

IN THIS EDITION ...

The government's newly launched National Investment Strategy (NIS) solidifies and accelerates the Saudi Vision 2030 agenda.

The NIS will tap the country's strong investment capabilities, stimulate the economy, and help diversify the revenues. The investment strategy will also turbocharge the kingdom's plans to raise the private sector's GDP contribution to 75%, increase foreign direct investment's contribution to 5.7% of GDP, and non-oil exports to 50% of GDP from the current 16%, while reducing unemployment to under 7% by 2030.

"The National Investment Strategy is all about empowering investors, offering investment opportunities, providing financing solutions and enhancing competitiveness," said His Royal Highness Mohammed bin Salman bin Abdulaziz, crown prince, deputy prime minister and chairman of the Council for Economic and Development Affairs.

"It also clarifies the partnership between the public and private sectors, as our mission is now to open the door to the private sector and allow it to grow and prosper."

As part of the plans, the NIS will pump SAR 4 trillion into a number of strategic sectors, such as manufacturing, renewable energy, transport and logistics, tourism, digital infrastructure, and healthcare.

All told, the combined efforts of NIS, the SAR 5 trillion Shareek programme, and the Public Investment Fund's (PIF) SAR 3 trillion financing plan will inject more than SAR 12 trillion into the Saudi economy by 2030.

The NIS will cross-pollinate a number of other initiatives under way, including those within the PIF programme, the National Industrial Development and Logistics Program, the Privatization Program, the Financial Sector Development Program and the Quality of Life Program.

Among the NIS' multifaceted strategies are to establish special economic zones with competitive regulations and incentives that attract investments in priority sectors; launch a program to transfer strategic supply chains to the kingdom; and acquire a market share in supply chain components. It also aims to diversify funding options and elevate "Invest Saudi" as the national platform for presenting and marketing investment opportunities in the kingdom, according to the government.



ECONOMIC TRENDS

Authorities believe the future looks promising for the kingdom as macroeconomic factors remain positive.

[Read More...](#)



HEALTH CARE

International pharmaceutical companies are setting up shop in the country as they recognise the sector's untapped opportunities.

[Read More...](#)



VISION 2030

Vision 2030 underscores the importance of equipping Saudi nationals with the skills they need to thrive in tomorrow's workplaces.

[Read More...](#)



FINANCE

With the economy opening up after being stalled by COVID-19, banks have seen renewed growth as demand for funds from various sectors surge.

[Read More...](#)



TRADE

Both oil and non-oil exports posted significant gains recently, as authorities invest further to cement the country's position as a logistics hub.

[Read More...](#)



TOURISM

Participating in the Dubai event is just one of several initiatives being undertaken by authorities to attract international travellers to the kingdom.

[Read More...](#)

PRE-BUDGET STATEMENT CHARTS PATH TO GROWTH



The [Ministry of Finance's](#) recent pre-budget statement clearly outlines the growth path and key initiatives that will drive the Saudi economy in the near future.

Government measures to maintain and boost the economy during the COVID-19 pandemic are paying off, with non-oil gross domestic product in the first half of the year rising a robust 5.4%, on the back of a 7.5% increase in private sector activity.

The forecast comes as Saudi Arabia's real GDP grew 1.8% in the second quarter of 2021, with the non-oil sector surging 8.4% and the private sector growing at 11.1%, while the government sector expanded 2.3%. The performance is all the more remarkable given that the oil sector contracted 6.9% during the period, according to the [General Authority for Statistics and Information \(GASTAT\)](#).

As many as 11 of the 13 economic sectors registered positive growth, led by community, social and personal services (+17.1%), wholesale and retail trade, restaurants and hotels (+16.9%), and non-oil manufacturing (+15.3%).

Building on these strong numbers, the ministry's pre-budget 2022 statements expects the kingdom's overall GDP to grow 2.6% in 2021, with non-oil GDP spearheading growth with a 4.2% expansion.

Finance minister Mohammed Al-Jadaan noted that the non-oil GDP growth rates were driven by Saudi Vision 2030 realisation programmes and mega projects.

He also credited the development of promising sectors in the economy,

the progress made in the implementation of the various initiatives that target enhancing investment, and stimulation of industry and non-oil exports, as some of the factors that contributed to economic gains.

"Initial forecasts indicate a growth in real GDP by 7.5% in 2022, benefiting from healthy growth in the non-oil GDP, under the assumption that economic activity will normalise, in addition to the improvement in the kingdom's balance of trade, as indicated by the positive development in H1 of FY 2021," according to the ministry's pre-budget statement.

By 2023 and 2024, real GDP will grow by around 3.6% in 2023 and 3.3% in 2024, taking the kingdom's nominal GDP to SAR 3.58 trillion.

MANAGING THE DEFICIT

Another key fiscal initiative by the government is controlling the budget deficit levels, which is forecast to remain at 1.6% of GDP at the end of 2022. However, the finance ministry expects a budget surplus by 2023, which will "come hand in hand with the government's efforts to raise the quality and efficiency of expenditures and enhance the role of the private sector."

The government's total revenue will steadily rise to SAR 992 billion by the end of the projection period in 2024, and total expenditure will remain moderated at SAR 951 billion – lower than the SAR 990 billion budgeted for this year.

The kingdom will also rein in debt, which surged as the government took fiscal measures to fight COVID-19, while pursuing transformative

projects. But the government had also acquired more debt to take advantage of rock-bottom interest rates.

"New financing is projected at SAR 127 billion during FY 2022," the ministry noted. "Gross public debt is projected to be SAR 989 billion, which represents 31.3% of GDP in FY 2022, compared to 30.2% in FY 2021, while allowing flexibility in meeting financing needs according to market developments."

In the medium-term, public debt levels are projected to remain constant, while debt-to-GDP ratio is projected to decrease to 27.6% in 2024, the ministry noted.

STRONG FUNDAMENTALS

The kingdom's fiscal discipline, promising growth prospects and a favourable commodity price environment has placed it in an enviable position.

In September, [S&P Global Ratings](#) affirmed Saudi Arabia's A- credit rating with a stable outlook, expecting a rebound in growth through 2024 driven by higher oil prices, increased OPEC production, and a large vaccine rollout in the kingdom.

"In 2021, the country's economy has begun to rebound, as the global economy emerges from the pandemic and oil prices have improved, although these trends remain partially counterbalanced by Saudi Arabia and OPEC constraining oil production," S&P Global Ratings said in the report.

[S&P](#) also praised the kingdom's effort to diversify from its oil sector.

"The authorities will also keep on maintaining efforts to rebalance the hydrocarbon industry away from its reliance on upstream crude production and export, toward natural gas and value-added midstream hydrocarbon activities such as refining, petrochemicals, chemicals, and minerals," it said. "Several large hydrocarbon projects will continue to ramp up production in 2021-2024."

In July, [Fitch Ratings](#) had also affirmed the kingdom's credit rating at A, and revised its outlook to stable from negative, citing strong sovereign assets and high external financial resources as one of the many factors ensuring stability.

INVESTORS TAKE NOTICE OF SAUDI'S HEALTHCARE POTENTIAL

Saudi Arabia has struck a strategic partnership with [Janssen Pharmaceuticals](#), an arm of pharmaceutical giant Johnson & Johnson, focusing on innovation, healthcare, and the life sciences sector.

The two parties said they will work together over the next five years in key areas, including enhancing the biotechnology business ecosystem, advancing clinical trials and the utility of health data, enabling robust research and innovation characterised by strong IP legislation, and the development of talent and expertise in medical biotechnology.

"The MoU includes the creation of an 'Innovation Incentive Scheme' and delivers access to Johnson & Johnson's venture capital resources, which is designed to support the growth of local and global pharmaceutical firms," the [companies](#) said.

The partnership comes amid one of the worst global health crisis in modern history, which has highlighted the importance of innovation in the industry, reliability of local supply chains, and robustness of the domestic industry so as to be able to respond effectively to future health crises.

"The case for investing in the life sciences and healthcare sector has never been clearer, as we continue to fight this global pandemic," said [Eng. Khalid bin Abdulaziz Al-Falih](#), the Saudi minister of investment.

"The sector has shown remarkable innovation and agility to deliver the COVID-19 vaccine at such a rapid pace, an achievement that would have not been possible without significant investment. It is against this backdrop that the Ministry of Investment further strengthens its partnership with Janssen, a giant in the global life sciences sector, to nurture innovation and grow our knowledge base here in Saudi Arabia."

Janssen is among several global pharmaceutical brands attracted to the kingdom's opportunities, low cost of doing business, and business-friendly reforms.

Janssen will recruit 230 employees at its Riyadh office, and build on its expansion plans in the kingdom. Last year, the company signed three memoranda of understanding with King Abdullah University of Science and Technology (KAUST), SPIMACO, and SaudiVax.

ATTRACTING PHARMA GIANTS

In February, the Saudi Ministry of Investment also signed a similar agreement with Swiss biopharma giant [Roche](#). The two parties already have a number of the new collaborations under way, including a policy

alliance to enhance the clinical trials industry in the kingdom and identify potential investment opportunities.

"Saudi Arabia's nascent biotechnology and life science industries will play a central role in driving our post-pandemic economic recovery," [Al-Falih](#) said.

The two deals highlight the range of investment opportunities available in the kingdom's life sciences sector.

In September, Saudi Arabia also signed memoranda of understanding with [Pfizer](#) and AstraZeneca, featuring a pact with the latter to set up clinical research centres, during the [Riyadh Global Medical Biotechnology Summit](#).

The three-day event, which welcomed 50 speakers and 112,000 registrants, focused on medical technologies.

"We aim at bringing together, in a unique interactive and dynamic global summit, key local and international players in biotech R&D and industry, and to formulate what will be the Riyadh Declaration for Biotechnology in order to make KSA a gateway to thriving biotechnology," said Bandar Al Knawy, chief executive officer at the Ministry of National Guard Health Affairs.

HEALTHCARE INVESTMENT OPPORTUNITIES

InvestSaudi, an arm of the Ministry of Investment, has identified a number of healthcare segments that are attractive to domestic and global healthcare companies.

These include opportunities in long-term care, post-acute rehabilitation, home healthcare, biopharma products manufacturing, and generic drugs manufacturing.

[InvestSaudi](#) has recognised a USD 394 million investment opportunity to develop a generic drugs manufacturing facility either fully owned or in partnership with private sector partners. The government is guaranteeing an offtake agreement.

[InvestSaudi](#) believes investment in the facility can help address rising prevalence of chronic diseases and the increasing geriatric population in the kingdom are some of the major demand drivers for pharmaceutical products.

"Demand for drugs is projected to increase as the population ages, new



pathogenic conditions are diagnosed, and personalised treatment regimen comes to the fore," the ministry noted. "Increases in life expectancy, changes in social lifestyles, and environmental changes are leading to new and attractive opportunities for generics manufacturers."

Similarly, the entity is eyeing a USD 300 investment in long-term care (LTC) facility from international companies.

Many acute care treatment beds in hospitals are occupied by LTC patients, putting pressure on the availability of hospital beds. There is also an increasing need for chronic healthcare, especially to tackle Alzheimer's, dementia, Parkinson's, and multiple sclerosis conditions among the growing elderly population (3.4% are over 65 years old in 2019 versus forecast of 17% in 2050).

"Saudi demand for LTC is expected to reach ~18,000 beds in 2030 due to growing incidences of lifestyle diseases such as diabetes, obesity, and hypertension, and increasing number of people with disabilities due to accidents and stroke," the [ministry](#) noted.

The efforts to attract foreign investment and expertise in the kingdom's healthcare sector is part of the Vision 2030's key goals to raise the standard of living and healthcare in the country.

INVESTING IN ITS PEOPLE TOPS SAUDI'S ECONOMIC AGENDA

The launch of the [Human Capability Development Program \(HCDP\)](#), one of the key pillars of the Saudi Vision 2030 initiative, is seen as a vital step forward in equipping Saudi citizens with the skillsets needed in the future world of work, and in creating a dynamic and highly skilled labour force.

"The Human Capability Development Program represents a national strategy to enhance the competitiveness of national human capabilities locally and globally to be ready for the current and future labour market with capabilities and ambitions that compete with the world, and that is through: instilling and promoting values, developing basic and future skills, and developing knowledge," according to His Royal Highness [Mohammed bin Salman bin Abdulaziz Al Saud](#), crown prince, deputy prime minister and chairman of the HCDP Committee.

MEDIUM-TERM TARGETS

Launched in September, the programme features 89 initiatives aimed at achieving the 16 strategic objectives of Saudi Vision 2030. It is built on three pillars: 1) to develop a resilient and strong educational base, 2) to prepare for the future labour market locally and globally, and 3) to provide lifelong learning opportunities.

HCDP aims to hone the skills of citizens, cultivate resilience, inspire hard work, improve access to education for all, nurture the brightest minds in



key areas, upgrade the educational infrastructure, improve the readiness of youth to enter the labour market, and support a culture of innovation and entrepreneurship.

The programme's medium-term goals aim to ensure six Saudi universities are ranked among the world's top universities globally by 2025, increase Saudisation by 40% in highly skilled jobs, and improve the kingdom's ranking in the World Bank's Human Capital Index to 45th, from the [current 84th](#).

The kingdom's human capability ecosystem has undergone many successful transformations, including continuation of the educational processes and activities during the COVID-19 pandemic. Several digital platforms have also been launched, including the virtual kindergarten and '[Madrasati](#)'.

"On the other hand, research, development and innovation ecosystem output has increased significantly in terms of the number of research publications and global partnerships. For instance, the kingdom was ranked 14th in the number of COVID-19 publications," according to the [HCDP](#) report.

PRIVATE SECTOR COLLABORATION

Vision 2030 is proceeding swiftly on many fronts, too.

A new partnership between the National Industrial Development and Logistics Program (NIDLP) and Ajlan & Bros Holding Group Abilitii ([ABHGA](#)) highlights the vital role government and the private sector will play to achieve many of the Vision 2030 targets.

ABHGA aims to invest SAR 50 billion over the next 10 years in a number of NIDLP programmes, which will expand the kingdom's logistics, manufacturing, and transportation infrastructure.

"This agreement can be considered the start for several important projects, including developing strategic titanium industries to become the key in localising promising industries, such as aviation and military industries, and establishing a mining services company and modern laboratories that provide services to the mining sector locally and regionally, in addition to developing a stock market for mining companies and a minerals trading platform that empowers investors and increases private sector contribution in achieving diversification and economic growth for the kingdom," said Ali Alhazmi, CEO of [ABHGA](#).

The Public Investment Fund (PIF) is also pursuing its strategy to achieve

several of the Vision 2030 goals. The sovereign wealth fund plans to inject SAR 150 billion into the national economy annually until 2025, according to the kingdom's pre-budget 2022 statement.

"In addition, several projects are ongoing, which are expected to boost growth in the kingdom through creating investment opportunities and developing nascent sectors such as tourism through the NEOM project, the Red Sea project, the Qiddiya project, and the Amaala project," according to the [Ministry of Finance](#).

PROPPING UP THE NON-OIL SECTOR

In September, [PIF](#) bought shares in Emaar the Economic City (EEC). The transaction converted EEC debt valued at SAR 2.8 billion into a 25% stake in the company.

The transaction will boost Saudi Arabia's plan to create new knowledge cities and unlock opportunities in the promising non-oil sector.

"Our investment in EEC aligns with our broader 2021-2025 strategy, which aims to build strategic economic partnerships through PIF and unlock the capabilities of promising sectors in the kingdom, including transportation, logistics, real estate and tourism," said Eng. Aiman AlMudaifer, head of [PIF's](#) local real estate division.

Economic growth at the grassroots levels is also one of the central pillars of Vision 2030.

In February, [Monshaat](#) launched an SME Bank as part of the National Development Fund (NDF), which aims to boost funding for small and medium enterprises (SMEs) and raise the contribution of financial institutions to the domestic sector.

"Part of that role includes private investment stimulus programmes under the umbrella of [Shareek](#) Program, a key element in the National Investment Strategy," according to the pre-budget statement.

"It aims to build a co-operative framework between the public sector and companies in the private sector in order to achieve investment targets that would inject close to SAR 5 trillion in new investments by 2030."

FINANCIAL SERVICES BOUNCE BACK FROM THE PANDEMIC



Q2 2021 turned out to be another strong quarter for the kingdom's banking sector, amid robust economic growth and brisk business activity.

Total bank deposits increased by 2.5% to SAR 2.030 trillion in the second quarter, compared to a rise of 1.9% in the previous quarter, and a 10.2% increase over the same period last year, according to the [Saudi Central Bank's \(SAMA\)](#) Monetary and Banking Development Q2 2021 report.

The domestic commercial banks' total assets and liabilities stood at SAR 3.114 trillion at the end of the second quarter, a 10% surge versus the same period last year.

Banks were also busy extending credit to various sectors in a bid to jumpstart the economy.

SAMA data shows bank credit extended to government and quasi-government sector rose 23.2% (SAR 16.6 billion); agriculture and fishing up 13.4% (SAR 2 billion); water, electricity, gas, and health services up 4.3% (SAR 3 billion); commerce up 2.6% (SAR 8 billion); finance up 2.4% (SAR 1.2 billion); mining and quarrying up 1.3% (SAR 331 million); building and construction up 1.2% (SAR 1.1 billion); and to other sectors up 6% (SAR 55.2 billion).

However, bank credit to transport and telecommunication fell 7.4% (SAR 3.9 billion), services dropped by 7.4% (SAR 7.6 billion), and manufacturing and production declined by 1.1% (SAR 1.8 billion).

Overall, the commercial banks' profits rose to SAR 12.8 billion in the second quarter, a 4.3% increase over the previous quarter, and a 10.7% expansion compared to the same period last year.

CONTACTLESS PAYMENTS ON THE RISE

Saudi Arabia's financial services sector is also embracing the latest technologies and digital services.

[SAMA](#) said that kingdom saw "the highest adoption of contactless payments through Near-Field Communication (NFC) with 94%, the highest in the Middle East and North Africa, above of the European Union average, and ahead of Hong Kong and Canada."

The kingdom's successful adoption of contactless payments is part of the central bank's strategy, which builds on the goals of the Financial Sector Development Program (FSDP) of Vision 2030. The programme aims to reduce cash transactions, while raising electronic payments to 70% of all transactions by 2025, [SAMA](#) noted.

"To achieve these goals, the Saudi Central Bank has fully adopted NFC payments since 2016, taking strategic steps to authorise and facilitate e-payment transactions after ensuring the highest level of security in accordance with international standards and best practices."

The total value of Saudi Riyal Inter-bank Express System (SARIE) transactions reached SAR 15.14 trillion in the second quarter, while total

customer payments stood at SAR 2.156 trillion, with a quarter-on-quarter rise of 8.3%.

JOINING THE BOND BENCHMARK

The FSDP, part of the Saudi Vision 2030 initiative, also ticked another box when global index provider [FTSE Russell](#) announced in October that the Saudi Stock Exchange has joined the FTSE Emerging Markets of Government Bond Index (EMGBI).

The move is part of the authorities' goal to raise the Saudi capital markets' global profile and deepen the financial market.

As a precursor to the FTSE Russell news, during 2020, a new special index was created in the local Sukuk and Debt Instruments market, and launched on the Saudi Tadawul website.

The landmark upgrade by [FTSE Russell](#) will develop the kingdom's nascent sukuk and debt market and encourage foreign ownership in the instruments. The Saudi stock market is already a member of the MSCI Emerging Markets Index (MSCI), the FTSE Russell Index, and the S&P Index.

A HELPING HAND

SAMA is also offering targeted support to businesses that continue to suffer from COVID-19-related slowdown. In September, [SAMA](#) extended the Deferred Payment Program – one of its Private Sector Financing Support Programs – for three additional months to 31 December 2021. This will benefit micro, small and medium enterprises (MSMEs) that continue to be affected by the COVID-19 precautionary measures, based on the assessment of financing entities.

The Deferred Payment Program has provided 107,000 contracts worth SAR 174 billion since 14 March 2020.

"Meanwhile, the number of contracts benefiting from the Guaranteed Financing Program has exceeded 6,000, with total financing value of more than SAR 11 billion," the [central bank](#) noted. "The purpose of these programmes has been to support the private sector as well as financial system liquidity, which should help in easing the economic impact of the COVID-19 precautionary measures on the MSMEs sector."

SAUDI EXPORTS FIND FRESH IMPETUS FROM BROAD-BASED GROWTH

Saudi exports soared in July as energy prices rallied and the global economy grew at a brisk pace.

The kingdom's merchandise exports surged 79.6% to SAR 91.8 billion during the month compared to the same period last year, according to latest data from the [General Authority for Statistics \(GASTAT\)](#).

The July export figure was at its highest level in at least a year, surpassing the SAR 84.8 billion reached in June 2021. The country's trade balance also jumped to at least a 12-month high of SAR 46.13 billion, GASTAT data shows.

The increase was led by gains from oil exports, which rose 112.1% to SAR 71 billion during the same period. OPEC crude prices climbed 54.2% by the first nine months of 2021 to around a seven-year high of USD 77.72 per barrel.

Saudi Arabia has committed to produce 9.9 million barrels per day by November, according to the agreed quota by [OPEC](#) and its allies.

NON-OIL EXPORTS FORGE AHEAD

The kingdom's non-oil exports also rose impressively by 17.9% year on year in July, to reach SAR 20.8 billion.

Among non-oil merchandise, plastics and rubber exports soared 47.7% to SAR 7.8 billion in July compared to the same period last year, while chemical products grew 21.4% to SAR 6.5 billion.

Merchandise imports increased at a steadier pace at 13.2% in July 2021 as authorities continued to focus on domestic suppliers and in-country supply chains. The value of imports reached SAR 45.6 billion during the month, primarily due to a 112.9% increase in vehicles and associated transport equipment and an 18.7% rise in chemical products. However, GASTAT noted that imports declined 3.1% compared to June.

China remains Saudi Arabia's largest trading partner, accounting for 19.6% (SAR 18 billion) of exports, followed by South Korea with 9.8% (or SAR 9 billion), and India representing 9.1% or SAR 8.3 billion of exports.

"Imports from China amounted to SAR 9.9 billion (21.8% of total imports) in July 2021, making this country the main origin for imports of Saudi Arabia. USA and United Arab Emirates followed next with imports of SAR 4.8 billion (10.6% of total imports) and SAR 3.1 billion (6.7% of total imports), respectively," GASTAT said.



STRENGTHENING PORT INFRASTRUCTURE

The kingdom is leveraging its proximity to Africa, Europe and Asia to transform itself into a transcontinental hub.

[Mawani](#), the Saudi Ports Authority, said volumes handled at the ports during the first half of 2021 stood at 3.6 million TEUs (twenty-foot equivalent units), 5.18% ahead of last year, while trans-shipment containers soared 24.49% to 1.4 million TEUs compared to the same period last year.

According to statistics issued by [Mawani](#), livestock witnessed accelerated growth reaching 1.7 million heads, 23.6% higher compared with last year.

The port posted a 6.6% increase in the number of ships received at 6,037 during the period, while the number of passengers grew to 288,000, an increase of 0.61% from 2020.

Saudi ports are raising their profile and emerging as new regional and global transportation hubs.

[Jeddah Islamic Port](#) reported growth of 6.8% in 2020, with volumes increasing to 4.7 million TEUs from 4.3 million TEUs in 2019, and is now ranked 37 out of 100 top global ports, moving up from 42nd place compared to last year, according to the Lloyd's List 2021 of Top 100 ports.

[King Abdullah Port](#) also improved its ranking by three places to 84th position in the Lloyd's List.

"We are proud of King Abdullah Port's growing reputation as an internationally recognised port with state-of-the-art infrastructure and efficient operations," said Jay New, the chief executive officer of [King Abdullah Port](#).

"This achievement inspires us to continue delivering on our commitment to transform the kingdom into a top global hub connecting Asia, Europe, and Africa, besides supporting the diversification of the national economy by facilitating the growth of non-oil exports," added New.

The kingdom is also rapidly expanding its logistics infrastructure.

In September, [King Salman Energy Park](#) signed an agreement with Singapore's Hutchison Port to jointly manage and operate the dry port and bonded logistics zone in the SPARK energy industrial city. Spread over a 50-square-kilometre radius, SPARK is a manufacturing, service centre and logistics hub for the energy sector.

"Designed to ensure ease of access to global markets, the three-square-kilometre dry port will enable the future joint venture to capture the growing demand for logistic services for energy-related products in the Middle East and beyond while also serving the neighbouring industrial cities," according to the [company](#).

SAUDI PAVILION MAKES A SPLASH AT EXPO 2020

The Saudi Pavilion at Expo 2020 Dubai is the second largest and is aimed at attracting tourists, businesses, and skilled workers to the kingdom.

“Our participation at Expo 2020 Dubai revolves around creating a thought-provoking and memorable journey, which invites global audiences to experience the Kingdom of Saudi Arabia for themselves,” according to the [government](#).

“The combination of a young, ambitious population, rich cultures steeped in heritage, natural wonders and a rapidly diversifying economy, makes the Kingdom of Saudi Arabia an exciting prospect for anyone with an adventurous spirit.”

Located at the event's Opportunity District, the Saudi Pavilion will showcase the transformative developments underway in the kingdom, focusing on five UNESCO World Heritage sites, such as At-Turaif District in Ad-Diriyah, Hegra Archaeological Site in AlUla, and Historic Jeddah.

“The pavilion offers rich and varied content, activities and programmes covering the economy, development and culture, targeting all segments from children and families to businessmen and investors,” said Hussain Hanbazazah, the commissioner-general of the [Saudi Arabia Pavilion](#).

“All visitors will see Saudi Arabia as it really is: an exciting fusion of old and new – an ancient and evolving tourist destination for adventurers, explorers, and luxury travellers and a destination unlike any other. Our

Pavilion is a bridge that will connect the people of Saudi Arabia to the world and will help deepen regional and global ties.”

The tourism sector is a major focus of the kingdom's Vision 2030 strategy.

In late September, His Royal Highness Mohammed bin Salman bin Abdulaziz Al Saud, crown prince, deputy prime minister and chairman of the Council of Economic and Development Affairs, launched a SAR 50 billion plan for the development of the [Aseer Region](#) under the theme of “The Arabian Highland.”

The strategy aims to attract 10 million tourists by 2030 and turn the mountainous region in the southwestern part of the kingdom into an all-year-round destination, harnessing the region's natural beauty and rich culture.

NEW PROJECTS

A spate of new tourism projects have been launched in recent months.

In September, the [Tourism Development Fund](#) (TDF) signed two financing deals with Dallah Al-Baraka Group and Dallah Real Estate Company to develop the Durrat Al-Arous resort in Jeddah.

The first deal was focused on TDF funding to develop the ‘Durrat

Lagoon’ destination, which will be operated by Hotel Indigo, part of IHG Hotels and Resorts’ portfolio. The second deal was with 17Sixty to provide a variety of first-of-their-kind recreational activities and adventures, enabling visitors to the Durrat Al-Arous resort to safely explore the depths of the Red Sea.

Saudi Arabia's National Tourism Strategy aims to develop 10 main destinations in various areas of the tourism sector. These destinations are characterised by broad diversity where history and culture meet the beauty of nature, and a wealth of ancient monuments.

DESERT ROCK RESORT

Another project expected to rise near the west coast of Saudi Arabia is the Desert Rock Resort being developed by the Red Sea Development Company (RSDC).

“We wanted to create a destination that allows guests to experience Saudi Arabia's untouched beauty. Desert Rock will provide guests with uninterrupted spectacular views while preserving the natural landscape for future generations to enjoy”, said John Pagano, CEO of [RSDC](#).

Set against the rugged beauty of the mountains, the hotel will feature 48 villas and 12 hotel rooms within the mountain, with its architecture fully integrated into the rock to preserve its striking silhouette, being created by the architectural design firm, Oppenheim Architecture.

“Site preparation works have commenced, and construction began in July 2021,” the company said.

Desert Rock Resort is part of the massive Red Sea Project, considered to be one of the most ambitious regenerative tourism projects, spread across an archipelago of more than 90 islands, sweeping desert and mountain landscapes.

The project has already passed significant milestones and work is on track to welcome the first guests by the end of 2022, when the first hotels will open. By 2023, the resort will have 16 hotels in total.

Once fully complete by 2030, the destination will feature 50 resorts, offering up to 8,000 hotel rooms and more than 1,000 residential properties across 22 islands and six inland sites. The destination will also include luxury marinas, golf courses, entertainment, leisure facilities, and an international airport.



DISCLAIMER

PLEASE READ CAREFULLY THE FOLLOWING TERMS AND CONDITIONS OF ACCESS AND USING THIS PUBLICATION:

Your access to this publication shall be considered an acceptance to these terms and conditions and it is SABB's right at any time to modify, amend, delete or add contents to the publication and disclaimer. A notification to this effect shall be effective immediately and will constitute an acceptance from your end. It is SABB-to the best of its knowledge- belief that the information in this publication is accurate and true but without any responsibility on SABB and no warranty for any presentation or acceptance or responsibility of what so ever nature whether for damages or loss will be the liability of SABB.

The publication is for information use only, and is not to initiate or complete transactions.

SABB does not guarantee the accuracy of such information and the contents of the publication and will not be considered solicitation or offers pertaining to any transactions, investment, or securities.

The content of the publication shall not be considered as legal advice, tax advice, accounting advice, or investment advice.

The publication is not intended for use or distribution in countries where such use is prohibited or against the law or regulation.

SABB directors, employees, officers, suppliers, representatives, agents, successors, assignees, shall not be liable directly or indirectly to you or any other person for any errors, omissions, or inaccuracies from the publication.

SABB or its directors, officers, employees shall under no circumstances be held liable for direct or indirect damages arising from the use of the publication. You should independently check the accuracy of the information provided in the publication by obtaining consultation and professional advice from professionals or experts.

All proprietary and copyrights rights are reserved, and you agree that you shall not make any copy or make any use of the content of the publication unless permitted by SABB in writing.

You also acknowledge that you shall not use the intellectual property rights, or names of the individuals or contributors for any purpose and that the publication will be used only for non-commercial use.

You acknowledge that you shall not use any of the trade names, logos, copyrights, trademarks, trade secrets, nor distribute any information except otherwise provided and agreed by SABB.

You agree to indemnify SABB and hold its directors, officers, employees, and agents harmless against any claims arising or in connection with its publication for any unauthorized use of the data or breach of an acknowledgement or agreement made as a result for receiving such publication.

The content of this publication ("Service") is provided by Refinitiv Limited ("We" or "Us" or "Refinitiv") to be published by the Saudi British Bank ("SABB") exclusively. Neither We nor our affiliates guarantee the accuracy of or endorse the views or opinions given by any third party content provider, advertiser, sponsor or other user. We may link to, reference, or promote websites, applications and/or services from third parties. You agree that we are not responsible for, and do not control such non-Refinitiv websites, applications or services.

The Service is provided for informational purposes only. You understand and agree that the Service does not recommend any security, financial product or instrument, nor does mention of a particular security on the Service constitute a recommendation for you to buy, sell, or hold that or any other security, financial product or investment. The Service does not provide tax, legal or investment advice or opinion regarding the suitability, value or profitability of any particular security, portfolio or investment strategy. Neither We nor our affiliates shall be liable for any errors, inaccuracies or delays in the Service or any other content, or for any actions taken by you in reliance thereon. You expressly agree that your use of the Service and its content is at your sole risk.

YOU AGREE THAT YOUR ACCESS TO AND USE OF THE SERVICE AND ANY CONTENT, COMPONENT OR FEATURE AVAILABLE THROUGH THE SERVICE IS ON AN "AS IS" AND "AS AVAILABLE" BASIS. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WE EXPRESSLY DISCLAIM ANY REPRESENTATION OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY REPRESENTATIONS OR WARRANTIES OF PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, RELIABILITY AND NON-INFRINGEMENT. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WE AND OUR AFFILIATES DISCLAIM ALL RESPONSIBILITY FOR ANY LOSS, INJURY CLAIM, LIABILITY, OR DAMAGE OF ANY KIND RESULTING FROM OR RELATED TO ACCESS, USE OR THE UNAVAILABILITY OF THE SERVICE (OR ANY PART THEREOF).

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, REFINITIV, ITS PARENT COMPANY, ITS SUBSIDIARIES, ITS AFFILIATES AND THEIR RESPECTIVE SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, ADVERTISERS, CONTENT PROVIDERS AND LICENSORS (COLLECTIVELY, THE "REFINITIV PARTIES") WILL NOT BE LIABLE (JOINTLY OR SEVERALLY) TO YOU FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION, LOST PROFITS, LOST SAVINGS AND LOST REVENUES, WHETHER IN NEGLIGENCE, TORT, CONTRACT OR ANY OTHER THEORY OF LIABILITY, EVEN IF THE REFINITIV PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OR COULD HAVE FORESEEN ANY SUCH DAMAGES.

The Saudi British Bank, a public listed company, paid capital of SAR 20,547,945,220, commercial registration certificate (1010025779), P.O. Box 9084 Riyadh 11413, Kingdom of Saudi Arabia, Tel. +966 11 4050677, www.sabb.com, licensed by the Council of Ministers Resolution (17/3818) dated 09/07/1938H, and regulated by Saudi Central Bank.



As the leading bank in Saudi Arabia, SABB offers you unmatched trade solutions and world-class electronic delivery channels. With a network of 6000 branches across 70 countries through our association with HSBC, SABB enables your business to benefit from our local market knowledge on a global scale.

For your business to cross boundaries, choose the Best Trade Finance Bank in the Kingdom of Saudi Arabia.



www.sabb.com



SABB Bank is regulated by Saudi Central Bank.