrepreneurship education at the high school level or earlier, and the establishment of ties between universities and entrepreneurship by creating commercial spinouts from academic research, would greatly help to upskill young Saudis and create more opportunities for them.

## What are the key opportunities for investment related to the green energy sector?

Saudi Arabia has been an oil leader for the past fifty years, and it is well positioned to be a renewable energy center of the future. This sector represents some of the biggest opportunities for investment in the country. With a commitment to solar and wind power and flexible public-private partnership (PPP) frameworks in place, investors have many routes into a rapidly evolving market.

We also believe that there are interesting opportunities in the Electric Vehicles (EV) segment. The majority stake in Lucid Motors taken by the Public Investment Fund (PIF) and the recent deal with Foxconn to manufacture Ceer cars will likely mean that there will soon be hundreds of thousands of new EVs on the Kingdom's roads. Facilitating the desired increase in EV traffic will require building out the grid network with new charging stations across the country, creating new jobs and investment opportunities.

Saudi Arabia has one of the cheapest sources of clean hydrogen in the world and is already exporting blue hydrogen from Jubail to Japan, with additional, significant clean hydrogen investment planned in NEOM. With these factors combined, we forecast demand for green economy skills outstripping supply for the foreseeable future, which means a great deal of job opportunities for young Saudis in technology and renewable energy.







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## CHAPTER 2

# A RESILIENT INVESTMENT ECOSYSTEM





## Peak in new investment licences

The total issuance of new investment licenses reached 1,348 in Q4 2022 - the highest quarterly gain for the year. Adjusting to exclude new licenses granted under the 'Tasattur' anti-concealment campaign, there were 1,278 licenses issued in the quarter, representing a 30.7% y-o-y increase. The Kingdom's attractiveness to foreign investors can be attributed to recent advances in the regulatory environment such as the introduction of easily accessible business licenses, combined with a robust, highly educated workforce.



**1,348**

total new investment  
licenses issued in Q4 2022



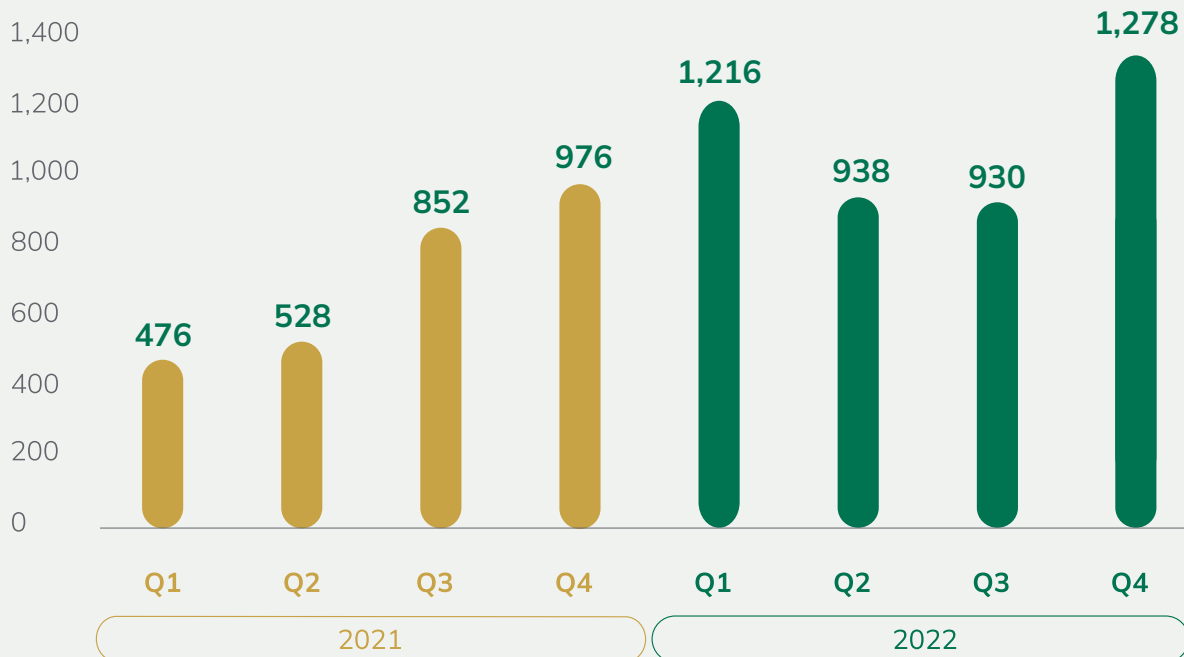
**1,278**

new investment licenses issued in Q4 2022,  
excluding licenses granted under the 'Tasattur'  
anti-concealment campaign

### Newly Issued Foreign Investment Licenses\*

Source: MISA

Issued Licenses



\* Excluding investment licenses granted due to 'Tasattur,' an effort to combat the spread of commercial fraud



## Construction and manufacturing sectors lead license issuance

The final quarter of 2022 saw the construction and manufacturing sectors lead foreign investment license issuances, with 316 and 237 new licenses, respectively. The manufacturing industry's strong performance was due to advances in mining operations and effective regulatory changes aimed at the diversification of the Kingdom's economy. The professional, scientific, and technical sector has also proved attractive to investors, with 155 new licenses issued in Q4. In terms of year-on-year growth rate for the quarter key sectors showing strong annual gains included real estate activities, with a 136.4% increase in the number of issued licenses, financial and insurance activities 54.5%, and information and communication 40.5%.



**316**

new construction issued  
licenses in Q4 2022



**237**

new manufacturing issued  
licenses in Q4 2022



**155**

new professional, scientific  
and technical issued  
licenses in Q4 2022

### Newly Issued Foreign Investment Licenses by Sector

Source: MISA







# The Kingdom's FDI shows consistent y-o-y growth

Foreign direct investment (FDI) inflows remained robust over the past year, showing steady growth on an annualized basis. In Q4 2022, the Kingdom attracted \$1.9 billion (SAR 7.3 billion) in FDI inflows, equal to the \$1.9 billion of Q4 2021. Total FDI in 2022 reached \$7.9 billion (SAR 29.6 billion), a 14.7% increase on 2021, when excluding a one-off Aramco deal of that year that pushed FDI to record levels.



**\$1.9 bn**

FDI inflows into Saudi Arabia in Q4 2022



**14.7%**

FDI inflows increase in 2022

The National Investment Strategy (NIS), launched in Q4 2021, underpins this FDI growth, deployed across four strategic pillars

**NATIONAL  
INVESTMENT  
STRATEGY**  
الاستراتيجية الوطنية للاستثمار



**Investment opportunities**



**Investors**



**Funding**

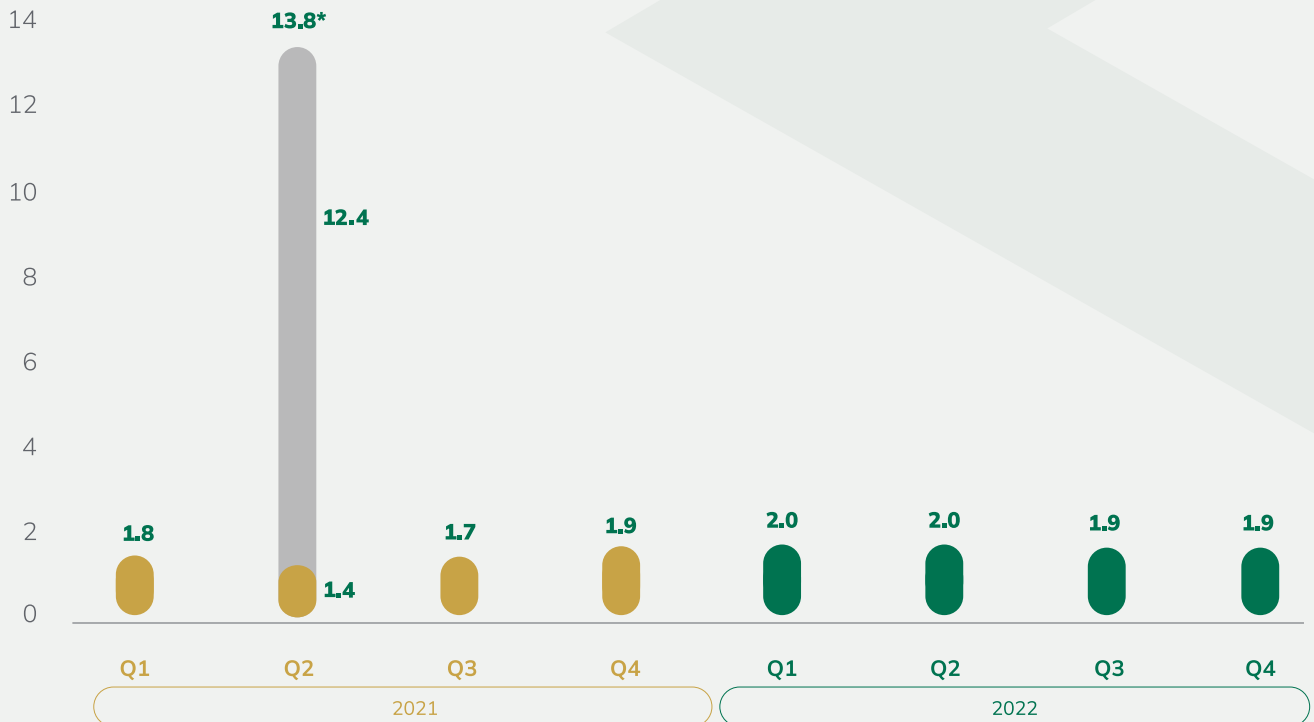


**Competitiveness enablers**

## Saudi Arabia FDI Inflows

Source: Saudi Central Bank

USD Billion



\* Mainly driven by a \$12.4 billion (SAR 46.5 billion) infrastructure deal closed by Aramco with a global investor consortium



## \$2.7 billion in capital for newly licensed factories

Saudi Arabia's growing manufacturing industry has proven to be one of its most valuable sectors, with \$2.7 billion (SAR 10.1 billion) in capital for newly licensed factories in Q4 2022. Thanks to strong growth within the mining and energy sectors, by December 2022, there were at least 10,518 industrial establishments in the Kingdom – a 2.2% increase over December 2021.



**144**

factories started production  
in Q4 2022



**\$2.7 bn**

capital of newly licensed  
factories in Q4 2022



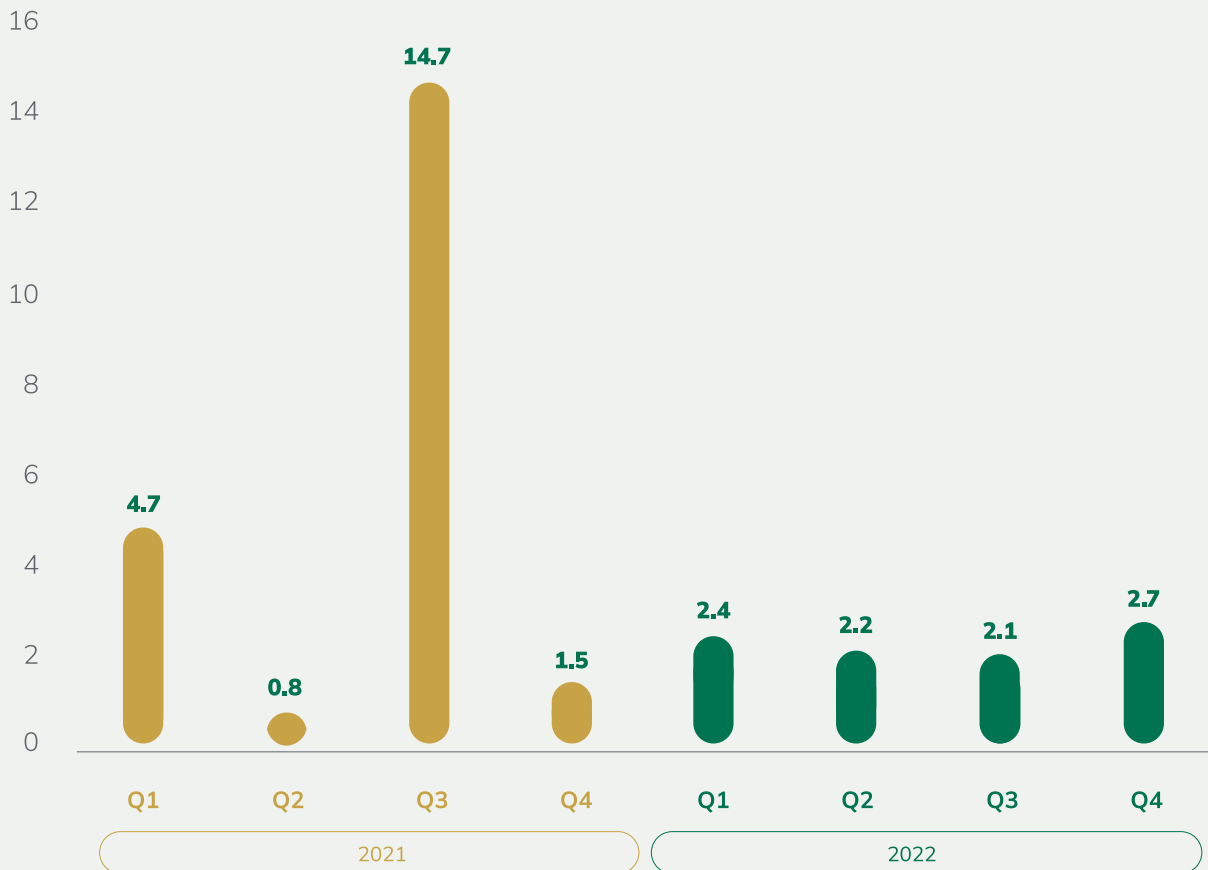
**239**

new licenses issued in  
Q4 2022

### Capital of Newly Licensed Factories

Source: Ministry of Industry and Mineral Resources

USD Billion





# Tadawul enabling economic diversification

The Saudi Exchange (Tadawul) showed a robust performance in 2022, with total market capitalization reaching \$2.6 trillion (SAR 9.9 trillion). Tadawul saw 18 IPOs worth a total of \$10 billion (SAR 37.5 billion) in 2022, with total listed companies reaching 223. The total value of shares traded reached \$455.5 billion (SAR 1.7 trillion) during the year, with the most active industry being materials, which represented 22.7% of total trades in 2022, followed by the banking and energy sectors.



## Tadawul signs agreement to enable dual listings

Americana Restaurants International Company became the first company on Tadawul's main board to be listed on two stock exchanges. A 30% share of the company is held between Tadawul and the Abu Dhabi Securities exchange. In addition, an agreement has been signed with the Muscat Stock Exchange to coordinate efforts to promote dual-listed securities.



**18**

IPOs in 2022



**\$10 bn**

total value of  
IPOs in 2022



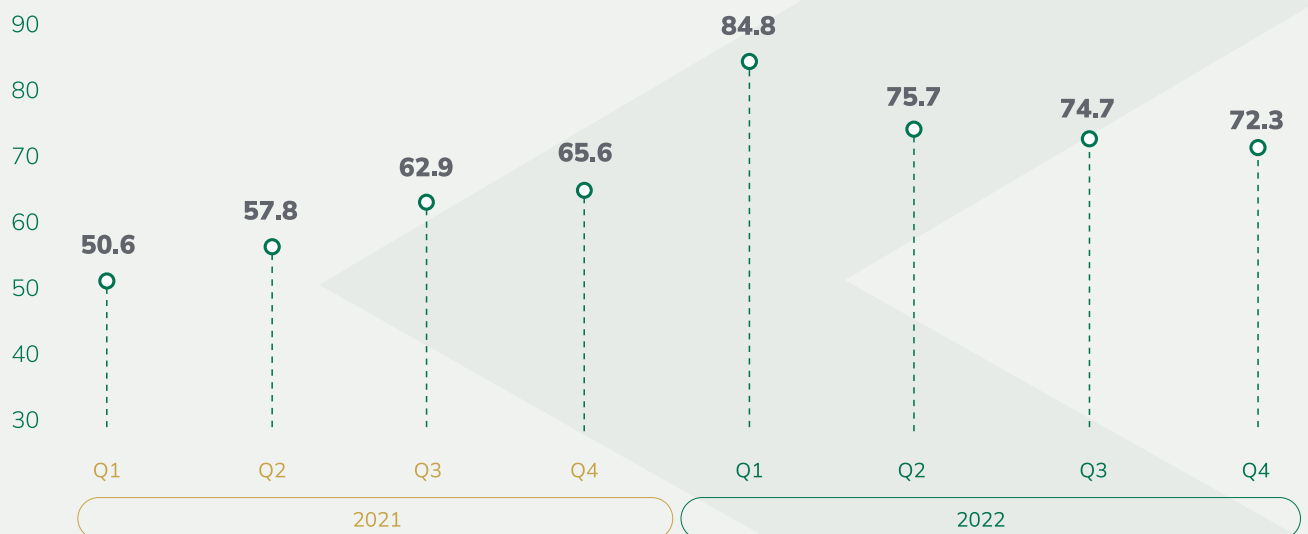
**10.2%**

y-o-y increase in qualified  
foreign investors (QFIs)  
ownership

## Qualified Foreign Investors (QFIs) Ownership in Tadawul

Source: Tadawul

USD Billion







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## CHAPTER 3

# SAUDI ARABIA SUPPORTING THE GLOBAL ENERGY TRANSITION





# Catalyzing momentum towards a green energy future

With one of the largest and most diversified energy sectors in the world, Saudi Arabia is well placed to contribute towards the global transition to a sustainable, efficient, and renewable energy future.



**2<sup>nd</sup> largest**  
oil reserves in  
the world



**302 TWh**  
of electric energy  
consumed in 2021



**359 TWh**  
of electric energy  
produced in 2021



**8,841 kWh**  
per capita demand  
in 2021



**8,507 bn m<sup>3</sup>**  
natural gas reserves

While the international energy crisis contributes to steady oil demand, global warming concerns have catalyzed momentum around renewable energy and energy efficiency.

Recognizing the importance of a varied energy mix and a diversification away from a dependence on oil, the Kingdom's Vision 2030 targets ambitious energy goals



To become the **region's foremost renewable energy hub** by 2030



To achieve **net-zero emissions** by 2060

Several advantageous market characteristics position Saudi Arabia to meet these targets

## Significant government backing

and private sector investment  
in renewable energy

## Low-cost,

predictable, and  
reliable sources  
of supply

## 200GW

of onshore wind  
energy potential

## Increasing demand

for energy from a growing  
G20 economy and region

## 2,000 - 2,500 kWh/m<sup>2</sup>

a year of solar  
energy potential

## Public investment

in energy  
technology innovation



The energy sector is a vital contributor to the Saudi Arabian economy, having produced **33 investment opportunities** worth over **USD \$4.8 billion (SAR 18 billion)** in 2022



## Vision 2030's energy ambitions aligned with COP27



Building on the momentum of Vision 2030, Saudi Arabia has taken decisive steps towards a more sustainable, energy-efficient future. The Kingdom is bringing together government ministries, private sector entities, and foreign leaders under dual green initiatives, to identify and execute on opportunities and rapidly scale climate action. In our analysis we will outline key Saudi energy programs:

- Saudi Green Initiative (SGI) and Middle East Green Initiative (MGI)
- Carbon Circular Economy (CCE)
- Hydrocarbon Demand Sustainability Program (HDSP)

## Saudi Green Initiative (SGI) and Middle East Green Initiative (MGI)

Saudi &  
Middle East  
GREEN INITIATIVES

Inaugurated in 2021, the **Saudi Green Initiative (SGI)** activates all engines of Saudi society and unites a regional climate alliance to deliver against three overarching targets.



Emissions  
reduction



Afforestation



Land and sea  
protection

Through the SGI, the Kingdom is fully aligned with the objectives outlined at the 27<sup>th</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27), in Sharm el-Sheikh, in November 2022.

Representing a sizeable investment in the green economy, the SGI launched 66 new initiatives at the SGI Forum, held alongside COP27. These initiatives accelerate the pace of climate action in the Kingdom and pave the way for a dramatic reduction in carbon emissions.





The Investment Highlight report shows the robust health of Saudi Arabia's economy. In January 2023, the IMF estimated the Kingdom's real GDP growth at 8.7%, significantly ahead of advanced economies, emerging markets and developing economies. This result demonstrates the Kingdom's commitment under Vision 2030 to develop a diverse, advanced, and investor-friendly economy. Saudi Arabia is well positioned to meet the target of becoming the region's renewable energy hub by 2030, and achieving net-zero emissions by 2060.



## Commitments under SGI by 2030



**278 mtpa**

reduction in carbon  
emissions



**30%**

reduction in global  
emissions commitment



**650 mn**

trees to be planted



**40 mn hectares**

of degraded land to  
be rehabilitated



**\$186 bn**

(SAR 700 bn) committed to  
growing the green economy

Committing to a collaborative approach to ensure a green future, Saudi Arabia also leads the Middle East Green Initiative (MGI) – a regional effort to mitigate the impact of climate change on the region and meet global climate targets.

The MGI has set ambitious targets that entail decisive action against climate change

**50 bn**

trees to be  
planted across the  
Middle East

**200 hectares**

of degraded land  
to be restored

**60%**

reduction in  
emissions from  
regional hydrocarbon  
production



## Carbon Circular Economy (CCE)

The Carbon Circular Economy (CCE) framework presents an economically sustainable solution that leverages the natural carbon cycle to manage CO<sub>2</sub> emissions through the '4R' levers



Reduce



Reuse



Recycle



Remove

Saudi Arabia's CCE program initiatives and activities aim to achieve **three strategic objectives**, both globally and for the Kingdom



### CCE Technology Development

#### Develop

roadmaps for key CCE technologies

#### Activate

enablers and funding mechanisms

#### Identify

standards and policies



### Domestic Implementation

#### Oversee

domestic implementation of scale-up technologies

#### Support

domestic industries to reduce emissions

#### Develop

emissions scenarios



### International Engagement

#### Coordinate

with global stakeholders on CCE technologies

#### Promote

the CCE framework internationally

#### Demonstrate

Saudi's position in global forums



## Hydrocarbon Demand Sustainability Program (HDSP)

The Hydrocarbon Demand Sustainability Program (HDSP) aims to develop and sustain the demand for hydrocarbons as one of the most important sources of energy in the coming decades.

The HDSP focuses on research and innovation to replace traditional materials with innovative materials derived from hydrocarbons:

- **Empowers global growth and development by increasing access to energy in emerging markets**
- **Improves sustainability by raising the environmental and economic efficiency of hydrocarbons**
- **Adds value in the current hydrocarbon supply chain**

The program works closely with the private sector to deepen the integration between the petroleum and petrochemical sectors, consolidating and enhancing the Kingdom's position in this field.



### HDSP signs MoU with Diriyah Gate Development Authority

In May 2022, the HDSP and the Diriyah Gate Development Authority (DGDA) signed a Memorandum of Understanding (MoU) to build strategic cooperation on the use of hydrocarbon-based materials across DGDA's projects.

DGDA is the authority responsible for designing, restoring, and renovating the historical town of Diriyah, located on the outskirts of Riyadh.

The MoU includes identifying, assessing, and exploiting opportunities to improve the construction and operation processes in DGDA's projects, as well as the development of awareness strategies to highlight common goals.

The cooperation also includes providing the required technical information and support for materials evaluation, and coordinating between manufacturers, suppliers, and relevant entities.





## SUCCESS STORY

# Public-private sustainability at the Sakaka Solar Power Plant

Inaugurated by the Ministry of Energy as the first utility-scale renewable energy project under the National Renewable Energy Program, the Sakaka Solar Plant located in the Al-Jouf region started operations in June 2021 and represents the Kingdom's first step to utilizing renewable energy in the country.

Developed by ACWA power, which is 50% owned by the Public Investment Fund (PIF), the plant consists of 1.2 million solar panels arranged over 6 km<sup>2</sup> of land and uses solar energy through photovoltaic technology (PV) to generate electricity.

## Project objectives



Preserving the environment by reducing greenhouse gas emissions



Contributing to the Liquid Fuel Displacement Program



Contributing to efforts to discover the optimal energy mix for the Kingdom's needs



Contributing to efforts to formalize the core features of the circular carbon economy

## Sakaka Solar Power Plant in numbers

**300 MW**

production capacity

**606,000 TN**

reduction in carbon emissions per year

**44,000**

houses powered

**97%**

of the team operating the plant are Saudis

**90%**

of the Saudi team are from Al-Jouf region

**SAR 0.08775**

per KWH a new world record for low costs in the solar photovoltaic sector



#### SUCCESS STORY

## Renewable FDI realized at the Dumat Al Jandal Wind Farm



Developed by a consortium led by EDF Renewables and MASDAR as the Kingdom's first utility scale wind project and the largest wind farm in the Middle East, Dumat Al-Jandal Wind Farm is located 900 kilometers northwest of Riyadh in the Al-Jouf region, and boasts an installed production capacity of 400 MW.

The project is considered one of the Ministry of Energy's key renewable energy projects under the National Renewable Energy Program initiative, which aims to support the Kingdom's efforts to diversify the mix of local energy sources and fulfill the country's obligations towards reducing carbon dioxide emissions.



**Saudi Arabia's**

first wind farm



**1mn tCO<sub>2</sub>e**

of CO<sub>2</sub> displaced per year



**400 MW**

capacity



**World record**

for the lowest cost of electricity produced by wind



# The Kingdom's robust energy sectors

## Regional electricity leader

Home to the largest conventional energy market in the Gulf Cooperation Council (GCC), Saudi Arabia's established electricity sector is undergoing sweeping reforms that will unlock broad investment opportunities.

The Kingdom's electricity sector posted impressive growth between 2020 and 2021.



**3.4%**

increase in electricity  
production



**4.2%**

increase in electricity  
consumption



**7%**

increase in per  
capita electricity  
consumption



**359 TWh**

electricity produced  
in 2021



**8,841 kWh**

per capita electricity  
consumption in 2021



**302 TWh**

electricity  
consumed in 2021

The Kingdom's electricity sector has been undergoing a major transformation through a series of regulatory, structural and financial electricity sector reforms, in line with Saudi Vision 2030 .

Among the most notable reforms was the issuance of a new Electricity Law and the finalization of the Water and Electricity Regulatory Authority Charter, which aim to:

- Improve the sustainability and efficiency of the electricity sector
- Increase the level of environmental commitment
- Increase the participation of the private sector in the electricity value chain
- Raise electricity production efficiency
- Enhance the reliability of the grid
- Improve and digitize distribution networks
- Reduce the use of liquid fuel





## Saudi Electricity Company (SEC): a driving force

The Saudi Electricity Company (SEC) is responsible for the bulk of electricity generation, transmission, and distribution in the Kingdom.

The SEC's strategy is focused on implementing government policy for the development of the electricity sector in the Kingdom with the primary objective of providing a safe, reliable, and cost-efficient supply of electricity to end-users.

**Largest  
energy provider**

in the Middle East

**55,000 km**

in energy technology  
innovation

**57 GW**

of generation  
capacity

**7.5 mn**

customers

## Renewable energy

Saudi Arabia has announced plans to become the region's renewable energy hub by 2030, recognizing the importance of a diverse energy mix for its long-term economic prosperity. The Kingdom's energy ecosystem and national strategy is primed for further investment.



**50%**

of energy mix to be met by  
renewables by 2030



**6<sup>th</sup>**

country worldwide for  
solar energy potential



**13<sup>th</sup>**

country worldwide for onshore  
wind energy potential



Public money is flowing into green projects and regulations are emerging to encourage sustainable innovation. We are particularly heartened by the growing power of the Saudi Green Initiative, a whole-of-society green agenda which among other goals is ambitiously targeting 30% electric vehicle coverage by the year 2030. I am an eternal optimist and I think we might even beat this target.



**LUCID**

Peter Rawlinson, CEO & CTO, Lucid



## Efforts to increase the share of renewable energy are yielding results in the Kingdom:



**150,000**

homes powered by  
clean energy



**11.4 GW**

renewable energy  
capacity under  
development



**700 MW**

renewable energy  
capacity connected  
to national grid



**13**

new energy projects  
announced in 2022

## Key renewable projects in the Kingdom



1 | Sudair IPP PV  
**1,500 MW**

2 | Shuaibah IPP PV  
**600 MW**

3 | Sakaka IPP PV  
**300 MW**

4 | Rabigh IPP PV  
**300 MW**

5 | Jeddah IPP PV  
**300 MW**

6 | Qurayatt IPP PV  
**200 MW**

7 | Rafha IPP PV  
**20 MW**

8 | Dumat-Al-Jandal  
Wind Farm  
**400 MW**

9 | Medina IPP PV  
**50 MW**



## EXPERT OPINION

# Paddy Padmanathan

Member of the  
Board of Directors,  
ACWA Power



## How do you perceive the investment climate in the Kingdom of Saudi Arabia?

As a key element of Saudi Vision 2030, the government has ambitious goals to diversify the economy far beyond oil, which has already created new investment opportunities in various sectors, including energy, water, and infrastructure. On the back of these reforms, the government has also been working to create a business-friendly and attractive investment climate by streamlining the regulatory environment, restructuring support agencies, and implementing various initiatives to expand the economy, increase private sector participation, and attract foreign direct investment (FDI).

It is gratifying to see these efforts bearing fruit. As a result of the Kingdom's robust pro-business reforms, the "OECD Economic Outlook Interim Report September 2022" now expects Saudi GDP to grow by 6% in 2023, the highest among the G20 countries. Indeed, the Kingdom's liberal, open-market private enterprise policies are increasing FDI inflows and creating an increasingly favorable investment climate. With no restrictions on foreign exchange or the repatriation of capital and profits, foreign investors are more interested in Saudi Arabia than ever.

## What is the potential for energy in this space?

Given its clear commitment to diversify the economy beyond oil and gas, it's an exciting time to be working in the energy sector in the Kingdom. Though a conventional energy powerhouse, Saudi Arabia also has committed to a net zero target for 2060, in addition to continuing to fulfil its role as a reliable supplier of global energy.

From a macro perspective, the dual intentions of economic diversification and carbon-neutrality for domestic consumption and green energy exports present unrivalled opportunities for power generation, green hydrogen production, transmission, and conveyance systems. These intentions also create the possibility of producing or implementing new technologies, from component manufacturing to the relocation of energy-intensive industrial production. As a company focused on providing reliable, responsible, and affordable power, water, and green hydrogen, ACWA Power is fully committed to supporting the Kingdom's net zero targets and is proud to be working towards fulfilling its own net zero target for 2050.

We are actively involved in enabling Saudi Arabia's ambitions by developing green hydrogen production capacity at scale and speed. In addition, we are initiating the increased usage of renewable energy into the energy intensive desalination process to sustainably supply potable water to an increasingly thirsty world. Our strategies have already been put into action in markets well beyond the Kingdom, including Egypt, UAE, Morocco, Uzbekistan, and Azerbaijan.

With the Kingdom adding further thrust to net zero commitments, the Public Investment Fund (PIF) is playing a key role in reaching national ambitions. ACWA Power is very much part of this, as the development partner for 70% of Saudi Arabia's 2030 renewable energy target of 58.7GW under the National Renewable Energy Programme that has been entrusted to PIF.

Our business strategy spans every segment of the value chain, from investment to development, operation, and optimization. From electricity generation and water desalination to green hydrogen, ACWA Power has a well-proven delivery track record of over 18 years across 12 countries. We are well positioned to not only expand our activities serving communities in high-growth markets, but to take advantage of the robust financial and industrial ecosystem being developed in Saudi Arabia, our home market.





## EXPERT OPINION

# Paddy Padmanathan

Member of the  
Board of Directors,  
ACWA Power



Given our integrated approach to delivering solutions, we have focused on technology as much as energy storage to manage the intermittency of solar and wind energy. As a result, we are now the largest owner of concentrated solar power with molten salt storage, operating a 700MW plant that delivers cost-competitive solar energy 24/7 in Dubai. We are also commissioning the world's largest regenerative tourism project on the Red Sea, which includes a 1250MWh electron storage battery complex. Every utility service in this project is being provided with renewable energy, zero carbon emissions, zero waste, and zero plastics. Initiatives such as this show that it is possible to accelerate the energy transition and make net-zero ambitions a reality.

### Where does green hydrogen fit into your future?

The world uses one hundred million tons a year of grey hydrogen for a range of products, almost entirely supplied from fossil fuels and contributing to 3% of global carbon emissions. That in itself is an immediate market that ought to be converted to green. But beyond that, given that hydrogen can generate the high temperatures that many industrial processes require and can replace carbon as the reducing agent in processes like steelmaking, which is currently responsible for about 8% of global final energy demand and 7% of energy sector CO2 emissions, green hydrogen should contribute to decarbonizing these products.

Having built-up considerable knowledge and confidence through developing a USD \$8.5 billion project, the world's largest production facility in Saudi Arabia to generate 600tons/day of green hydrogen, a quantity which is more than all green hydrogen produced today by all the plants across the world, we see green hydrogen as significant new future business line and have already started to work on several other facilities of similar scale.

### Key data



**70%**

of Vision 2030 renewable targets to be developed by PIF, in collaboration with ACWA Power



**700MW**

solar plant built by ACWA Power delivering cost effective energy in Dubai



**\$8.5 bn**

Neom Green Hydrogen Company Project – a joint venture project between ACWA Power, Air Products, and NEOM to build world's largest green hydrogen facility in Saudi Arabia



**1250MWh**

electron storage battery complex underway for Red Sea Project





## Energy savings and efficiency strategy

Ensuring sustainable energy consumption and decarbonizing the local energy system is a key government priority.

Energy efficiency efforts and initiatives aim to achieve a decrease in domestic energy consumption equivalent to **one million barrels of oil per day by 2030**.

This approach presents attractive opportunities to investors within the energy-saving technology manufacturing and service industries, with extensive public infrastructure to be retrofitted for energy savings.



**110,000**

government buildings



**2.9 mn**

streetlights



**35,000**

schools



**100,000**

mosques



**2,500**

hospitals & clinics



### Saudi Energy Efficiency Center (SEEC)

The Saudi Energy Efficiency Center (SEEC) is a unique body responsible for energy efficiency in the Kingdom.

- › Designs and provides mechanisms, such as certifications and trainings, to address energy efficiency
- › Provides regulatory framework and licensing
- › Invests in human capital
- › Sets measurement and verification plans to assess energy efficiency results



## EXPERT OPINION

# Richard Attias

CEO, Future Investment Initiative (FII) Institute



### What is the FII Institute, and what are its mandate and objectives?

The FII Institute is a new generation, global non-profit foundation with an investment arm and one pressing agenda: Impact on Humanity. We work across the globe with decision makers and innovators, including Fortune 100 companies, SMEs, family-run conglomerates, and leading government entities. By bringing such a broad array of stakeholders together, we help to catalyze the Kingdom's investment ecosystem as it emerges as one of the largest and most dynamic in the region. We are committed to Environmental, Social and Governance (ESG) principles, and we foster great minds from around the world to turn ideas into real-world solutions and actions in four critical areas: Artificial Intelligence (AI) and Robotics, Education, Healthcare, and Sustainability.

### How can the application of ESG principles contribute to diversified economic growth and job creation?

Emerging Markets are the growth engines of the future and represent more than 58% of global GDP, but the OECD estimates that they face an annual funding gap of more than \$4 trillion in their efforts to meet the UN Goals for Sustainability. Our ambition is to see the Inclusive ESG Framework and Scoring Methodology adopted by global investors to encourage more investment in emerging markets.

We believe this increase in ESG capital will stimulate the growth and development of emerging economies by creating jobs in new and existing sectors, as well as support the emergence of more stable and sustainable companies.

### To what extent do you expect the implementation of Vision 2030 initiatives, such as the National Investment Strategy (NIS) and the Saudi Green Initiative (SGI), to impact the implementation of ESG principles in the Kingdom?

Vision 2030 sets the agenda for all investment in Saudi Arabia, and therefore its emphasis on renewable energy and a more sustainable economy is central to the domestic uptake of ESG principles. A series of high-profile projects is helping to build momentum around the ESG concept in Saudi Arabia and establishing the nation as a global hub for renewables and sustainability. Since 2021, we've seen the launch of the Sakaka Solar Power Plant, the Dumat Al Jandal Wind Farm, and new details regarding the NEOM Green Hydrogen Project – which will be the world's largest utility scale, commercially-based hydrogen facility powered entirely by renewable energy. Developments like these show the Kingdom's sustainability agenda in action, and their emergence has supported a tremendous upsurge of interest in ESG by our partners in Saudi Arabia and those looking to do business here.

### What are the goals of the new ESG Framework and scoring methodology recently launched by FII Institute?

The rapid adoption of ESG principles in global investment is a welcome development, but its growth has been uneven. While 90% of the world's population under the age of 30 live in emerging markets – including China and India – they receive less than 10% of ESG investment.

Our ESG Framework and Scoring Methodology aims to address this imbalance by providing scores that consider the unique conditions found in emerging markets. It emphasizes performance improvement more than the breadth of disclosure and establishes measurable benchmarks for 94 of the most important emerging market ESG KPIs. The objective is to remove the barriers to ESG investment in emerging markets by providing a rating that is fairer and more accurate, and that levels the playing field for global investment flows.





# Innovation: Ecosystem, technology, and access to finance

With a new suite of investor-friendly laws, as well as an array of other incentives, investors are being increasingly drawn to Saudi Arabia's conventional, renewable, and energy-saving industries.

This private investment plays an essential role in realizing Vision 2030, and is a key contributor to national growth:



**65%**

private sector contribution  
to GDP by 2030



**5.7%**

foreign direct investment as  
percentage of GDP by 2030

In addition, recent regulatory reforms have accelerated investment, streamlining the processes applied to establishing and operating a business.

MISA has streamlined the investor trip into a “one-stop-shop” for companies interested in investing in Saudi Arabia:

**1 business day** to obtain an investment license

**2 documents** required for investment license

- › Copy of the entity's original commercial registration
- › Most recent annual financial statements





## SUCCESS STORY

# Tarshid Program



The Kingdom's flagship entity in energy saving is Tarshid, a Public Investment Fund (PIF)-owned energy services company established in 2017 as a result of a collaboration between the Ministry of Energy, the Ministry of Finance and the Saudi Energy Efficiency Center.

Tarshid's key role in the sector is the establishment of a thriving energy efficiency industry by attracting international energy players, promoting foreign investment, and contributing to the creation of thousands of highly skilled jobs.

**Tarshid has a mandate to develop, fund and manage impactful energy efficiency projects in government and commercial sectors that achieve significant energy savings for the Kingdom through**



Providing measurement and verification support



Reviewing and evaluating energy efficiency feasibility studies



Managing and funding the upgrade and replacement of energy equipment in buildings and public facilities



Promoting the development of supply-side renewable energy initiatives such as rooftop PV



Tendering retrofit projects



Providing advisory support



Developing, managing, and delivering a comprehensive program to retrofit streetlights across the Kingdom

Photographer: Waseem Obaidi/Bloomberg



## SUCCESS STORY

# King Salman Energy Park (SPARK)

**spark**  
مدينة الملك سلمان للطاقة  
King Salman Energy Park

Saudi Arabia's flagship energy hub, the **King Salman Energy Park (SPARK)**, is a fully integrated industrial ecosystem specifically developed to be the leading gateway for the region's energy sector.



Provides a complete spectrum of solutions to support energy business growth



Strategically positioned in the Eastern Province to access regional energy markets



Unparalleled energy supply chain infrastructure



Land, sea, rail, and port connections





## Energy industry innovation

Saudi Arabia recognizes that investing in innovation in the energy sector is key to meeting the world's climate objectives. The Kingdom has emerged as a global leader in energy innovation, both across the research and development of new energy-efficient technologies, as well as in the design of innovative funding mechanisms to support private sector energy solutions at scale. In this section we will explore:

Energy financing

Hydrogen energy

Carbon Credits

Nuclear energy

## Hydrogen energy

Leveraging innovative technologies to reduce greenhouse gas emissions, the Saudi Arabian Oil Company (Aramco), one of the world's leading integrated energy and chemicals companies, is developing an advanced blue ammonia and hydrogen business.

Objectives of the strategy include:

- **11 mn mt** a year of blue ammonia production by 2030
- **Significant emissions reductions** in hard-to-decarbonize sectors such as heavy duty transport, heating, and industrial applications
- **Exploring international collaboration** along the hydrogen and ammonium value chain



### Aramco signs ammonia, hydrogen collaboration MoU with Indonesian SOE

In November 2022, Aramco signed a Memorandum of Understanding (MoU) with Indonesia's PT Pertamina (Persero) to jointly explore collaboration across the hydrogen and ammonia value chain.

The MoU involves the undertaking of a pre-feasibility study that will assess the possibility of cooperation related to the development of clean ammonia and hydrogen value chain.

This includes a potential partnership in the fields of carbon capture, utilization and storage (CCUS) at Pertamina Group's existing facilities and other potential locations.





## Nuclear energy

The development of Saudi Arabia's nuclear power industry is an important element in the drive towards a more balanced energy mix, capable of supporting the Kingdom's transition to sustainable development under Vision 2030.

Nuclear reactors are considered to be reliable contributors to base load, while producing lower carbon emissions compared to traditional generation methods, such as burning fossil fuels



- **King Abdullah City for Atomic and Renewable Energy** is conducting technical studies to identify sites and prepare infrastructure for the construction of the first nuclear power plant in the Kingdom, containing two reactors
- **Saudi National Atomic Energy Project** oversees a national policy to adopt peaceful nuclear technologies in energy production



## Energy financing

Working to meet its renewable energy growth objectives and provide private-sector energy companies with access to finance, Saudi Arabia offers a suite of alternative and innovative funding and financial support mechanisms.



### Sustainability Fund

- › **\$1.5 bn** (SAR5.62 bn) fund created by Aramco in 2022
- › Invests in technology that can support a stable and inclusive energy transition, and will target investments globally
- › Initial focus areas will include carbon capture and storage, greenhouse gas emissions, energy efficiency, nature-based climate solutions, digital sustainability, hydrogen, ammonia, and synthetic fuels



### Green Bond

- › **\$3 bn** (SAR11.25 bn) inaugural bond
- › First sovereign wealth fund to issue a green bond
- › Bond issue to finance or refinance the Public Investment Fund's (PIF's) green investments
- › First-ever century green bond, establishing full PIF green yield curve
- › x8 times oversubscribed



### Mutajadedda program

- › Offered by the Saudi Industrial Development Fund (SIDF)
- › Supports renewable energy developers and manufacturers of specialized products in solar and wind energy to meet local and global demands through:

#### Financing distributed solar electrical generation

- › Longer tenor (up to 15 years)
- › Including grace period of up to 36 months
- › Financing up to 75% of project cost
- › Available for project owners and developers in commercial and agricultural sectors

#### Financing renewable energy components manufacturing

- › Longer tenor (up to 15 years)
- › Grace period of up to 36 months
- › Financing up to 75% of project cost

#### Financing renewable Independent Power Producers (IPPs)

- › Longer tenor (up to 20 years)
- › Including grace period of up to 36 months



## Carbon Credit Market

To support businesses operating in industries driving the transition to net-zero, in October 2022 the Public Investment Fund (PIF) held the largest-ever auction of high-quality carbon credits.

The auction was part of PIF's broader effort to catalyze the investment and innovation required to address the impact of climate change and support Saudi Arabia's efforts to achieve net zero emissions by 2060.

- › **1.4 mn** tons of carbon credits sold
- › **CORSIA-compliant and Verra-registered** carbon credits
- › **15** Saudi and regional entities participated
- › **Aramco, Olayan Financing Company, and Saudi Arabian Mining Company (Ma'aden)** purchased the largest number of carbon credits





## Saudi Arabia: A principal in global energy



### Chief energy producer

- › **Largest energy provider in Middle East** (Saudi Electricity Company) with **57 GW** of generation, **7.5 million** customers, and **55,000 km** transmission circuit
- › **12<sup>th</sup>** largest global electricity producer
- › **2<sup>nd</sup>** largest oil reserves in the world
- › **120,485 mn m<sup>3</sup>** marketed production of natural gas
- › **8,507 bn m<sup>3</sup>** proven natural gas reserves
- › **267,192 mn** barrels proven crude oil reserves
- › **106 GW** offshore wind energy potential
- › **6<sup>th</sup>** worldwide for natural gas reserves



### Leading emissions reduction trends

- › **278 mtpa** carbon emissions reduction by 2030
- › **450 mn** trees to be planted
- › **3 mn** streetlights to be retrofitted for energy
- › **Developing largest** solar plant in MENA region
- › Kingdom joins Global Methane Pledge committed to cutting global methane emissions by **30% by 2030**



### Exploring energy possibilities

- › **Largest-ever** carbon credit auction of high-quality carbon credits (**1.4 mt**)
- › **\$1.5 bn** (SAR 5.62 bn) Sustainability Fund
- › **\$3 bn** (SAR 11.25 bn) Green Bond
- › **11 mn mt** of blue ammonia production per year by 2030
- › **First nuclear** power plant on track for development in the Kingdom
- › **\$10 bn** (SAR 37.5 bn) Green hydrogen MoU signed with South Africa





## Deals and discoveries boost the Kingdom's global energy profile

### Saudi Arabia signs \$10 bn green hydrogen MoU in South Africa

#### > DEAL:

In October 2022, Saudi Arabia signed an extensive memorandum of understanding (MoU) with the Republic of South Africa that explores a partnership in the development of green hydrogen and its derivatives.

#### > PARTNERS:

Saudi energy group ACWA Power and the Industrial Development Corporation of South Africa (IDC), a government-owned development finance institution.

#### > ROLES:

ACWA Power will function as the developer for green hydrogen and its derivatives in South Africa, with the IDC acting as co-developer and equity partner in the proposed projects.

### New oil fields discovered in Eastern Saudi Arabia

#### > DISCOVERY:

In November 2022, the Minister of Energy announced that Aramco has discovered two new unconventional natural gas fields in the country's eastern region.

#### > OPPORTUNITY:

The Awtad unconventional gas field was discovered southwest of Ghawar field, **142 km** southwest of Al-Hofuf. Gas flowing from the discovery amounts to **26.9 million** standard cubic feet daily, along with a daily **905** barrels of condensate.

The AlDahna unconventional gas field, discovered **230 km** southwest of Dhahran, produces gas at a rate of **25.6 million** standard cubic feet daily, along with **362** barrels of condensate.



## Aramco deal with Polish fuel refinery advances Saudi's hydrocarbon strategy

### > DEAL :

In November 2022, Aramco successfully closed three landmark transactions with Polish refiner and fuel retailer PKN ORLEN, through its subsidiary Aramco Overseas Company BV, based in the Netherlands.

### > TRANSACTION :

As part of the transaction, first announced in January 2022, Aramco acquired equity stakes of **30%** in a **210,000** barrels-per-day refinery in Gdansk; **100%** in an associated wholesale business; and **50%** in an aviation fuel marketing joint venture with BP Europa SE, which operates in seven airports in Poland.

### > IMPACT:

The transactions also seek to establish a solid foundation for further business development and aim to complement Aramco's strategy to expand its liquids to chemicals capacity to up to **4 million** barrels per day.







## Kingdom to develop largest solar plant in MENA region

> **ANNOUNCEMENT :** The Water and Electricity Holding Company (Badeel), a wholly owned company by the Public Investment Fund (PIF), and ACWA Power, a leading Saudi developer, investor, and operator of power generation, water desalination and green hydrogen plants worldwide announced in November **2022** that it planned to develop a **2,060** MW solar photovoltaic (PV) plant in Al Shuaibah, Makkah Region – the largest facility of its kind in the Middle East to date.

> **DETAILS:** Expected to achieve commercial operation by **Q4 2025**, the AlShuaibah 2 project is the result of power purchase agreements between the Water and Electricity Holding Company (Badeel), wholly owned by the Public Investment Fund (PIF), and Saudi energy group ACWA Power. Each company will hold a **50%** equity stake through the establishment of "AlShuaibah Two Electrical Energy Company", a joint company dedicated to the development of the project.

> **IMPACT:** Badeel and ACWA Power will build, own, and operate Al Shuaibah **2** facility and the electricity produced will be sold to SPPC. When complete, it will power **350,000** homes.





# The Kingdom's leading energy players

## Saudi Aramco



Headquartered in Dhahran, Saudi Aramco (Aramco) is the world's largest integrated energy and chemicals company. In 2021, Aramco announced its financial performance and key figures reporting:



**70,000+**  
employees



**\$109.9 mn**  
in net income



**\$576 mn**  
in assets



**\$341.5 mn**  
in equity

➤ Engages in the exploration, production, transportation, and sale of crude oil and natural gas

➤ Operates across upstream, downstream, and corporate segments

## Operational segments

### Upstream

- The exploration of crude oil, natural gas, and natural gas liquids
- Field development
- Production

### Downstream

- Refining
- Logistics
- Power generation
- Marketing crude oil, petroleum and petrochemical products

### Corporate

- Support services
- Human Resources
- Finance
- Information Technology

**Aramco has created five initiatives that will champion digital transformation in the industry.**

### LAB7

is Aramco's dedicated hub for innovation and product development

### SPARK Innovation Hub

is a collaborative platform for digital innovators and entrepreneurs to work together towards advancing the industry

### The Fourth Industrial Revolution (4IR) Center

employs advanced analytics solutions to support Aramco's strategic objectives

### The Supply Chain Control Center

is a strategic initiative aimed at transforming Aramco's supply chain

### The Upstream Innovation Center

was created to drive the development of upstream solutions through digital transformation



## Saudi Electricity Company (SEC)

The Saudi Electricity Company (SEC) is the largest electricity provider in the Middle East, involved in a wide range of energy-related activities, including operations, maintenance, transmission, and distribution.



**57 GW**

of power generation capacity



**7.5 mn**

regional customers



**55,000**

kilometers transmission network coverage

### The SEC operates two subsidiaries

#### National Grid SA

- › Established in 2012
- › Mandate to manage the Kingdom's electrical power grid
- › Responsible for the transmission, operation, control, and maintenance of grid infrastructure
- › Responsible for the rental of transmission network lines in the Kingdom

#### Dawiyat Integrated Telecommunications and Information Technology Company

- › Wholly-owned subsidiary of SEC
- › Specializes in managing and maximizing the resources and assets of its fiber optic network
- › Network covers over 71,000 kilometers throughout the Kingdom

## ACWA Power



ACWA Power is a major electricity generator and leading developer, investor, and operator of power generation and water desalination projects in Saudi Arabia.



**44.4 GW**

of power generation capacity



**69 assets**

operating across 12 countries



**6.8 mn m<sup>3</sup>**

of desalinated water provided to Saudis daily

### ACWA power is also responsible for several photovoltaic (PV) power projects across Saudi Arabia and abroad, including:

- › The recently announced a \$2.4bn, 1.5GW solar project in Uzbekistan
- › The SAKAKA IPP PV solar project in Saudi Arabia, the Kingdom's first utility-scale renewable energy project, which aims to produce 9.5GW of renewable energy in 2023





## Rabigh Refining & Petrochemical



Rabigh Refining & Petrochemical (Petro Rabigh) is a Saudi Arabia-based company which produces and markets refined hydrocarbon and petrochemicals and was formed as a result of joint venture between Saudi Aramco and Tokyo's Sumitomo Chemical in 2005.

**The Petro Rabigh plant, located in Rabigh, Saudi Arabia, is the company's flagship industrial complex and offers innovative downstream investment opportunities that foster new skills and job creation:**



**\$4.45 bn**

valuation



**18.4 mn**

tons per annum (MTPA) of  
petroleum-based product



**2.4 MTPA**

of ethylene and propylene-  
based derivatives

In addition, Petro Rabigh has built the Petro Rabigh industrial complex (Rabigh PlusTech Park) which is the first private industrial park for conversion industries in Saudi Arabia and is designed to accommodate polymer compounding.

Rabigh has also successfully reached full production as part of its Rabigh II expansion product valued at \$9 billion, which added a range of new products to its product portfolio.





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## CHAPTER 4

# KEY REFORMS DRIVE INVESTOR APPETITE



# Comprehensive reform unlocking sizeable investor appetite

Amid subdued global growth, Saudi Arabia is on a path of economic expansion supported by reforms and incentives that are placing the private sector at the center of the Kingdom's modernization and diversification strategy.

The comprehensive reform agenda is establishing an ecosystem of support for the private sector, and unlocking business opportunities for pioneering investors by building on the Kingdom's **key competitive advantages**:



Strong economy in a strategic location



Competitive production costs



Robust industrial infrastructure



Critical raw material availability



Ambitious sustainability agenda



Special economic zones for key sectors



Sector-specific support incentives for the private sector





# The new National Industrial Strategy

As one of the central pillars of Saudi Vision 2030, the industrial sector is the target of transformational reforms that aim to build an industrial economy that attracts investment and makes a significant contribution to economic diversification.

Previous reforms, such as the launch of the National Industrial Development and Logistics Program (NIDLP) and the establishment of an independent ministry to oversee the industrial sector, have already resulted in sustained growth.



**50%+**

increase in the  
number of industrial  
establishments since the  
launch of Vision 2030



**4<sup>th</sup> largest**

manufacturer of  
petrochemical  
products in the  
world



**10,640**

industrial facilities  
in the Kingdom by  
October 2022



**SAR 340bn+**

contribution to  
GDP by Saudi  
industries

This growth momentum was further buoyed by the launch of the new National Industrial Strategy in October 2022, empowering the private sector and increasing the flexibility and competitiveness of the industrial sector.





Through the Strategy, the Kingdom will accelerate the growth and integration of domestic industrial value chains, achieving global leadership in a group of selected commodities by investing in promising new technologies.

**36,000**

industrial facilities to be established by 2035

**800+**

investment opportunities

**Tripling**

the industrial domestic product by 2030

**\$0.35 tn**

(SAR 1.3tn) of additional investment to be attracted to industrial sector

**12**

industrial sub-sectors to receive support

**\$0.27 tn**

(SAR 1tn) worth of investment opportunities

**\$148.5 bn**

(SAR 557bn) value of industrial exports by 2030

**Six-fold**

increase in value of advanced technology product exports

Two critical **structures have been established** to ensure that these objectives are met:



An **Industrial Council** with private sector representation, to ensure the participation of industrial investors in decision-making and development policies



**Supreme Committee for Industry**, headed by H.R.H. Mohammed bin Salman, to oversee the development of the sector

“

Through the National Industrial Strategy and in partnership with the private sector, the Kingdom will become a leading industrial power that contributes to securing global supply chains and exporting high-tech products to the world

”

*His Royal Highness the Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud, Prime Minister and Chairman of the Council of Economic and Development Affairs*



## Reform in action, a case study: HyperPay

As Saudi Arabia works to realize its Vision 2030, online sales in the Kingdom have increased almost **60%** on average annually across all categories. Amid this increased demand for online retail services in the Kingdom, e-commerce vendors continue to extend their operations across Saudi Arabia.

Saudi Arabia's e-commerce market is expected to grow by **20.9%** over the next five years, reaching a market size of **\$22 bn** (SAR 82.5 bn) by 2027



This growth has been supported by strong commerce legislation, which legally defines e-payment services and creates a customer protection framework



In 2019, Saudi Arabia issued its **E-Commerce Law**, which provided consumers with necessary protection against fraud and misinformation

### Fastest-growing e-commerce payment provider



The fastest-growing e-commerce payments service provider in MENA, Saudi Arabia-based HyperPay is a merchant payment gateway and payment solutions provider established in 2014. HyperPay has enabled the region's banks and digital businesses to accept and manage online payments with more flexibility and security, and now boasts the largest network of bank connections in MENA.

HyperPay's rapid growth is, in part, thanks to supportive regulation, incentives, and initiatives in fintech provided by several of the Kingdom's agencies and Ministries.





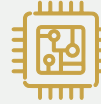


Several significant recent HyperPay partnerships have demonstrated the scale of opportunity in the region's e-commerce markets:

➤ Collaboration with digital wallet STC Pay



In 2019, HyperPay significantly expanded its online services offering by becoming one of the first payment gateways to offer STC Pay to its merchant clients, further supporting small businesses and entrepreneurs in the Kingdom



STC Pay is an integrated digital wallet owned by the Saudi Telecommunications Company (STC), the digital enabler of the Saudi telecommunications industry

➤ Strategic MENA deal signed with Mastercard



In May 2022, HyperPay announced a strategic partnership with global payments services provider Mastercard to drive the adoption of digital payment solutions across the MENA region



As part of the partnership, Mastercard made a 'strategic investment' in HyperPay to continue enhancing the delivery of its services and identify new technologies that can be applied to practical use cases



The collaboration will offer advanced new technologies so that businesses, governments, and small and medium-sized enterprises can move from cash-based payments to an improved, frictionless, and seamless ecosystem utilizing the innovative capabilities of both Mastercard and HyperPay



# New Networks, The Global Supply Chain Resilience, Initiative (GSCRI)

Interconnected global, regional, and domestic supply chains play a critical role in economic development. Therefore, a stable, resilient supply network of supply is a key element to achieving many of the goals of Saudi Vision 2030.

The Saudi government is well aware of the supply chain's important role and the opportunities it presents. In line with the ambitions of Saudi Vision 2030 and the National Investment Strategy (NIS), Saudi Arabia is launching the Global Supply Chain Resilience Initiative (GSCRI) to help realize the Kingdom's position as an industrial powerhouse and global logistics hub.

**GSCRI** is a core National Investment Strategy (NIS) initiative and works to strengthen the Kingdom's position as a key contributor to global supply chain resilience. In addition, it will further enhance the Kingdom's position within regional and global export economies. This will be accomplished by drawing foreign direct investment (FDI) inflows to export-oriented products and services in different sectors of the Kingdom.

**GSCRI was launched to support the objective and KPI's of other programs and strategies and keep close coordination with them, including: National Industrial Strategy and NIDLP.**



**\$10.7 bn**

of FDI to be attracted through GSCRI within the first two years



**\$2.7 bn**

of incentives to be disbursed through GSCRI

## GSCRI is built on four main investment themes



Sustainability and  
Climate Change



Future Industry  
Enablement



Global Supply  
Diversification



Advanced  
Manufacturing



## Customized incentives packages are available to investors looking to boost supply chain attractiveness in Saudi Arabia through GSCRI



### Financial Incentives

CAPEX grants



### Sponsored services/inputs

Supported utilities  
(e.g. electricity, water)



### Capital deployment

Loan access



### Fiscal/tax incentives

Tax support (e.g. wavers, delays)



### Regulatory incentives

Corporate regulations

Employee-related OPEX (e.g. salaries, training)

Supported raw material feedstock

Equity access

Governmental support (e.g. customs duties)

Labor regulations

Non-employee OPEX

Other inputs  
(e.g. rent, other services)

Credit guarantees








Special Economic Zones

Sector-specific regulations

Saudi Arabia is a member of World Trade Organization (WTO)-approved regional trade agreements (RTAs), which boosts its attractiveness within the global supply chain. In 2019, the General Authority of Foreign Trade (GAFT) was formed to lead in developing policies and strategies for foreign trade, enabling the Kingdom's exports to access foreign markets.



## Targeted sectors under GSCRI

 <b>Healthcare &amp; Life Sciences</b>	<b>100%</b> of the population covered by the unified digital medical records system by 2025	<b>\$5.4 bn</b> medical technology market size in 2021	
 <b>Mining &amp; Metals</b>	<b>\$75 bn</b> GDP contribution by 2035	<b>\$1.3 tn</b> mineral resource potential value	<b>48</b> minerals identified in the Kingdom
 <b>Real Estate</b>	<b>50%</b> of new units built using new technology	<b>70%</b> home ownership target by 2030	<b>1.2 bn sqm</b> built-up area expected to be developed by 2030
 <b>Financial Services</b>	<b>\$1.3 tn</b> estimated total credit demand by 2030	<b>53%</b> increase in the share of capital markets assets by 2030	<b>20%</b> increase in the share of MSME financing by banks by 2030
 <b>Agriculture &amp; Food Processing</b>	<b>85%</b> food processing localization target rate by 2030	<b>\$42 bn</b> food and beverage market size	
 <b>ICT</b>	<b>\$2.5 bn</b> expected gaming market size by 2030	<b>73%</b> social media penetration	
 <b>Aerospace &amp; Defence</b>	<b>50%</b> localization target by 2030	<b>6<sup>th</sup></b> largest military spender in the world in 2020	<b>100%</b> foreign ownership allowed



## GSCRI supporting the renewable energy transformation



**58-60 GW**

target for renewable energy by 2030



**35+**

energy parks planned across Saudi Arabia



**Solar and wind**

initiatives to empower independent power producers (IPPs)



**60%+**

localization target with investment opportunities for international partners

GSCRI is a crucial contributor to global decarbonizing goals, with local content development playing a key role in addressing Scope 1, 2, and 3 emissions. Sustainability strategies supported via GSCRI include:

**1**

Achieving the lowest renewable Levelized Cost of Energy (LCOE) prices

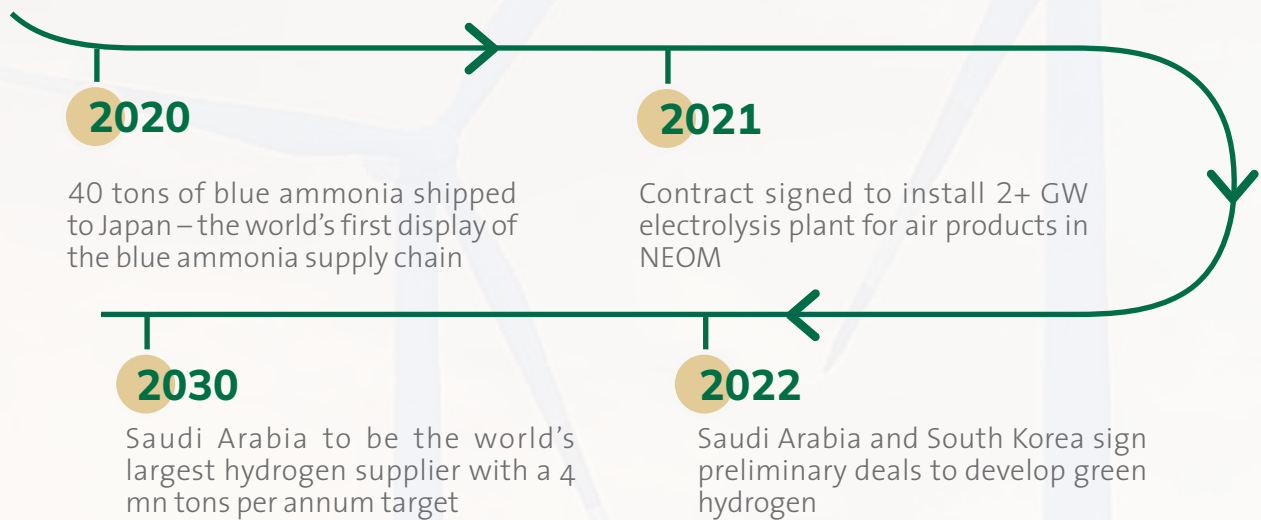
**2**

Kick-starting supply chains within the solar and wind markets

**3**

Turning Saudi Arabia into a Solar PV and Wind turbine manufacturing hub

## The Kingdom's Hydrogen timeline:



The limitless renewable energy potential within Saudi Arabia extends far beyond solar and wind, with the Kingdom having the potential to be a major hydrogen exporter.



**Lowest renewable energy LCOE globally**



**Availability of large swaths of land**



**Strategic location at the intersection of three continents**



**Pre-existing infrastructure capable of exporting hydrogen in ammonia form**



**Key partnerships with the private sector**



## Emerging Technology Enhances Supply Chain Infrastructure

Saudi Arabia is one of the most digitally competitive economies in the world, and its strong digital infrastructure enables cutting-edge supply chain management systems and processes.



**98%**

internet usage  
penetration compared to  
63% globally in 2021



**53%**

of homes connected  
to fiber optic



**92/100**

score on ITU Regulatory  
Tracker Index



**4th**

globally for  
5G network  
deployment



**2nd**

among G20 countries  
for spectrum allocation



**30%**

of the Kingdom  
has 5G coverage



**91.81Mbps**

average mobile  
download speed

**Saudi Ports Authority** has rolled out its new Mawani Smart Ports Initiative to harness the Kingdom's strong 5G infrastructure to deploy automation technologies at various ports. Through a partnership with leading ICT private sector players Ericsson, STC and Huawei, as well as major transport investor DP World, the Mawani Smart Ports Initiative will progressively automate port operations as well as accelerate the use of cloud computing, cyber-tech and processing platforms by port stakeholders.

**King Khalid International Airport (KKIA)** in Riyadh, meanwhile, is seeing a major upgrade in its cargo handling capacity, with strong integration of advanced supply chain technologies being deployed at the expanded SATS Cargo Terminal. The cargo facility will eventually handle over 600,000 tons of cargo per annum. The facility's advanced features will include a cold-chain facility for perishable goods and a dedicated lane for pharmaceutical products.



Visit **GSCRI's website** to explore  
more about the initiative





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## CHAPTER 5

# MARKET OPPORTUNITIES DRIVE INVESTOR INTEREST



# Global capital drawn to the Kingdom's investment opportunities

Against a challenging global economic backdrop, Saudi Arabia's strong economic performance and ongoing pro-business reforms continue to present a broad array of investment opportunities. While global markets are troubled by high-interest rates and underperforming asset classes, global investors – who prioritize both growth prospects and market stability – are finding Saudi Arabia to be a “safe haven” for their capital.

As the Kingdom's economy grows in depth and scale, opportunities in both established industries and emerging ones - such as green energy, technology, healthcare, logistics, and biotechnology – form the basis for a new era of investment.

## Closed investment deals:



**15**

investment deals  
representing 12  
countries signed by  
MISA in Q4 2022



**\$12.6 bn**

(SAR 47.2 bn) expected  
investment amount



**10,668**

expected jobs to  
be created

## Q4 deals brokered by MISA by sector:



Agriculture and  
Food Processing



Sports



Petrochemicals



Healthcare



Machinery &  
Equipment

## Q4 deals brokered by MISA by country:



UK



China



USA



France



Japan



Syria



Switzerland



Germany



Saudi  
Arabia



S. Korea



BVI



UAE



## MISA and Oracle sign \$93 mn (SAR 350 mn) agreement to accelerate innovation in the Kingdom's health sector

MISA and the technology corporation Oracle have signed an MoU to improve the Kingdom's health sector by accelerating innovation in healthcare. The agreement will see Oracle, in partnership with the Saudi health sector, develop a digital healthcare blueprint for the Kingdom with an emphasis on increasing healthcare access, lowering costs, and increasing quality.



Leverage the power of data in the healthcare value chain to serve the Kingdom's healthcare system



Promote human capital development in STEM programs and enhance Saudi woman's participation in technology

## MISA and BGI Group sign agreement to strengthen the Kingdom's public health and green innovation

The Saudi Ministry of Health and the Public Health Authority have signed an agreement with BGI Group during a visit from the company's co-founder Wang Jian to help boost scientific research and collaboration. Under the supervision of MISA, the signing ceremony affirmed BGI Group's commitment to strengthening the Saudi Arabian public health sector through collaboration and research sharing. During his visit, Wang Jian noted that BGI Group is committed to developing genomic technology in Saudi Arabia.



**\$53 mn**

(SAR 200 mn) expected value of the agreement



**1,053**

jobs expected to be created by the partnership

## Aramco and TotalEnergies sign a deal to build petrochemical facility in the Kingdom

Aramco and TotalEnergies have finalized an investment agreement to construct a petrochemicals facility able to cater to global demand. The Amiral Complex, set in Jubail will be owned, operated and integrated with Saudi Aramco Total Refining and Petrochemical Co. (SATORP). The petrochemical facility will enable SATORP to convert internally produced refinery off-gases and naphtha, as well as ethane and natural gasoline supplied by Aramco, into higher-value chemicals, helping to advance Aramco's liquids to chemicals strategy.



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

in the region to be integrated with a refinery



**\$11 bn**

(SAR 41.3 bn) expected investment value by Aramco and TotalEnergies



**1.65 mn tons**

per annum of ethylene produced through a mixed feed cracker



**7,000**

Jobs to be created through the ongoing partnership





## Key updates from the investment ecosystem in Q4 2022

34

investment agreements signed between Saudi and Chinese companies

26

MoU's signed at the Korean-Saudi Investment forum

\$15 bn

(SAR 56.2 bn) in agreements and MoUs signed between Saudi Arabia and South Africa across energy and mining sectors

11

investment agreements signed by MISA at the 6<sup>th</sup> edition of the Future Investment Initiative (FII6)

4

MoUs signed by MISA at the World Travel & Tourism Council (WTTC)

3

MoUs signed by MISA at the Gulf Petrochemicals and Chemicals Association (GPCA) Forum to create investment opportunities in the chemicals industry



### Energy, Renewables, and Utilities

#### ➤ MISA and Taihan sign an agreement to develop a high-voltage cable manufacturing facility in Saudi Arabia

South Korea's premier cable manufacturing company, Taihan, has signed an agreement to develop a high-voltage cable and copper rod manufacturing plant in the Kingdom.

#### ➤ MISA, in collaboration with Bosch, Legacy Technologies, and Saudi Excellence Company, signed an MoU for the energy sector

On the sidelines of October's FII6, to boost investment in the energy sector, MISA facilitated an MoU between Bosch, Legacy Technologies, and Saudi Excellence Company.



The MoU aims to supply solid oxide fuel cell solutions to enhance the Saudi data center environment for the future of the industry.

#### ➤ MISA and Ocellott have signed an agreement to collaborate on battery development

As the Kingdom continues its pursuit of increased electrification for a sustainable future, MISA has signed an MoU with Brazilian electronic engineering company Ocellott to collaborate in the development of innovative electric propulsion battery systems. The MoU will advance both Ocellott and the Kingdom's innovation in future electric vehicles.



The agreement includes the development of eVTOL (electronic vertical takeoff and landing) propulsion battery systems.

#### ➤ Electricity General Authority of Thailand (EGAT) and MISA sign an MoU to cooperate on clean energy initiatives

As part of its expansion into the region, EGAT has partnered with MISA to localize the company's innovative technologies to enhance the EV ecosystem in Saudi Arabia.



## Education and Human Capital Development

### ➤ MISA and ESSEC sign an agreement to advance education and development programs

On the sidelines of FII6, MISA signed an agreement that will see the Paris-based ESSEC Business School advance executive education and human capacity development programs in Saudi Arabia.



The agreement will also work toward increased student exchange programs.

### ➤ MISA and Cambridge Partnership for Education (PfE) to collaborate on education reforms in Saudi Arabia

MISA and Cambridge PfE signed an MoU to collaborate on educational reform that will focus on enhancing the Kingdom's education ecosystem. The partnership will allow the Kingdom to draw on its expertise to further support Saudi education and prepare the youth for the jobs of the future.

### ➤ Human Resources Development Fund (HRDF) has signed an MoU with Lucid Motors to develop human capital

The MoU signed by HRDF and Lucid seeks to develop human capital in the electric car industry. As part of the MoU Lucid will employ Saudis in the United States in specialized and professional jobs, training them for new roles at Lucid Motors' manufacturing facility in King Abdullah Economic City (KAEC). This MoU aligns with Lucid Motors' wider cooperation with MISA to construct an EV manufacturing plant in Saudi Arabia.



**1,000**

young men and women will be trained and employed in the EV industry



**Cooperation**

between the two entities to enhance employment opportunities





## Health and Life Sciences

### ➤ H.E. Khalid Al-Falih joined Roche Chairman Dr. Christoph Franz in celebrating the new head office in Riyadh

The 125<sup>th</sup> anniversary of Swiss multinational healthcare company Roche coincided with the unveiling of its regional headquarters in Riyadh, under the regional headquarters program (RHQ). The occasion celebrated the company's innovations in the pharmaceutical and diagnostic industries and its contribution towards improving health outcomes. The establishment of Roche's new headquarters furthers innovation in the Kingdom and supports its ability to provide cutting-edge healthcare in line with the Health Sector Transformation Program and Vision 2030.



The RHQ program is jointly administered by MISA and the Royal Commission for Riyadh City (RCRC)

### ➤ MISA and Ginkgo sign partnership agreement to expand biotechnology capabilities

The agreement signed between MISA and American biotech company Ginkgo Bioworks seeks to develop biotechnology and biosecurity capabilities to deploy new public health initiatives in Saudi Arabia.



## Support

public health efforts through programs for pathogen monitoring and sequencing



## Leverage

technologies such as laboratory automation, data analysis, next-generation sequencing, bioinformatics, pathogen detection assays, and monitoring methods



## Catalyze

the medical supply chain





## Sports and Entertainment

### > MISA signs an agreement with Eros Media to develop Saudi film industry

MISA and Indian film production and media company Eros Media signed an agreement at FII6 for investment into the Kingdom's film production and content development industries. The agreement will explore opportunities to further develop the rapidly growing local film and content industry.

### > MISA and Ministry of Sport facilitate new agreement to open padel courts in the Kingdom

Supported by both MISA and the Ministry of Sport, the investment company, Vision of Progress, has entered into an agreement with PadelX to develop the increasingly popular sport, padel, in Saudi Arabia.

### > MISA and OneMT sign an agreement to develop the Kingdom's gaming and entertainment market

MISA, together with the Ministry of Communications and Information Technology (MCIT) and the Saudi Federation of Cybersecurity, Programming and Drones (SAFCSP), have signed an investment agreement with leading global entity OneMT that aims to develop the gaming sector in Saudi Arabia. Combined with local partnerships, OneMT will enable talent and technologies to position the Kingdom as a leader in the gaming and entertainment industry.



## Creating

jobs and hiring  
local talent



## Relocate

OneMT's regional and  
global headquarters



## Establish

a research and development  
center to enable knowledge  
transfer



## Construct

10 studios in  
Saudi Arabia



## List

OneMT on the Saudi  
Stock Exchange



## Provide

local training



## Food and Beverage

### > MISA and Nestlé sign \$1.87 bn (SAR 7 bn) deal to expand manufacturing capacity in Saudi Arabia

MISA and Nestlé have signed an investment agreement to develop a cutting-edge manufacturing facility that will produce infant nutrition products and the first regionally manufactured ready-to-drink coffee. Nestlé, with MISA as a strategic partner, will enhance Saudi Arabia's human capital development through the company's first regional R&D center, and a Nestlé center of excellence to support Saudi talent. As part of the agreement, Nestlé plans to set up a business incubator to further support the Saudi SME ecosystem.



**\$1.87 bn**

(SAR 7 bn) to be invested by Nestlé over the next 10 years



**\$100 mn**

(SAR 375 mn) cutting-edge manufacturing plant to be developed



**3,500**

direct and indirect jobs to be created

### > MISA and IFFCO sign agreement to build local capabilities in the food sector

MISA has signed an agreement with IFFCO that will see the UAE-based FMCG company contribute to Saudi Arabia's food supply chain and human capital development through a host of initiatives. IFFCO's entry into the Saudi market will enhance the Kingdom's growing food supply chain and contribute to food security. It will also create jobs and training opportunities for the Saudi workforce.



## Aerospace

### > Boeing, Tasnee, and MISA sign agreement to advance the Kingdom's aerospace industry

Alongside local advanced metal manufacturer Tasnee, MISA has signed a collaboration agreement with multinational aerospace company, Boeing. The agreement looks to strengthen Saudi Arabia's value chain and grow the aerospace industry, with a strong focus on furthering localization in the Kingdom.



## Transport and Logistics

### > Benteler Group signs MoU with MISA to support the local automotive industry

As part of the national strategy to enhance localization in the Kingdom, MISA has signed an MoU with Austria-based Benteler Group, a specialist in automotive technology, the energy sector, and mechanical engineering, to support the local automotive industry and bolster the supply chain ecosystem in Saudi Arabia. Benteler Group and MISA will explore opportunities for collaboration to enhance the Kingdom's industrial capabilities.



Benteler Group will establish a permanent manufacturing presence in the Kingdom



Develop a broader ecosystem for the automotive supply chain



Identify opportunities that leverage Benteler Group's industrial capabilities



Support human capital development through knowledge sharing and information exchange



## Information and Communication Technology

### ➤ Saudi Arabia's Ministry of Communications and Information Technology (MCIT) and Huawei sign MoU to boost the digital economy

On the sidelines of President Xi Jinping's visit to the Kingdom of Saudi Arabia, tech giant Huawei and MCIT have signed an MoU to develop the Kingdom's digital economy. With the support of Huawei, MCIT will work collaboratively to realize a super-fast broadband infrastructure to support the Kingdom's digital transformation.



10 Gbps internet broadband infrastructure goal



## Financial Services

### ➤ MISA signs MoU with BTG Pactual to establish regional headquarters in Saudi Arabia

MISA has signed an agreement with Brazil's BTG Pactual, one of Latin America's largest investment banks, to establish its regional headquarters in Riyadh. The agreement will see the bank leverage Saudi Arabia's attractive position as a prominent financial hub in the region.



## Aerospace and Defense

### ➤ The General Authority for Military Industries (GAMI) and Spanish Navantia cosign MoU to acquire and build naval ships

GAMI has partnered with Spanish shipbuilder Navantia through an MoU that will see the Royal Saudi Naval Forces (RSNF) acquire and build several multi-mission combat ships to enhance maritime security in the region. The agreement, which aims to raise the level of military-readiness of RSNF, will also focus on integrating combat systems into new ships, systems design and engineering, hardware design, software development, testing, verification systems, prototyping and simulation, logistics, and training programs.



Aims to promote localization of naval shipbuilding by up to 100%



Will protect the vital and strategic interests of the Kingdom and support the strategic, operational and tactical goals of the Ministry of Defense



Looks to localize ship maintenance support





# Mega and giga projects attract new partnerships

Saudi Arabia's mega and giga projects remain key to achieving the Kingdom's ambitious Vision 2030 goals of economic diversification, private sector growth, and positioning Saudi Arabia as a world leader across multiple emerging sectors. The last quarter saw numerous advances within these major developments, including investment deals being struck and new partnerships forged.



نيوم NEOM



## NEOM names Ennismore as first hotel partner

NEOM's Hotel Development division's agreement with Ennismore, one of the world's fastest-growing lifestyle hospitality companies, will see Ennismore brand 25hours Hotels and Morgans Original open properties in Trojena, NEOM's mountain tourism destination. With a blank canvas and no legacy infrastructure, NEOM's Hotel Development division will capitalize on the region's potential to establish a new era for the hotel industry.



أوكساجون  
OXAGON

## OXAGON signs MoU with Ministry of Industry and Mineral Resources and MODON to support industrial transformation in Saudi Arabia

OXAGON, the city in NEOM dedicated to advanced manufacturing, circular economy models, and Industry 4.0. solutions, has entered into a landmark agreement with the Ministry of Industry and Mineral Resources and the Saudi Authority for Industrial Cities and Technology Zones (MODON). The three entities will cooperate to implement the Future Factories Program, with a strong focus on advancing clean manufacturing technologies, including AI, Internet of Things, 3D printing, and smart robots.

- The agreement will also focus on building local content and helping domestic industry players adopt Industry 4.0. technologies and circular economy models.



## Red Sea Global and daa International sign \$1 bn (SAR 3.75 bn) agreement to operate Red Sea International Airport (RSI)

Red Sea Global, responsible for The Red Sea Project and AMAALA, has signed a \$1 billion (SAR 3.75 billion) agreement with Irish airport management company daa International to operate RSI airport. The agreement will see daa International take responsibility for maintenance, design consultancy, management, and operations. Under the agreement, daa International will also provide services focused on integrating green waste and resource management technologies at the site.



## Red Sea Global signs purchase agreement with Electromin and Energy International Corporation for a fleet of electric buses

The purchase agreement between Red Sea Global, Saudi technology-led e-mobility solutions provider Electromin, and American-based engineering company Energy International Corporation will see Saudi Arabia gain its first fleet of carbon-neutral electric buses. Electromin and Energy International Corporation are facilitating the supply of the electric bus fleet from China's leading manufacturer of electric vehicles, Yutong, and European electric vehicle builder and supplier EURABUS. The purchase agreement includes two vehicle types, a smaller one with a range of 250 km and a larger bus which has a range of 350 km.



## Diriyah Gate Development Authority (DGDA) and the British Council sign MoU for the development of Arts and Culture

DGDA has signed an MoU with the United Kingdom's British Council, an international organization for cultural relations and educational opportunities, to work to collaboratively enhance the arts and culture sector through a range of initiatives. As part of the MoU, the two parties will exchange artifact preservation expertise and data, best practices, and joint training programs on arts, culture, and the English language. This includes mutual training programs in both Saudi Arabia and the United Kingdom.



## DGDA and NAFFCO sign MoU to upscale fire safety in Diriyah

DGDA has signed an MoU with Leading Middle East-based firefighting product manufacturer NAFFCO to jointly assess and establish a robust safety infrastructure for Diriyah, and ensure protective measures are in place for the community. Under the MoU, DGDA and NAFFCO will exchange data, studies, and research. In addition, the two parties will also facilitate workshops on the latest safety systems, create training and develop programs as well as direct volunteering campaigns within the city.



## DGDA signs 16 new international hotel brands to its hospitality portfolio

DGDA has announced the signing of 16 new global hotel brands, bringing their hospitality portfolio up to 32 hotel management agreements. The hotel brands slated to open will be situated across two of DGDA's masterplan areas: Diriyah and Wadi Safar. The signing of these new hotel brands highlights the pace at which Diriyah is developing.



## DGDA and Saudi British Bank (SABB) sign an MoU to broaden financing solutions

DGDA has signed an MoU with SABB to broaden financing solutions and banking services within Diriyah. The MoU will establish a host of corporate and retail banking services for Diriyah and further provide a host of e-commerce products. In addition, SABB's Corporate Banking Group will extend cash flow management services, while the Retail Banking Group will provide personal and real estate financing solutions.



## The Royal Commission for AlUla (RCU) and the World Bank sign agreement to support sustainable economic regeneration

RCU and the World Bank have signed a long-term agreement to support the sustainable development of local economies. The strategic partnership will see RCU and the World Bank assess and identify areas for sustained capacity growth and development to meet the community's economic needs. The agreement includes heritage and tourism-focused SME operations to help diversify and spur AlUla's transformation into a regional and global hub for international visitors, investors, and businesses.







FOODICS®

## King Abdullah Financial District (KAFD) and FOODICS sign MoU for provision of smart payment solutions

KAFD has signed an MoU with FOODICS, a leading cloud-based restaurant tech and payment platform, to integrate FOODICS' tech ecosystem into points of sale at retail and pop-up outlets, offices, and residences in KAFD. The partnership will promote quality of living and efficient working through advanced digital infrastructure and smart city solutions.

Honeywell



## Honeywell and KAFD to collaborate on sustainable city development

Honeywell and KAFD have signed an MoU to jointly create initiatives that support the development of a sustainable city experience. Honeywell will provide direct technical support and act as a trusted and long-term technology advisor to KAFD. Through advanced technology adoption, Honeywell's solutions will optimize energy efficiency through energy-saving initiatives in KAFD.



وزارة الاستثمار  
Ministry of Investment

استثمر في السعودية  
INVEST  
SAUDI



## CHAPTER 6

# INVESTOR EVENTS INSIDE AND OUTSIDE THE KINGDOM





## A dynamic event schedule in Q4 2022 leads to key investment agreements around the world

The Kingdom has worked to strengthen its global partnerships through a host of international events and investment forums, aiming to boost FDI in the Kingdom and enhance localization in key sectors. In Q4, Saudi Arabia hosted China's President Xi Jinping to strengthen bilateral relations and create new partnerships in the private sector. In addition, participated in international events – including the Future Investment Forum, Catalyze Saudi, and the Aseer Investment Forum – attracted major investors seeking new opportunities in the Saudi market.

2022

**OCTOBER 2**



### Minister of Investment & London Mayor meet

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Riyadh, Saudi Arabia

The Lord Mayor of the City of London and the Saudi Minister of Investment H.E. Khalid Al-Falih met in Riyadh to further strengthen their relationship and discuss the increase of trade and investment opportunities, particularly within the financial services sector.

**OCTOBER 3**



### Saudi-South African Roundtable Meeting

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Jeddah, Saudi Arabia

- > Minister of Investment H.E. Khalid Al-Falih met with South African President Cyril Ramaphosa, other Excellencies, and entrepreneurs to further develop investment and trade ties that mutually benefit the private sectors of each country.
- > Opportunities in renewable energy, mining, agriculture, food, tourism, logistics, and ICT are expected to significantly expand.





**OCTOBER 3**



## Minister of Investment & Minister of State for Financial Affairs in UAE meet

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Riyadh, Saudi Arabia

Minister of Investment H.E. Khalid Al-Falih met with the UAE's Minister of State for Financial Affairs, H.E. Mohamed bin Hadi Al Hussaini, to develop investment partnerships in several sectors and further enable cooperation between the two nations.

**OCTOBER 9**



## Saudi-Japan Vision 2030 Investment Workshop

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Tokyo, Japan

A delegation from the Ministry of Investment traveled to Tokyo to deliver an investment workshop on the petrochemical sector and introduce a Japanese business audience to a wider array of investment opportunities in the Kingdom. Saudi Arabia's Ambassador to Japan was also in attendance.

**OCTOBER 20**



## Spanish-Saudi Business Forum

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Madrid, Spain

The Ministry of Investment organized the Spanish-Saudi Business Forum in Madrid with the aim of strengthening investment cooperation between the two countries. To mark the occasion, Deputy Minister for Investor Outreach Badr Al-Badr gave a speech on the attractive business opportunities available in Saudi Arabia.





**OCTOBER 25-27**

**FUTURE  
INVESTMENT  
INITIATIVE**  
Powered by the Public Investment Fund

## Future Investment Initiative

**AREA OF FOCUS:** Sustainable investing

**LOCATION:** Riyadh, Saudi Arabia

- Future Investment Initiative reflects investment ambitions of H.R.H. the Crown Prince Mohammed bin Salman.
- The Minister of Investment H.E. Khalid Al-Falih spoke at the 6<sup>th</sup> edition of the Future Investment Initiative in Riyadh about the steps Saudi Arabia has taken to enable a new global order through Saudi Vision 2030.
- In addition, the Invest Saudi pavilion welcomed international visitors and introduced them to Saudi initiatives that are transforming the Kingdom's investment ecosystem, while also being innovative and sustainable.
- A total of 28 investment deals and agreements worth over \$9 billion were signed.



**30**

workshops



**4**

micro-summits



**180**

sessions



**6,000+**

international participants were present at the FII



**15**

Saudi and regional entities took part in the largest-ever carbon credit sale

**NOVEMBER 16-18**

**QASSIM  
INVESTMENT  
FORUM**



ملتقى الاستثمار بالقصيم

## Qassim Investment Forum

**AREA OF FOCUS:** Saudi regional investment in Qassim

**LOCATION:** Qassim, Saudi Arabia

The Ministry of Investment participated in the first edition of the Qassim Investment Forum, which aims to explore growth opportunities and innovative investment concepts in Qassim in order to attract local and international investments.



**NOVEMBER 28 –  
DECEMBER 1**



## WTTC Global Summit

**AREA OF FOCUS:** Tourism and travel  
**LOCATION:** Riyadh, Saudi Arabia

- > The 22<sup>nd</sup> edition of the World Travel and Tourism Council (WTTC) Global Summit was held in Riyadh with the goal of empowering the Saudi tourism and travel industry. The summit was attended by over 8,000 people.
- > The Minister of Investment H.E. Khalid Al-Falih along with H.H. Princess Haifa Al Saud Vice Minister of Tourism, participated in a panel discussion with key industry players to discuss how cooperation in the tourism sector can enable a new era of travel.



**55** ministers from countries around the world



**250+** CEOs of major companies



**60+** ambassadors and diplomats

**DECEMBER 3**



منتدى عسير للاستثمار  
ASEER INVESTMENT FORUM

## Aseer Investment Forum

**AREA OF FOCUS:** Regional investment in Aseer  
**LOCATION:** Abha, Saudi Arabia

- > With the sponsorship of the Governor of the Aseer Region, H.R.H. Prince Turki bin Talal bin Abdulaziz Al Saud, who is also the Chairman of the Aseer Development Authority, the Minister of Investment H.E. Khalid Al-Falih and other Excellencies discussed how to further enable investment in the region's many promising sectors.
- > In addition, Minister of Investment H.E. Khalid Al-Falih participated in a panel to discuss the investment obstacles that Aseer faces.
- > Multiple workshops covering the culture, sports, and entertainment sectors were also held and international and regional investors were invited to explore Aseer's many opportunities.



**21** entities enabling investment opportunities in Aseer attended the investment forum



**25** investment opportunities were launched through the "Furas" platform





## DEEP DIVE



منتدى عسير للاستثمار  
ASEER INVESTMENT FORUM

# Aseer Investment Forum

Under the patronage and in the presence of the Governor of Aseer Region and the Chairman of Aseer Development Authority, H.R.H Prince Turki bin Talal Bin Abdulaziz Al-Saud, the Aseer Investment Forum was held in Abha at the King Khalid University from December 2 - 3, 2022. The purpose of the forum is was to explore investment opportunities, review Aseer's investment strategy, and highlight PIF's development projects focused on promoting the region's natural beauty. The Aseer region holds significant future potential with projects across the health, education, and tourism sectors such as a world-class medical city.

## Highlights

- High-level attendees



**Prince Turki bin Talal bin Abdulaziz**

Governor of the Aseer Region



**Eng. Khaled Al-Falih**

Minister of Investment



**Ahmed Al-Khateeb**

Minister of Tourism



**Zurab Pololikashvili**

Secretary-General of the World Tourism Organization

- Prince Turki bin Talal bin Abdulaziz, Governor of the Aseer Region, sponsored the launch of workshops and exhibitions in many of Aseer's promising sectors



Culture & Heritage



Entertainment



Sports



Health Tourism



Hospitality



Agricultural tourism



Food and beverage sector

## Outcome

**25**

investment opportunities through the "Furas" platform were launched at the forum

**21 entities**

participating in the exhibition accompanying the Aseer Investment Forum

**\$500 mn**

(SAR 1.9 bn) in investment projects were showcased at the forum

**\$253 mn**

(SAR 950 mn) investment by the Tourism Development Fund and Red Sea Markets Co, with Banque Saudi Fransi and SEDCO as strategic partners



**DECEMBER 6-8**



## Gulf Petrochemicals & Chemicals Association Forum 2022

**AREA OF FOCUS:** Petrochemical Industry  
**LOCATION:** Riyadh, Saudi Arabia

The Ministry of Investment participated in the 16<sup>th</sup> Annual Gulf Petrochemicals & Chemicals Association Forum, held for the first time in Riyadh, to discuss opportunities within the petrochemical sector.

- > 3 MoUs were signed at the event to enable growth opportunities in the sector.
- > 2,500+ attendees from 91 countries were present



**30+**

speakers



**11**

sessions



**600+**

companies



**DECEMBER 7-9**



## Xi Jinping Official Visit to Saudi Arabia

**AREA OF FOCUS:** China-Saudi bilateral trade ties and investment

**LOCATION:** Riyadh, Saudi Arabia

- > Chinese President Xi Jinping made his first official visit to Saudi Arabia in six years, meeting with H.R.H Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud to discuss how to increase bilateral collaboration by enabling industrialization and further diversifying the Saudi economy.
- > In addition, Minister of Investment H.E. Khalid Al-Falih and other government officials met with president Xi Jinping and signed 35 MoUs to strengthen economic ties across priority sectors between the two countries.





## DECEMBER 9-11



### Catalyze Saudi

**AREA OF FOCUS:** Investment ecosystem  
**LOCATION:** Riyadh & AlUla, Saudi Arabia

The Ministry of Investment organized the second edition of Catalyze Saudi, a three-day event which accelerates growth in Saudi startups and enables innovation and entrepreneurship as part of Vision 2030. Held in AlUla and Riyadh, the event attracted an audience of international entrepreneurs and investors looking to explore venture capital opportunities in the Kingdom's growing startup ecosystem.



Multiple roundtable discussions were also held on opportunities in blockchain, entertainment, and tourism.



270% VC ecosystem growth year-on-year, as startups raised \$548 mn in funding.



## DECEMBER 20-22



### Saudi-French Business Council Meeting

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Riyadh, Saudi Arabia

- > Minister of Investment H.E. Khalid Al-Falih met with French Minister of Foreign Trade, Economic Attractiveness, and French Nationals Abroad, Olivier Becht, and French healthcare officials at the Saudi-French Business Council Meeting.
- > In addition to strengthening investment relations between Saudi Arabia and France, the meeting focused on enabling each country's private sector to benefit from investment opportunities.

## DECEMBER 26



### Saudi-Japanese Investment Forum

**AREA OF FOCUS:** Bilateral trade & investment  
**LOCATION:** Riyadh, Saudi Arabia

- > The Ministry of Investment organized the Saudi-Japanese Investment Forum, which began with opening remarks from Minister of Investment H.E. Khalid Al-Falih welcoming Japan's Minister of Economy, Trade, and Industry, H.E. Yasutoshi Nishimura.
- > The event aimed to strengthen the investment relationship between Japan and Saudi Arabia. The Kingdom's strong sectors were showcased in a series of presentations, while a series of B2B meetings and agreements provided new opportunities for collaboration and the exchange of ideas.





## DEEP DIVE

# Future Investment Initiative (FII)



Started in 2017, the Future Investment Initiative (FII) is a global nonprofit foundation that brings together leading CEOs, policymakers, investors, entrepreneurs, and young leaders to collectively tackle some of the world's most critical issues.

FII's flagship conference in Riyadh Saudi Arabia has created an international platform that fosters knowledge-sharing, partnerships, and collaboration between key players across multiple industries to enable maximum impact across:



**Sustainability**



**AI & Robotics**



**Education**



**Healthcare**

As an ESG champion, FII is committed to creating a positive impact for humanity, guided by the initiative's three strategic pillars, THINK, XCHANGE, and ACT.



## THINK

Brings together the world's leading researchers and institutions to synthesize great ideas.



## XCHANGE

Organizes FII's flagship conference in Riyadh, where key players come together to discuss the future of global investment for humanity.



## ACT

Ensures innovative solutions are deployed to serve humanity in the most tangible and impactful way.



## FII expands impact over the previous 2 years

The past two years have seen FII achieve major success through events that have catalyzed change for humanity and enhanced collaboration between industry leaders. Through major conferences and international summits, FII has enabled knowledge sharing and collaboration, condensing decades of industry knowledge under one roof.



**13**

International events



**2,200+**

Speakers



**22,000**

Delegates



**23**

Strategic partners



**5**

Academic partners



**7**

Investments



**43+**

Publications



**40+**

Podcasts

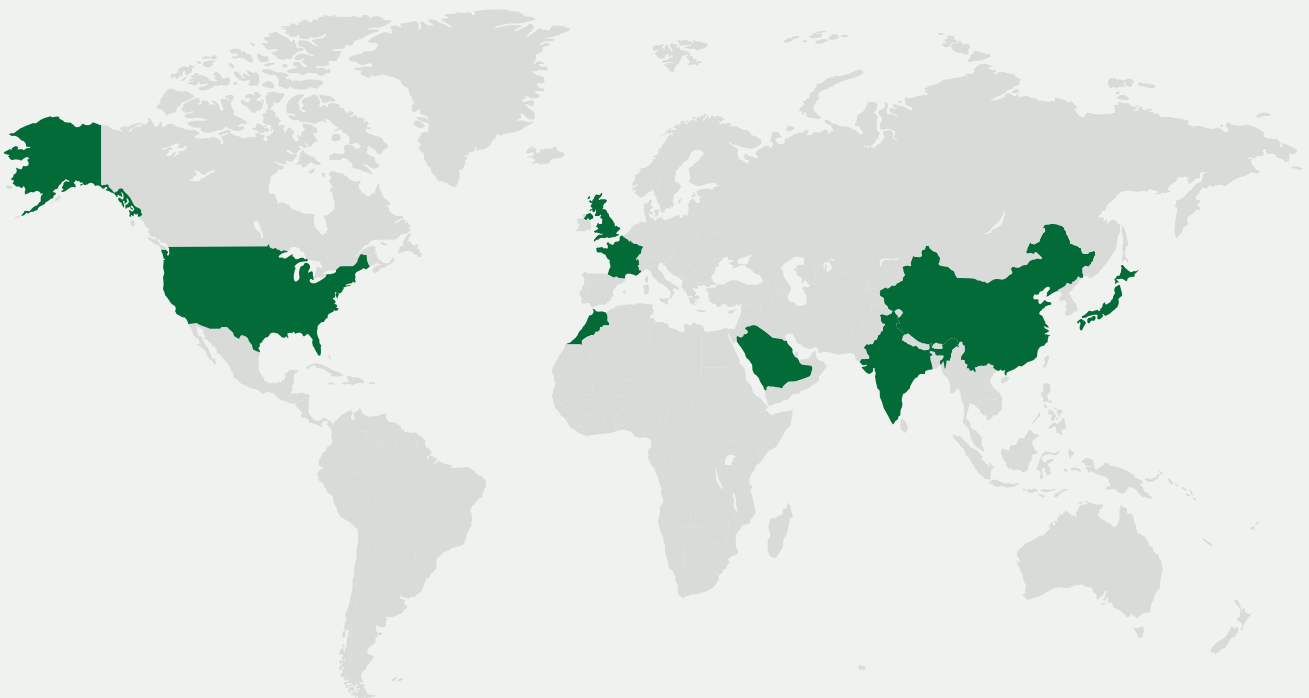


**\$109 bn**

Worth of agreements

FII has expanded its footprint, taking its events from Saudi to the globe to share its mission and enhance global cooperation.

Source: Future Investment Initiative:



- › Saudi Arabia
- › Morocco
- › France
- › UK
- › US
- › Japan
- › China
- › India



# Future Investment Initiative 6th edition (FII6)

The sixth edition of the Future Investment Initiative, held in Riyadh from the 25 – 27 of October at the King Abdulaziz International Conference Center, was the largest event ever staged by the FII Institute. The event brought together expert speakers and innovative thought leaders under the theme 'Welcome to the New Global Order,' igniting in-depth conversations about new pathways for global investment and analysis of critical industry trends.



**500**  
expert speakers



**170**  
sessions



**7,500+**  
registered attendees



**\$9 bn**  
in agreements across  
28 investment deals

## Including four immersive summits:

1

The new energy  
economy

2

The clash of  
generations

3

The growing role of  
cryptocurrencies

4

The future of  
Africa

The topics covered at the event included investment challenges relating to sovereign wealth funds, gender equality, the global energy crisis, megacities, supply shocks, inflation, digital and AI technology, and geopolitical trends that are shaping the global economy.

Additionally, the carbon neutral FII6 placed ESG principles at the heart of the agenda.



**5 regional**

investment companies created across the  
Middle East region, aimed at attracting up  
to US\$24 bn of investment



**Largest-ever**

carbon credit auction







# The Ministry of Investment (MISA) forges new partnerships at FI16

FI16 continued the Institute's tradition of fostering new relationships between the world's foremost CEOs, leaders, and experts in an environment that provides unparalleled networking opportunities.

The MISA delegation partnered with 11 international companies in space, biotechnology, education, and other sectors, highlighting the confidence in the Kingdom as a leading global investment destination.

## MISA deals brokered by sector at FI16



**Aerospace**



**Healthcare**



**Entertainment**



**Tourism**



**Energy**



**Education**



**Finance**



**Manufacturing**

## MISA deals brokered by country at FI16



USA



France



India



Brazil



S.  
Korea

## MISA partners at FI16



TASNEE التصنيع

taihan



btg pactual



BioTechUSA™



OCELLOTT



Visit **FI16 institute's website** to explore more about FI16 7th edition



# Additional key investment events in Q4 2022



## Global and domestic forums

**19-Oct**

**Taif Chamber Investment Forum**

**6-Nov**

**Saudi - Thai Investment Forum**

**9-Nov**

**Misk Global Investment Forum**

**17-Nov**

**Saudi - Korean - Investment Forum**

**6-Dec**

**Al Jouf Agriculture Forum**

**12-Dec**

**Budget Forum 2023**

**17-Dec**

**Saudi – Azerbaijan Investment Forum**

**20-Dec**

**Saudi - Türkiye Investment Forum**

**23-Dec**

**Saudi – Tajikistan Investment Forum**



## International investment MoUs with MISA

**6-Oct**

**Benteler MoU**

**10-Oct**

**Bosch Delegation MoU**

**12-Oct**

**IFFCO MoU**

**17-Oct**

**Honeywell MoU**

**30-Oct**

**Cambridge MoU**

**31-Oct**

**ILBZ & APPLE Workshops - GACA MoU**

**1-Nov**

**ROCHE Saudi ceremony and MoU**

**15-Nov**

**Vision of Progress and PadelX MoU**

**18-Nov**

**Thai-Saudi MoU Exchange**

**21-Nov**

**Tha Garage MoU**

**23-Nov**

**Nestle MoU**

**1-Dec**

**Oracle MoU/ Women leadership Ceremony**

**5-Dec**

**Expert Academy MoU**

**8-Dec**

**OneMT MoU**

**15-Dec**

**Tweeq MoU with MISA & Ministry of Energy**



## Official visits to the Kingdom

**9-Oct**

Japanese delegation

**31-Oct**

German Delegate

**14-Nov**

Egyptian Delegation

**17-Dec**

UK Fintech Delegation



## Conferences, global summits, and expos

**12-Oct**

Jazan International Franchise Expo

**2-Nov**

International Mining and  
Resources Conference

**7-Nov**

World Travel Market

**9-Nov**

Najran Investment Meeting

**24-Nov**

Sustainable Partnerships Conference



## Events, exhibitions, webinars, and announcements

**9-Oct**

Global Health Exhibition 2022

**18-Oct**

Muhaddad's Webinar

**19-Oct**

Nourah Partners Exhibition

**24-Oct**

Global Supply Chain Resilience  
Initiative (GSCRI) Announcement

**2-Nov**

Electric Cars Exhibition

**12-Dec**

Medtronic Inauguration event

**13-Dec**

Regional Headquarters - G20 Webinar





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# BECOME PART OF OUR INVESTMENT JOURNEY

Q4 2022



# How to become a part of the Kingdom's journey

The Kingdom has implemented numerous reforms to reduce red tape, increase competition, and streamline the clearance process to realize investments across a wide range of growing sectors. Combined, these reforms have significantly enhanced the ease of doing business in the Kingdom.



## 1 business day

to obtain your investment license



## 2 documents required

for an investment license

- > **Copy of the commercial registration** of the entity in the original country, authenticated by the Saudi Embassy
- > **Financial statements** for the last year, prepared by an internationally recognized legal office and authenticated by the Saudi Embassy

## A diverse array of sectors is experiencing rapid growth and primed for future investment



Chemicals



IT



Energy  
& Water



Industrial  
Manufacturing



Healthcare &  
Life Sciences



Mining &  
Metals



Transport  
& Logistics



Tourism,  
Culture, &  
Entertainment



Real  
Estate



Hospitality

## Where to start



Download MISA's Investor Services Manual [here](#) to learn how you can start investing in Saudi Arabia today!



Have your documents ready?  
Visit the [licensing portal](#) to get registered as an investor and start your journey now.





## MISA offers incentives designed to encourage investment

The Kingdom has introduced a number of incentives to facilitate investments which have the potential to diversify the economy and improve overall competitiveness. Special incentives are in place for foreign enterprises and international companies wishing to create offices in the Kingdom.

Incentives are available in several sectors, and in several forms



Energy and  
utilities



Employment  
support



SMEs



Land solutions



Research and  
Development



Export credit financing,  
guarantee, and insurance



Tax credit and  
exemption



Visit the Incentives section on the  
[INVEST SAUDI](https://invest.gov.sa) website to find out more.





## Frequently asked questions

### What documents and conditions are required to obtain an investor license in Saudi Arabia?

Procedures for obtaining an investor license vary with the type of investment activity. To learn more about the requirements for specific sectors, explore our Investor Services Manual or follow the QR code in this chapter.

### How many years of operation are required for foreign companies wishing to apply for a MISA license?

This condition depends on the type of investment activity and may differ from sector to sector. A small number of fields of investment require proven experience in the field, such as printing and publishing, consulting licenses for engineering offices, and health service activities.

### Are all activities open to foreign investment?

All activities are permitted for foreign investment, with the following exceptions:

- › Military sectors
- › Security and detective services
- › Real estate investment in Makkah and Medina, unless through a managed fund
- › Tourist orientation and guidance services related to Hajj
- › Recruitment services
- › Commission agents internationally classified at (CPC 621)
- › Fishing/hunting marine living resources
- › Specific industrial sector exemptions: oil exploration, drilling, and production. Except the services related to the mining sector listed at (CPC 5115+883) in International Standard Industrial Classification (ISIC) codes.

### What legal status can a foreign investor obtain for a company?

MISA facilitates the entry of value-added foreign investment through the establishment of the following legal entities:

- › Limited Liability Company (LLC)
- › Limited Liability One-person Company
- › Joint Stock Company
- › Foreign Company Branch
- › Solidarity Professional Company

### What services does the Ministry of Investment provide to investors?

The Ministry of Investment provides broad assistance to investors including advisory services, guidance, licensing, and post-licensing services. To find out more about how MISA can help you, visit the **INVEST SAUDI** website, or follow the QR codes in this chapter.

### How can I reach MISA?

You can contact the Ministry at the toll-free customer services number on **8002449990** from within the Kingdom, or through **+966115065777** from any global location. You can also email [investorcare@misa.gov.sa](mailto:investorcare@misa.gov.sa) for any enquiries.



## MISA services

**As part of our success story,  
we work hand in hand to make your investment journey memorable!**

Saudi Arabia's Ministry of Investment provides a wide variety of services on the **MISA** and **INVEST SAUDI** websites, ranging from deep-dives into the value proposition of each sector in the Kingdom to ongoing investment opportunities around the country.



**MISA**



**INVEST SAUDI**



### Advisory services

MISA offers support and advisory services to organizations to deliver solutions for their business needs.



### Market research & insights

MISA provides studies on the local market and its sectors.



### Government liaison

Business centers within MISA provide most government services, facilitating the necessary steps for clients to start and maintain business.



### One-Stop-Shop business centers

There are five business centers within MISA providing services covering the Ministry of Commerce, the General authority of ZAKAT & Tax, the Ministry of Justice, and the Passport General Department, among others.

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



Investor Services  
Manual



Investor journey  
guidelines



Investment license  
check



Living in  
Saudi Arabia



Sectors and investment  
opportunities in the Kingdom

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For the latest Economic and Investment statistics in the Kingdom, please visit the **Invest Saudi** dashboard



For the latest reports released by MISA, please visit the **Invest Saudi** website



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