

WHY SAUDI

July 2018

INVEST
SAUDI 

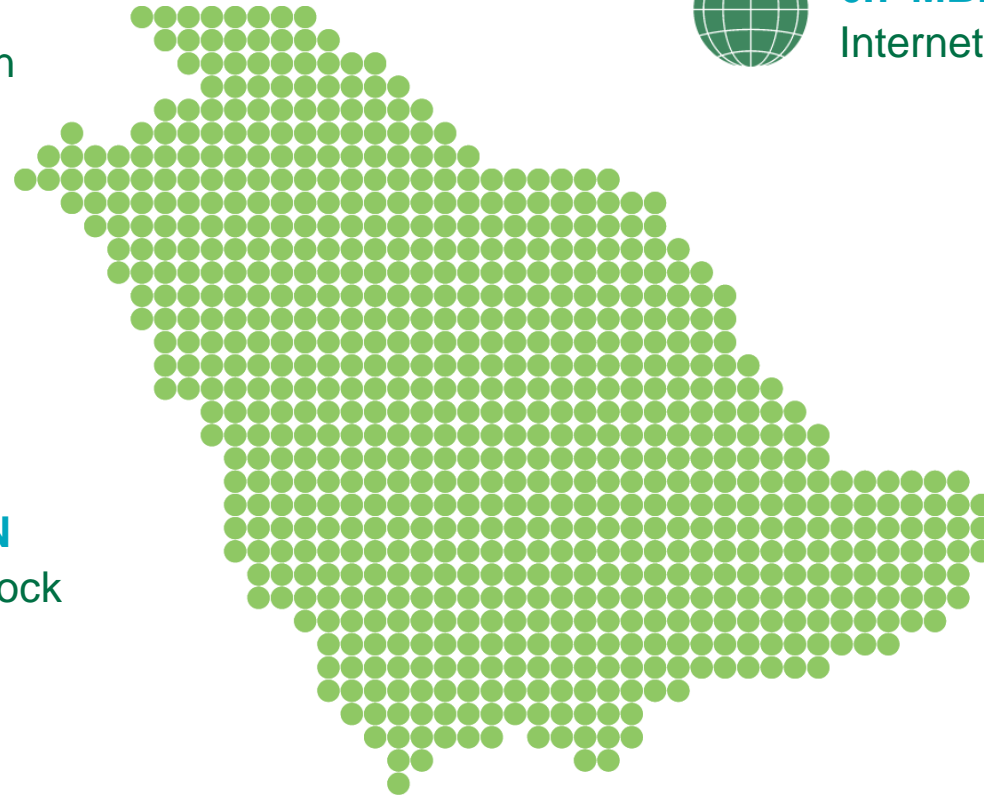
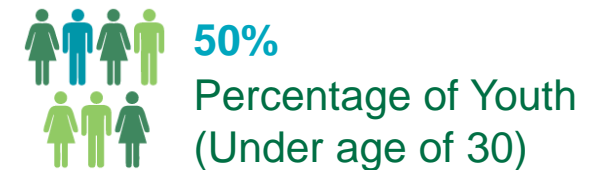
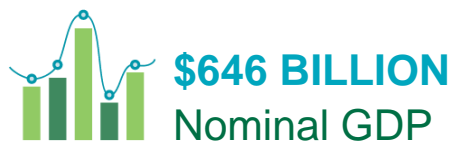
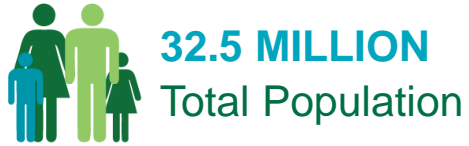
AGENDA

1. Saudi Arabia at a Glance
2. Vision 2030
3. Tayseer
4. Invest Saudi
5. High-Level Investment Opportunities
6. Success Stories

01 Saudi Arabia at a Glance



Saudi Arabia at a Glance



The Economy of Saudi Arabia



19th

**Largest
Economy**



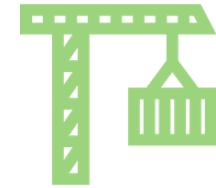
11th

**Highest
Growth (G20)**



27th

**Largest
Exporters**



31st

**Largest
Importers**

02 Vision 2030





was introduced in April 2016 by Crown Prince Mohammed bin Salman Al Saud to achieve King Salman Ibn Abdulaziz Al Saud's directions with the aim of diversifying and expanding the economy's competitiveness.



“My First Objective Is For Our Country To Be A Pioneering and Successful Global Model Of Excellence, On All Fronts, And I Will Work With You To Achieve

That”
Custodian of the Two Holy Mosques
King Salman Bin Abdulaziz Al-Saud

is Based on 3 Main Pillars



A **HUB** Connecting
Three Continents

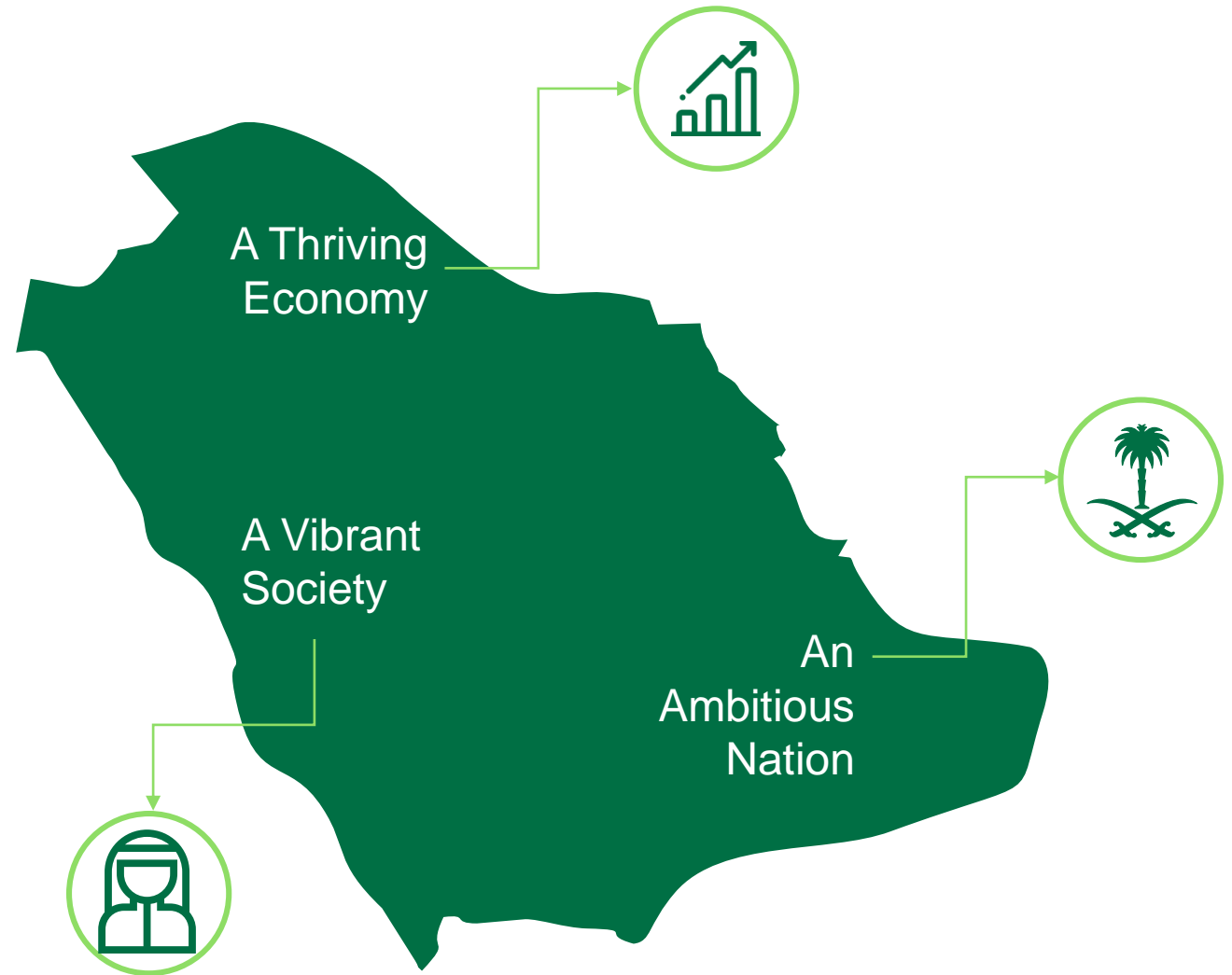


The **HEART** of the
Arab and Muslim
World



INVESTMENT
Powerhouse

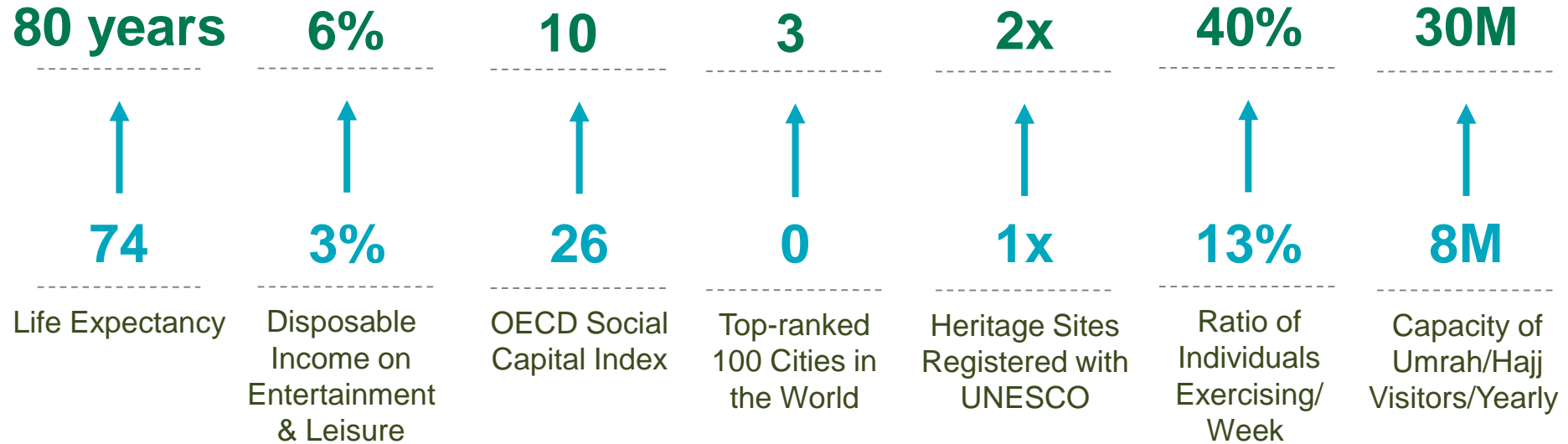
... and Covers 3 Major Themes



Theme: A Vibrant Society



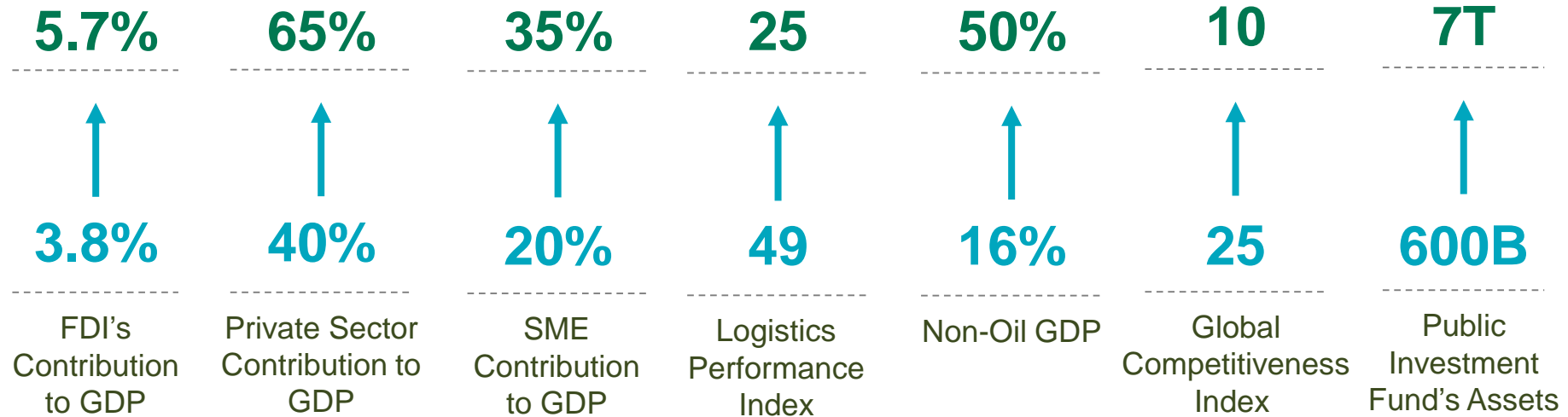
SOCIETY



Theme: A Thriving Economy 1/2



ECONOMY



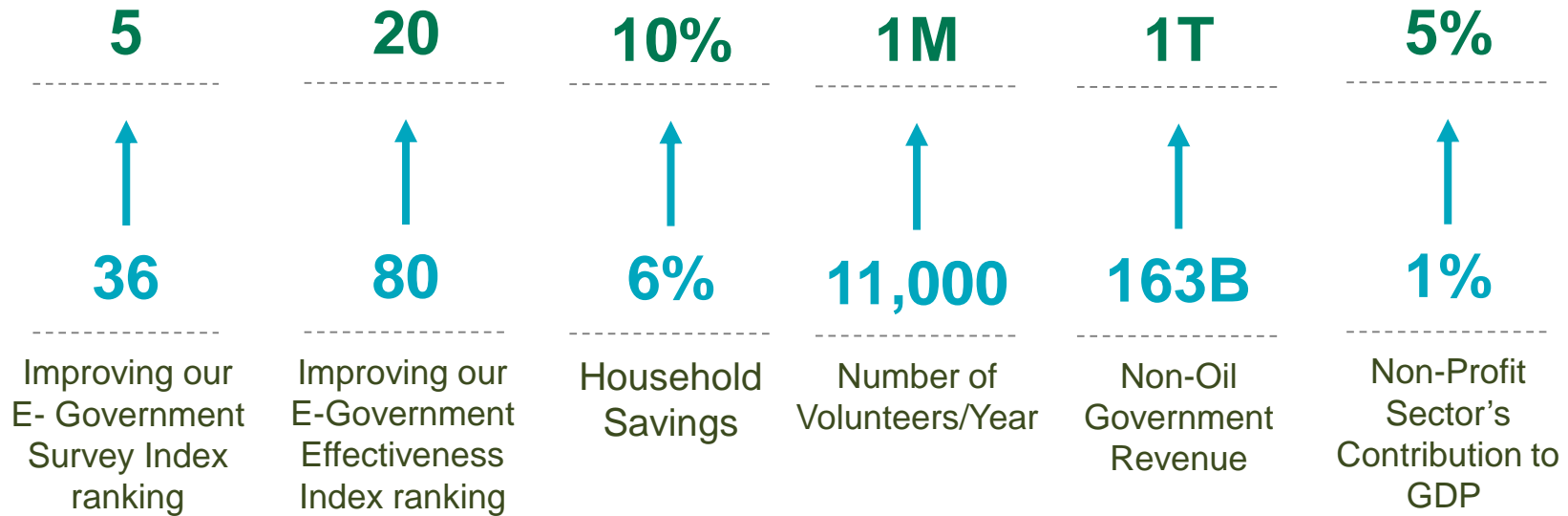
Theme: A Thriving Economy 2/2



ECONOMY



Theme: An Ambitious Nation



SAGIA's Contribution to the Achievement of Vision 2030



NATION

1T



163B

Non-Oil Government Revenue



ECONOMY

75%



40%

Localization of Oil and Gas Sectors

5.7%



3.8%

FDI's Contribution to GDP

25



49

Logistics Performance Index

10



25

Global Competitiveness Index



SOCIETY

30M



8M

Capacity of Umrah/Hajj Visitors/Yearly

Vision Realization Programs Have Been Designed to Achieve Vision 2030



Enriching the Hajj and Umrah Experience

Provide an opportunity for the largest possible number of Muslims to perform Hajj and Umrah and to enrich and deepen their experience through the development of the two Holy Mosques.



Financial Sector Development Program

Increase the size, depth, and development of Saudi Arabian capital markets, improve operators and users' experiences as well as the status of Saudi Arabian capital markets regionally and internationally.



The Housing Program

Provide a decent life for Saudi families by enabling them to own homes in line with their needs and financial capabilities.



National Transformation Program

The program aims to develop government effectiveness, establish the necessary infrastructure to realize Vision 2030 and support its objectives by driving flexibility in government and increasing coordination, joint work and planning. The program will identify shared



Quality of Life Program

Improve individuals' lifestyles by developing an ecosystem to support and create new options that boost citizens and residents participation in cultural, environment, and sports activities.



Privatization Program

Strengthens the role of the private sector in providing services and avails government assets to them, which will generally improve quality of service, reduce their costs, refocus the government on its legislative and organizational roles.



National Companies Promotion Program

This program incentivizes more than 100 national companies that are promising regionally and internationally to strengthen and consolidate their status. This will reflect positively on KSA's image and its economic strength.



National Industrial Development and Logistics Program

Develops industries and promotes local production (e.g. renewable energy and military industries), exports, mining, energy, technology and the robotic workforce.



Strategic Partnership Program

Builds and deepens strategic economic partnerships with selected countries that have the capacity to contribute to Vision 2030. It also builds partnerships in the Gulf Cooperation Council (GCC).



Fiscal Balance Program

Strengthens the KSA's financial administration, restructures its financial situation, creates different mechanisms to improve government performance and ensure financial sustainability.



PIF Program

The program strengthens the Public Investment Fund, which is the engine behind economic diversity in the KSA. It also develops high focus strategic sectors by growing and maximizing the impact of the fund's investments.



Saudi Character Enrichment Program

The program develops and strengthens citizens' sense of national identity, anchoring it in both Islamic and national values.

03 Tayseer



Tayseer has been established by the Council of Economic Development and Affairs (CEDA), No. 9/36, on Sept. 2, 2015. The government of Saudi Arabia has brought together over 35 government entities to work together towards the singular mission of enabling and growing the private sector. Tayseer is tasked with continuously improving the way business is conducted in the Kingdom, in an effort to create a conducive, mature and stable environment for doing business.



Increase the efficiency of government services



Position Saudi Arabia among the top 20 countries globally for doing business



Implement regulations aimed at stimulating the private sector growth



Increase the engagement of the private sector with direct involvement in decision-making

تيسير Tayseer Aims to Uplift the Kingdom's Ranking in International Reports by 2020

Ease of doing business report – KSA's ranking

92



20

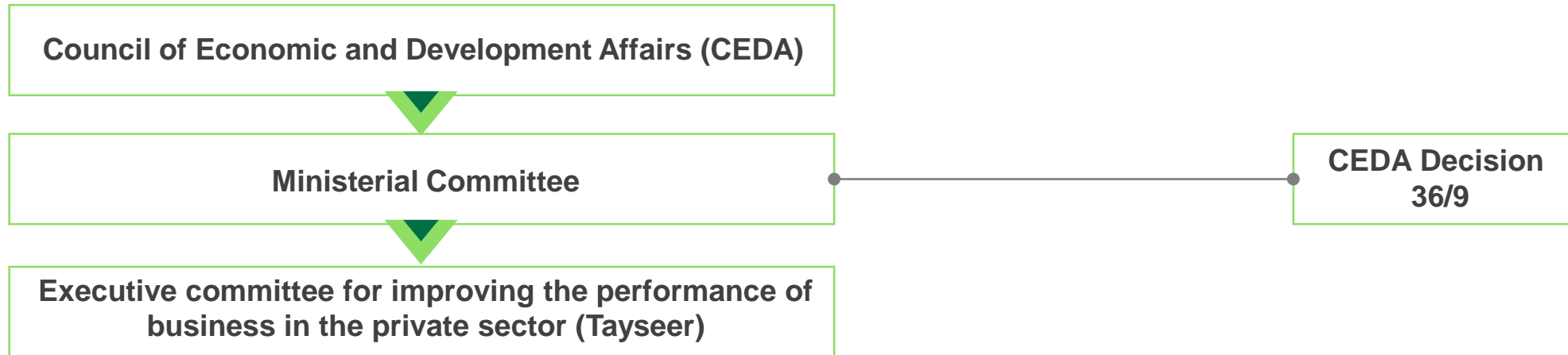
Global competitiveness report – KSA's ranking








30



20

Supported by the Highest Authorities in the Kingdom



	Starting a Business		Dealing with Construction Permits		Getting Electricity		Labor Market Efficiency
	Ownership Registration		Getting Credit		Paying Taxes		Education and Training
	Trading Across Borders		Enforcing Contracts		Governmental Procurement		Developing Infrastructure
	Protecting Minority Investors		Resolving Insolvency		Media and Support		Investment Policy Statement
	Land Registry		Investment Licenses		Manufacturing		

تيسير Tayseer Works Hand in Hand With the Private Sector to Address Their Barriers

Inputs Used by Tayseer

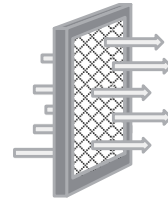
Gathering and analyzing private sector comments and observations



Reviewing KSA performance on international reports/rankings and analyzing the gaps



Initiatives classifications for alignment with global indexes and Vision 2030



Gathering and sorting inputs and sending them to sub-committees



10 Committees implementing the recommendations related to Ease of Doing Business index

5 Committees implementing the recommendations related to WEF/GCI

4 Committees in charge of addressing pressing issues in Government Services

Achieving Private Sector Goals

تيسير / Tayseer Achievements (1/2)



- Instant licenses for **250 business activities**
- MERAS online and physical **one-stop shop with 40+ services**
- Issuing commercial visas within **24 hours**



- Approved the new **Insolvency Law**
- Finalized the new **Commercial Pledge Law**
- Reviewed the **Government Procurement Law**



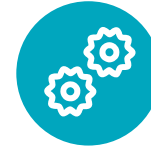
- Clearing containers within **24 hours**
- **Single window** for customs and ports services
- **Reduced** import documents from 12 to 2 and export documents from 9 to 2



- Launched a **unified portal** including all laws and regulations (www.ncar.gov.sa)
- Enforce **private sector consultation** for new laws and regulations



- Launched the **Saudi Arbitration Center** for businesses
- Implemented an **automated case management** system in the courts
- Allocated a dedicated unit in Board of Grievances for **Competition Law Cases**



- Getting electricity up to 166 K.V.A in **2 steps and 9 days**
- **Automatic application process** upon start of construction
- Providing **cash compensation** in case of repeated outages to ensure a high quality of service

04 Invest Saudi



INVEST SAUDI

The General Investment Authority is the Kingdom's investment promotion agency, tasked with attracting diversified investments into the country and serving as an advocate for investors.

As a result, "Invest Saudi" brand has been created to promote Saudi Arabia as a world-class destination for investments.

7 Key Reasons to Invest in Saudi



Saudi Arabia's Diversification and Reform Journey

Strong and serious commitment about reforming the country and bringing the Kingdom into a new era.



Integrated Infrastructure

Integrated infrastructure enabling well-interconnected transport networks and effective IT digital solutions.



Young and Skilled Workforce

Young and skilled workforce supported by educational programs granted by the government.



Leading Financial Sector

Supported by a large financial system and new reforms and initiatives



Game-Changing Opportunities

Presence of investment opportunities for transformational projects.



Attractive Property Solutions

Stimulating the creation of advanced technology clusters and diversified industries.



Expanding Quality of Life

Ensuring safety and security, advanced health assistance, and even more enjoyable lifestyles.

We Identified 9 Priority Sectors, Which are Derived from Vision 2030

Chemicals



Information & Technology



Energy & Water



Industrial & Manufacturing



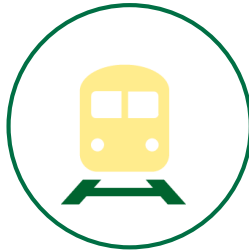
Healthcare & Life Sciences



Mining & Metals



Transport & Logistics



Tourism & Quality of Life

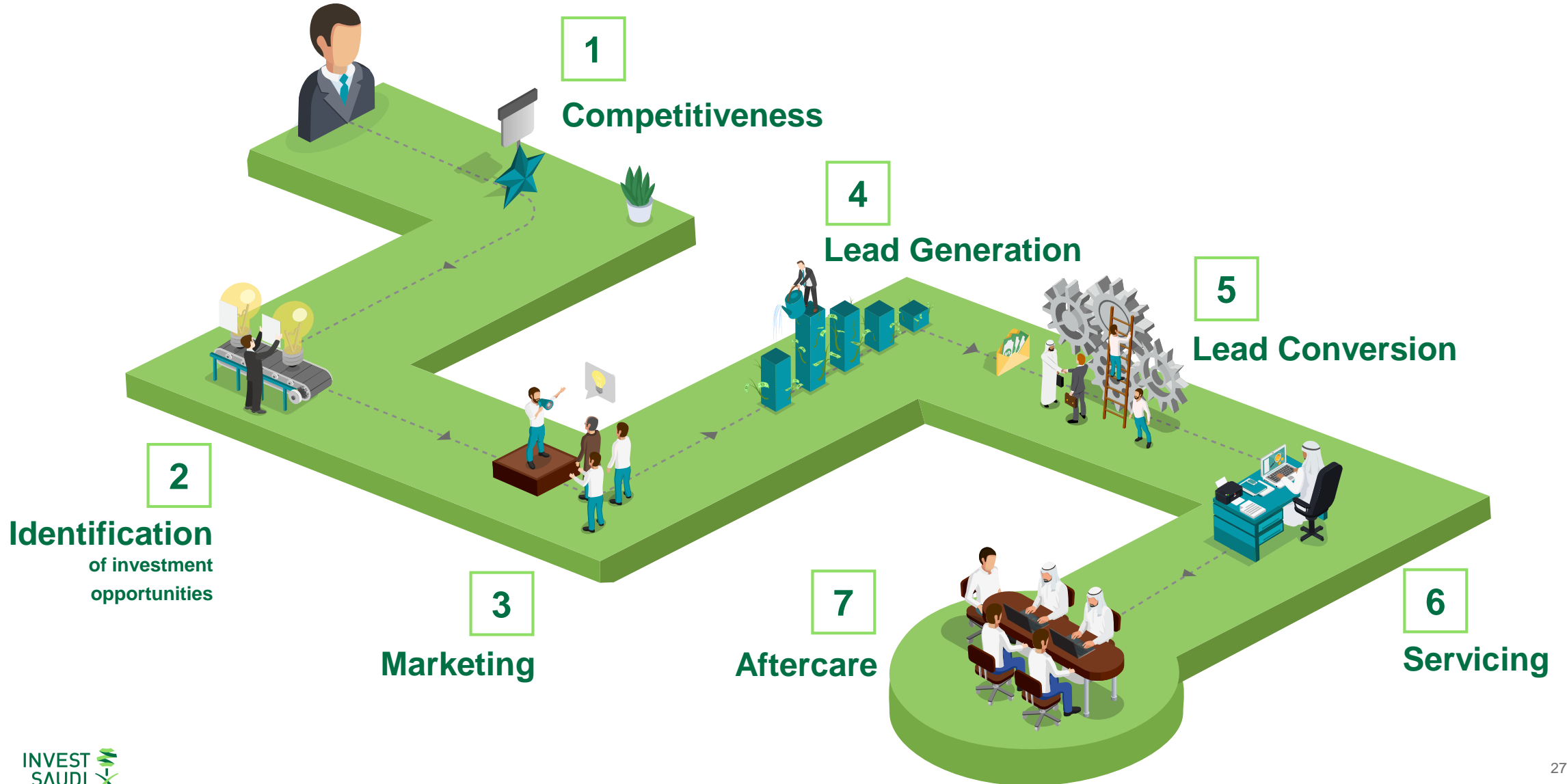


Emerging Sectors





Our Journey Starts With Creating a Competitive Investment Environment and Continues to Aftercare Services



100% Foreign Ownership

in:

1. Trading License
2. Industrial License
3. Services License
4. Contracting License
5. Engineering Consultation License
6. Innovation Licenses

05 High-Level Investment Opportunities



Engaging with Government and Private Sector Entities



Opportunities

- Renewable Power Plants (8 opportunities)
- Components Localization (20 business cases)

\$5.5Bn

SAGIA's Support

- Developed 20 localization opportunities
- Identified potential investors
- Developed promotion plans
 - 6+ joint trips conducted
 - 5 investors dialogue sessions, with 300+ developers and OEMs
 - 12 webinars conducted with 600+ participants from +25 countries
 - 1st gov't stakeholders roundtable (Zakat, customs, ECRA)

Supporting Government Entities



Opportunities

- Souq Okaz (13 opportunities)
Active (Reviewing RFP)
- White Cape (27 opportunities)
Awaiting Masterplan Approval
Start RFP Development Q2 2018

\$1Bn

SAGIA's Support

- 13 investments prioritized out of 30
- Identified 150 investors
- RFP Review & Test with investors
- Developed a promotion plan

Supporting Government Entities



Opportunities

- Cloud Services
- FinTech
- E-Commerce
- Digital Content
- Artificial Intelligence

SAGIA's Support

- Handling support for investors
- Facilitating and arranging for executives visits
- Conducting deep dive workshops to explore investment opportunities
- Investor\investment feasibility studies

Supporting Private Sector Entities



Opportunities

- Manufacturing of drill pipe (oilfield)
- Elastomers and chemical derivatives

SAGIA's Support

- Opportunities Development
- Investment promotion



Supporting Private Sector Entities



Opportunities

- ~30 opportunities identified, examples:
 - Commodity polymer conversion
 - Rubber conversion
 - Catalysts
 - Oilfield chemicals
 - Construction chemical
 - Plastics additives
 - Surfactant

SAGIA's Support

- Explore potential programs for collaboration
- MOU signed to:
 - Exchange information on feasibility studies, investment opportunities, and best practices
 - Develop programs to boost industrial development and localize the value chain
 - Leverage both entities facilities

Supporting Private Sector Entities



Opportunities

- 5 Desalination plants
- 3 Sewage treatment plants

\$11Bn

SAGIA's Support

- RFP's to be issued in waves throughout 2018
- Support in promotion and outreach

Supporting Private Sector Entities



Opportunities

- Power plants privatization (on hold)
- Components localization (20 business cases)

\$16Bn

SAGIA's Support

- Developed 20 localization opportunities
- Developed a promotion plan
- Developed potential investors list

We Are Developing Paint & Coatings Sector Investment Business Case



Paint & Coatings Opportunity

Saudi Arabia to become the center for paints and coatings supply chain, leveraging:

- Access to key feedstock
- Production of basic molecules
- Access to global and regional markets

\$5Bn

USD, value
of businesses
by 2025

SAGIA's Support

We are currently building the business case including:

- Relevant regulations
- Enabling incentives
- Ecosystem
- Economic Impact Assessment

06 Success Stories





General Electric 75 YEARS OF SUCCESS

“Over the last decade we’ve made a tremendous amount of progress in the Kingdom helped by good guidance across the government. We believe that we’ve gotten a good return on our investment for our shareholders too.”

John G. Rice
Vice Chairman GE



Dow 40 YEARS OF SUCCESS

“Dow is truly honored to be the first company to receive a trading license and advance our legacy of strategic partnerships and investments in the Kingdom...Dow has been a strategic partner in Saudi Arabia for nearly 40 years and we look forward to playing a key role in helping advance the Saudi’s Vision 2030 plan designed to create a vibrant society and a thriving diversified economy.”

Andrew N. Liveris
Dow Chairman and Chief Executive
Office Dow Chemical Company





Honeywell 55 YEARS OF SUCCESS

“We have found that Saudi presents a tremendous opportunity in terms of its local talent potential. The Saudi youth makes up more than 50 percent of the country’s population and this will provide a sustainable pipeline of talent to drive Saudi’s growth and economic diversification”

Norm Gilsdorf, President
High Growth Regions, Middle East,
Russia, Central Asia, Honeywell

Honeywell



3M 35 YEARS OF SUCCESS

“As a global leader in developing innovative solutions, our goal is to play an important role in the Kingdom’s effort to diversify its economy through knowledge and technology transfer. We will work closely with the Saudi government to enhance our manufacturing investment plans, invest in specialized research and development centers, and create high-value, technically sophisticated jobs.”

H. C. Shin
Executive Vice President for
International Operations 3M

3M





TOTAL Petrochemicals 11 YEARS OF SUCCESS

“Investors should focus on the industrial clusters as opportunities. Through the National Industrial Cluster Development Program, the government has already done all of the necessary feasibility studies that highlight where Saudi Arabia can excel and what potential exists.”

Benoît Chagué
Managing Director
Total Refining & Chemicals
and Total Country Chair in KSA



Huawei 16 YEARS OF SUCCESS

“Huawei has proudly been operating in the Kingdom of Saudi Arabia since 2002, and views the country as a key market regionally and globally. We were honored to be granted an investment license in 2016, allowing Huawei to retain 100% ownership of its trading operations in the Kingdom,”

Ramadan Ding, CEO
Huawei Tech Investment
Saudi Arabia





IBM 71 YEARS OF SUCCESS

The presence of IBM in Saudi Arabia dates back to 1947, when it installed the first computer in the Middle East region at Saudi Aramco over 50 years ago. Today, IBM's customer portfolio in Saudi Arabia embodies its profound commitment to innovation.



Cisco 20 YEARS OF SUCCESS

"Saudi Arabia has a bold plan for fostering an innovation, talent and entrepreneurship ecosystem that will shift the economy towards greater private sector participation and a more market-based approach. We are honored to collaborate closely with them to realize the immense benefits that Saudi Arabia's accelerated digital journey will deliver."

John Chambers
Cisco's Executive Chairman





SAP 10 YEARS OF SUCCESS

“Saudi Vision 2030 is a milestone for nationwide digital transformation – with public-private partnerships driving innovative new business models and solutions in the Digital Economy. With highly talented Saudi nationals and advanced technology infrastructure, the Kingdom is set to leapfrog established economies to become one of the world’s most innovative, from government to SMEs.”

Bill McDermott, CEO
Global Enterprise Software Company SAP



HPE 30 YEARS OF SUCCESS

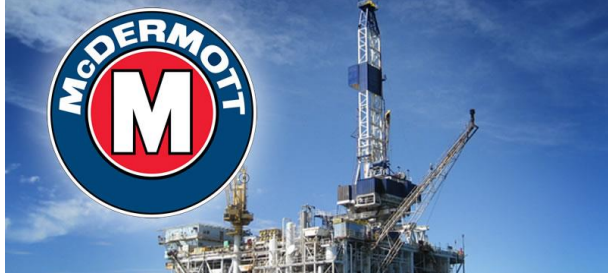
“Today, in an age of digital disruption, HPE continues to accelerate innovation for our customers helping them on their digital transformation journey. The Saudi nation is embarking upon just such a journey with the 2030 Vision and Transformation Plan. HPE is honored to be involved helping make a significant impact and we are committed to a long-term engagement. I am excited for the opportunities this partnership can bring both for HPE and Saudi Arabia. Together, we can achieve great things and realize the Saudi Vision.”

Meg Whitman
President and CEO
Hewlett Packard Enterprise



Hewlett Packard
Enterprise





McDermott 50 YEARS OF SUCCESS

Local capabilities and the ability to offer total solutions also sustain and support our market leadership position in the Saudi Arabia. Building on a long-standing relationship, McDermott has captured the highest market share of Saudi Aramco work over the past two years. We were awarded several Saudi Aramco contracts in 2016, with the most recent award in the Safaniya and Zuluf fields where McDermott has supported this customer for more than 50 years.



Pfizer 58 YEARS OF SUCCESS

"We are proud to be the first pharmaceutical company to be granted the trading license from the General Investment Authority. ("SAGIA"), which emanates as a result of our commitment toward Saudi government since our agreement in 2011 to establish our manufacturing facility in King Abdullah Economic City ("KAEC"). With this license Pfizer Saudi will further enhance its presence in the Kingdom ensuring faster access to medicine for patients with supply chain integrity and it will help to accelerate our Saudization plan."

Hussein El Hakim
Country Manager
Pfizer Saudi Arabia





Cerner 6 YEARS OF SUCCESS

“Our mission of improving the health of populations is very much in line with the Kingdom’s Strategic Healthcare Plan and we are fully committed to support the Saudi government and citizens in the development of a world class healthcare system.”

Michael Pomerance
Vice President & Managing Director
Cerner Middle East



DHL 40 YEARS OF SUCCESS

“The Saudi market is one of the large markets in our network. It is a market that is good to do business in for a number of reasons.

I think it is important for any investor to feel safe in a market, to feel encouraged by the government, and to feel that they can repatriate their profits. Saudi Arabia is just that. It has its challenges like any other market, but overall, if you work hard to promote your technology and services, you will succeed.”

Faysal El Hajjani
Vice-President and Country
General Manager
DHL Saudi Arabia





Sanofi 9 YEARS OF SUCCESS

“Sanofi has taken the decision to start its production facility in the kingdom 9 years ago, and in 2010 Sanofi has signed its agreement with SAGIA and the Saudi authorities, the essences of having this investment is to help the Saudi economy diversification as a part of the Kingdom’s vision.”

Ahmed Serag
Sanofi KSA General Manager
Country Chair



John Hopkins Medicine 8 YEARS OF SUCCESS

“Johns Hopkins Medicine is happy to share its 127 years of health care expertise with its renowned partners in Saudi Arabia. The resulting collaborations have opened up great potential to address the most critical health challenges facing the Kingdom and the region.”

Pamela D. Paulk, M.S.W., M.B.A.
President, CEO
Johns Hopkins Medicine International



Thank you

investsaudi.sa



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INVEST
SAUDI 

The logo icon consists of a stylized green tree with three horizontal branches and a vertical trunk, with a green 'X' shape at the base of the trunk.