



Aiming Higher

Annual
Report

2021

نتكامل لصناعة المستقبل
Integrating industries for the future of Saudi Arabia



Local Content Industry 4.0 Logistic Industry Mining Energy



**National Industrial
Development and
Logistics Program**

Annual Report | 2021



“We are confident of the Saudi citizen’s capabilities, on which we have great hopes for building our country, and accordingly we feel responsible towards them. Each citizen in our country and every part of our homeland is under my concern and care, and I look forward to everyone’s contribution to serving our country.”



The Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud

May Allah protect him

Our leader



“The Kingdom’s future is promising, and it deserves more than what has been achieved so far. We will double our capabilities to pave the way towards a greater future.”



His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al Saud

The Crown Prince, Deputy Prime Minister, Chairman of the Council of Economic and Development Affairs

May Allah protect him

Our inspiration





National Industrial Development and Logistics Program

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42



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48



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54



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60



Focus area
Fourth Industrial Revolution

66



Focus area
Local Content

72

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المستقبل
 Integrating industries for



نتكامل لصناعة
 the future of Saudi Arabia



Message from the Chairman of the Program Committee



His Excellency Mr.

Bandar bin Ibrahim Al-Khorayef

Chairman - Minister of Industry and Mineral Resources,

Member of the Council of Economic and Development Affairs

The Kingdom's Vision 2030 aims to put the development of the sectors (energy, mining, industry, and logistics) at the forefront of its concerns; Given the ability of these sectors to create a significant economic impact, which contributes - God willing - to achieving a prosperous, diversified and sustainable economy, in light of the unlimited support that these sectors enjoy from the Custodian of the Two Holy Mosques King Salman bin Abdulaziz, and His Royal Highness, the Crown Prince, Mohammed bin Salman bin Abdulaziz, may Allah protect them.

Given the importance of these sectors, and the need to achieve integration between them to ensure maximizing their impact; The task of bringing about this integration has been assigned to the National Industrial Development and Logistics Program (NIDLP), which includes more than 40 executing entities working to implement more than 290 initiatives, to achieve the ambitious national objectives assigned to the program in its four sectors, and its two focus areas: (Fourth Industrial Revolution, and Local Content).

At the beginning of 2021, nearly 5 years after the launch of the Kingdom's Vision 2030, the vision moved to a new stage to maximize the impact, accelerate the pace of achievement, and raise the level of private sector involvement in achieving the desired transformation in all sectors and at all levels. New programs were launched that contribute - God willing - to creating the future and achieving ambitions.

At the end of 2021, and within the development process of the National Industrial Development and Logistics Program: The program has succeeded - thanks to God - in achieving many achievements in its four sectors, as the total investments achieved since the launch of the program until the end of 2021 amounted to approximately 378 billion riyals.

In the energy sector: The total capacity of renewable energy projects under bidding and execution is 7,100 MW and the lowest LCOE in the world was achieved in the Shuaiba Solar Energy Project, which amounted to 1.04 cents/kWh, and the commercial operation of the Sakaka solar photovoltaic project with a total capacity of 300 MW was completed. The commission of the Dumat Al-Jandal Wind Energy Project, which has a target production capacity of 400 MW, was also completed, 10 million electricity meters were replaced with smart meters, and 125,000 citizens were able to benefit from 295,000 high-efficiency air-conditioning units within the (high-efficiency air-conditioners) initiative between them in addition to the inauguration of the Oasis of Mudon in Qassim on an area of 706,000 m².

In the mining sector: Since the launch of the new mining investment Law, at the end of 2021, 164 exploration licenses and 579 building materials quarry licenses were issued, in addition to

launching geophysical airborne survey work for the Arabian Shield to provide the necessary initial data as part of the scope of the initiative (the Regional Geological Program).

In the industry sector: 954 new industrial licenses were issued, 197 ready-made factories were completed, in addition to the start of production in 820 new factories, representing 8% of the total existing factories totaling 10,293 factories, and the extension of fiber-optic lines was completed, as well as: The launch of the "Made in Saudi Arabia" program, under the generous patronage of His Highness the Crown Prince - may Allah protect him - which aims to enhance the culture of loyalty to the national product, highlight it and enable it to compete in the local and global markets, which contributes to the distribution of the industrial production base in the Kingdom.

In the logistics sector: The national transportation and logistics strategy has been launched, and in terms of access to local and international markets: The Kingdom ranked first in the Arab world and twenty in the world in terms of maritime transport according to the UNCTAD index, In addition, three Saudi ports were ranked in the top 100 world-wide ports, and the Kingdom raised its global ranking in terms of the performance of its seaports network, and jumped to 16th place internationally in terms of the volume of the handled quantities, according to the Lloyd's List report for the year 2021, which

measures the annual production capacity of container handling.

In local content: The mandatory list of food and agricultural products have been launched for more than 28 products, and 5 mandatory lists have been reached that include several sectors, with an expected impact on industrial local content of 8.5 billion riyals.

I am pleased to extend my sincere thanks to Their Highness and Excellencies, members of the Program Committee, leaders of the executing entities, and the program team for their endeavors and efforts during this year 2021, and we look forward - God willing - to continuing to work together in the coming years to achieve more successes and achievements. As much as we are proud and happy with the gains that have been achieved, I am confident that the future will be better, more beautiful, and more impactful, with the help and guidance of God, and then with the great support of our leadership.

Program CEO's message



Eng. Suleiman bin Khaled Al-Mazroua

Program CEO's

“A Clear Future and Accelerated Steps” is a title that describes the stage after the launch of the Kingdom’s Vision 2030, which aims to serve as a road map for how to benefit from the Kingdom’s many strengths and maximize its impact. This makes us feel proud that we are the sons of a great nation that thrives under a leadership that has proven to the whole world that (the human being) and its development and prosperity are its first concern. It also positions upon us a great responsibility to work diligently to achieve visions and aspirations, and keep pace with progress and achievements.

5 years have passed, during which the vision, through its programs, made great leaps, bypassing the stage of planning and developing ideas, to reach the stage of implementation and making successes on the ground, so that the ascension process would continue, ambitions would increase, hopes would grow, and we would have increased confidence in our abilities and capabilities.

By the grace of Allah Almighty, the National Industrial Development and Logistics Program achieved through its executing entities during the year 2021 a large number of important national achievements that undoubtedly call for pride and optimism, in terms of infrastructure, improving regulations and legislation, raising the level of utilization of resources, attracting investments, and raising the level of connectivity to local and global markets. What has been achieved at these levels - from which the reader of this report is presented with a sample - is nothing but a small part of a great ambition that pushes us all to continue running ferociously to reap excellence, and transform the vision into a reality worthy of a great nation, unique leadership, and dedicated

implementing partners to continue - God willing - our journey to a prosperous, diversified, robust economy full of opportunities, in which there are multiple sources of income, and through which quality jobs are created for the young men and women of the Kingdom.

When I talk about the achievements, I extend my highest thanks and gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and his trusted Crown Prince, His Royal Highness Prince Mohammad Bin Salman bin Abdulaziz - may God protect them - for their huge support, continuous giving and trust in the program and its team. And I ask Allah to be worthy of this trust. I also thank His Excellency the Chairman of the Program Committee, Minister of Industry and Mineral Resources, Mr. Bandar bin Ibrahim Al-Khorayef, His Excellency the Vice Chairman of the Committee, the Minister of Transport and Logistics, Eng. Saleh bin Nasser Al-Jasser, and all members of the Program Committee, their Excellencies, for their constant keenness to facilitate the work of the program and maximizing its impact, and I also do not forget to thank those who work on implementing the program’s initiatives in a wonderful way and with great cooperation. We look forward to a new year full of successes, in which achievements increase, the pace of performance increases, and the process of integration between the program sectors and executing entities continues, and its title is (passion), which pushes to overcome challenges, overcome obstacles, and smash numbers, in a way that contributes to achieving the objectives of the vision and achieving its objectives and with what It has a positive impact on upholding and advancing our great country.



Members of the Program Committee 2021



His Excellency Mr.
Bandar bin Ibrahim Al-Khorayef
Minister of Industry and Mineral Resources
Program Committee Chairman



His Excellency Engineer
Saleh bin Nasser Al-Jasser
Minister of Transport and Logistics
Vice Chairman of the Program Committee



His Excellency Engineer
Abdullah bin Amer Alswaha
Minister of Communications and
Information Technology



His Excellency Mr.
Faisal bin Fadel Al-Ibrahim
Minister of Economy and Planning



His Excellency Engineer
Osama bin Abdul Aziz Al-Zamil
Vice Minister of Industry and
Mineral Resources



Engineer
Ahmed bin Musa Al-Zahrani
Representative of the Ministry of Energy



Mr.
Nasser bin Damshaq Al-Mahasher
Representative of the Ministry of Investment



Executing Entities



NIDLP Scope

The program aims to transform the Kingdom into a leading industrial powerhouse and a global logistics hub, by maximizing the value of its mining and energy sectors while unlocking the full potential of local content and the Fourth Industrial Revolution. NIDLP largely contributes to drive the Kingdom's economic diversification towards sustainable growth by fostering a globally attractive investment environment. NIDLP focuses on enhancing enablers that would contribute to strengthening the private sector participation and impact in all NIDLP sectors. Key enablers include financial enablement, infrastructure development, and reforming laws and regulations.



Logistics

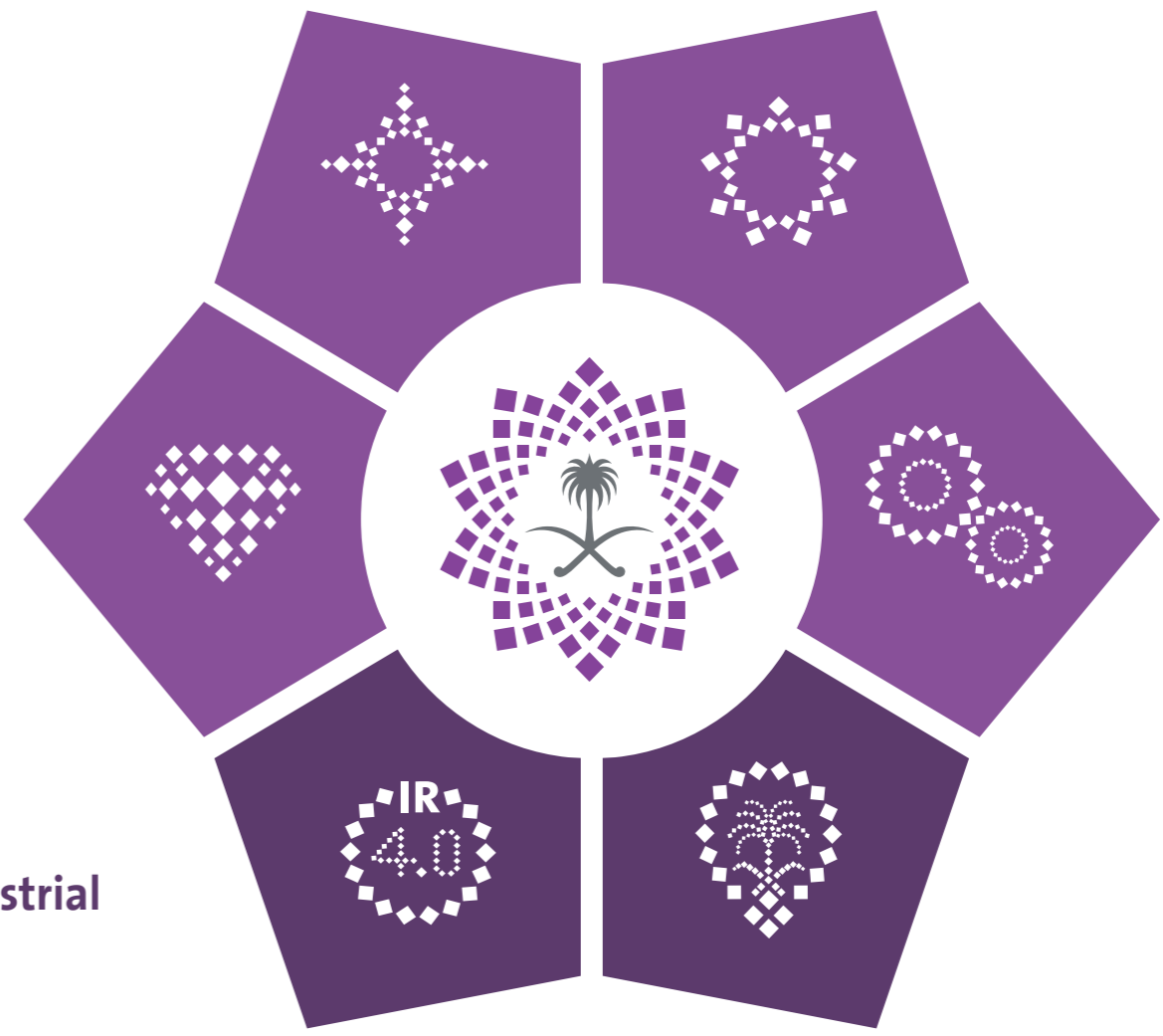
Mining

Fourth Industrial Revolution

Energy

Industry

Local Content

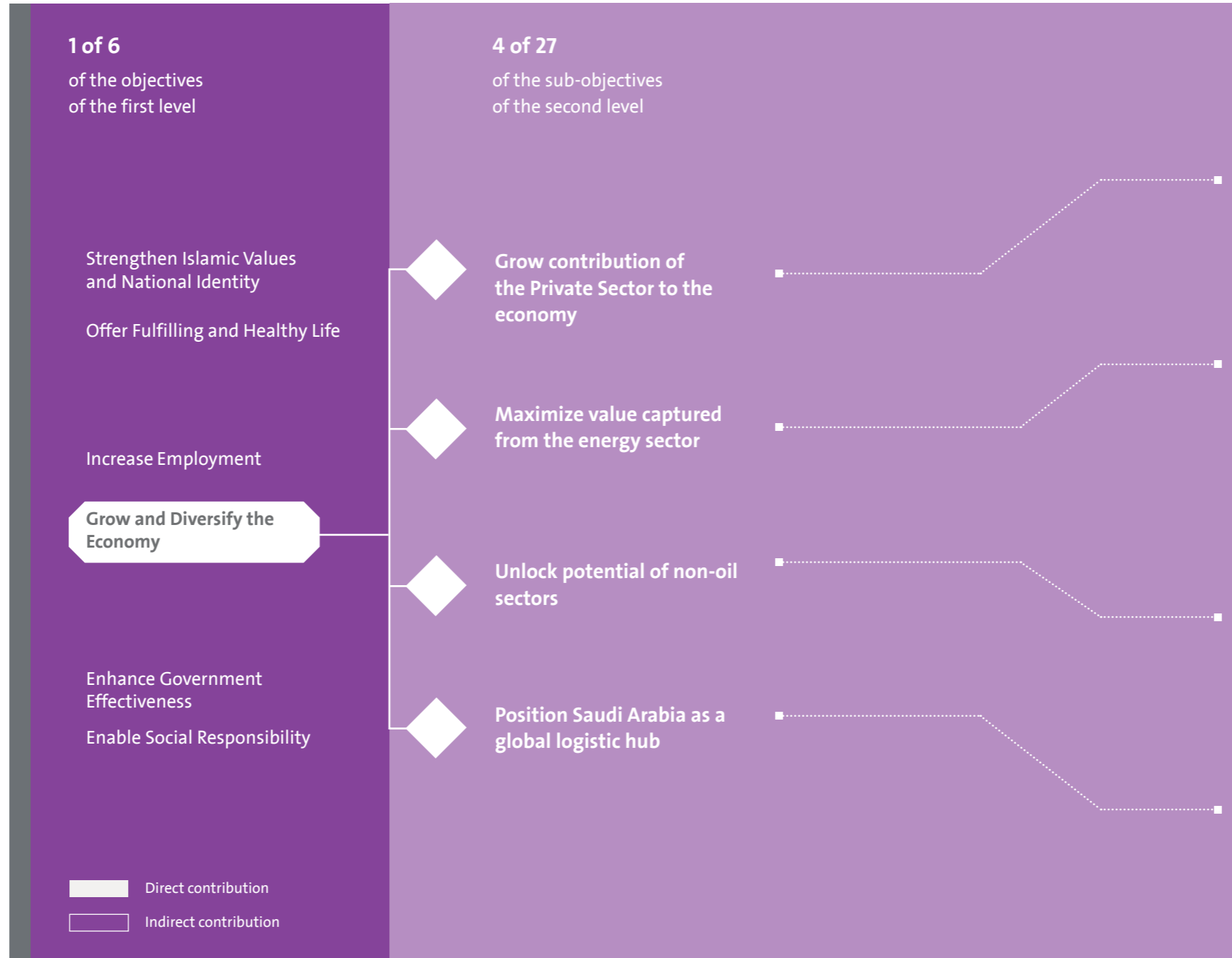


Sectors

Focus Areas

NIDLDP Scope

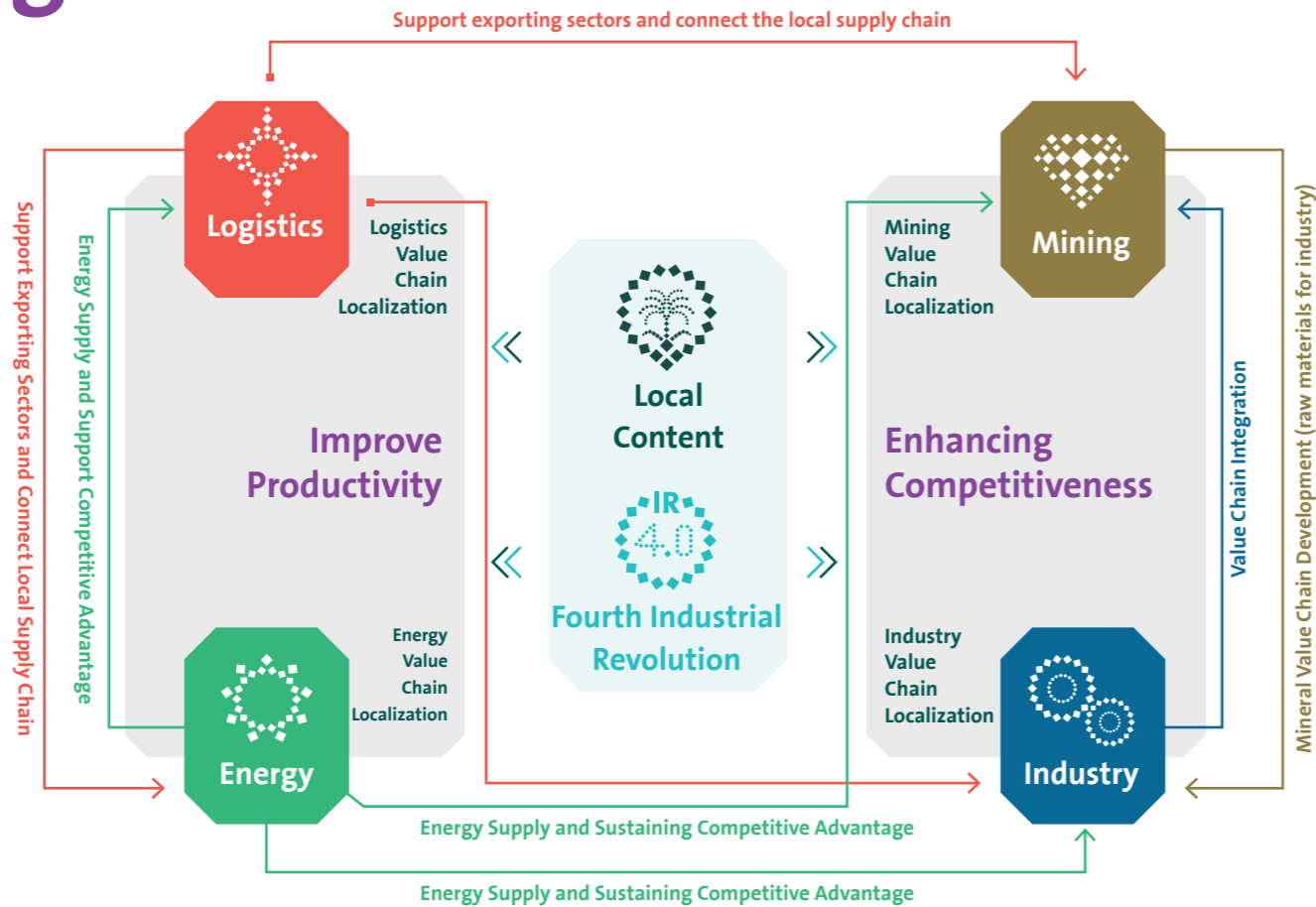
3 Themes



National Industrial Development and Logistics Program

Shaping our future through integration

Combining four sectors in a single program is an ingenious idea conceived by His Royal Highness the Crown Prince, Deputy Prime Minister, and Chairman of the Council of Economic and Development Affairs as the integration of these sectors and the two focus areas are crucial for creating a thriving and diversified economy, increasing the contribution of these sectors to the Kingdom's GDP and maximizing the added value. NIDLP works to align these sectors on the strategy level to ensure the maximum utilization of the inputs and outputs of each sector as well as the execution mechanisms to ensure the realization of the Vision 2030 objectives.

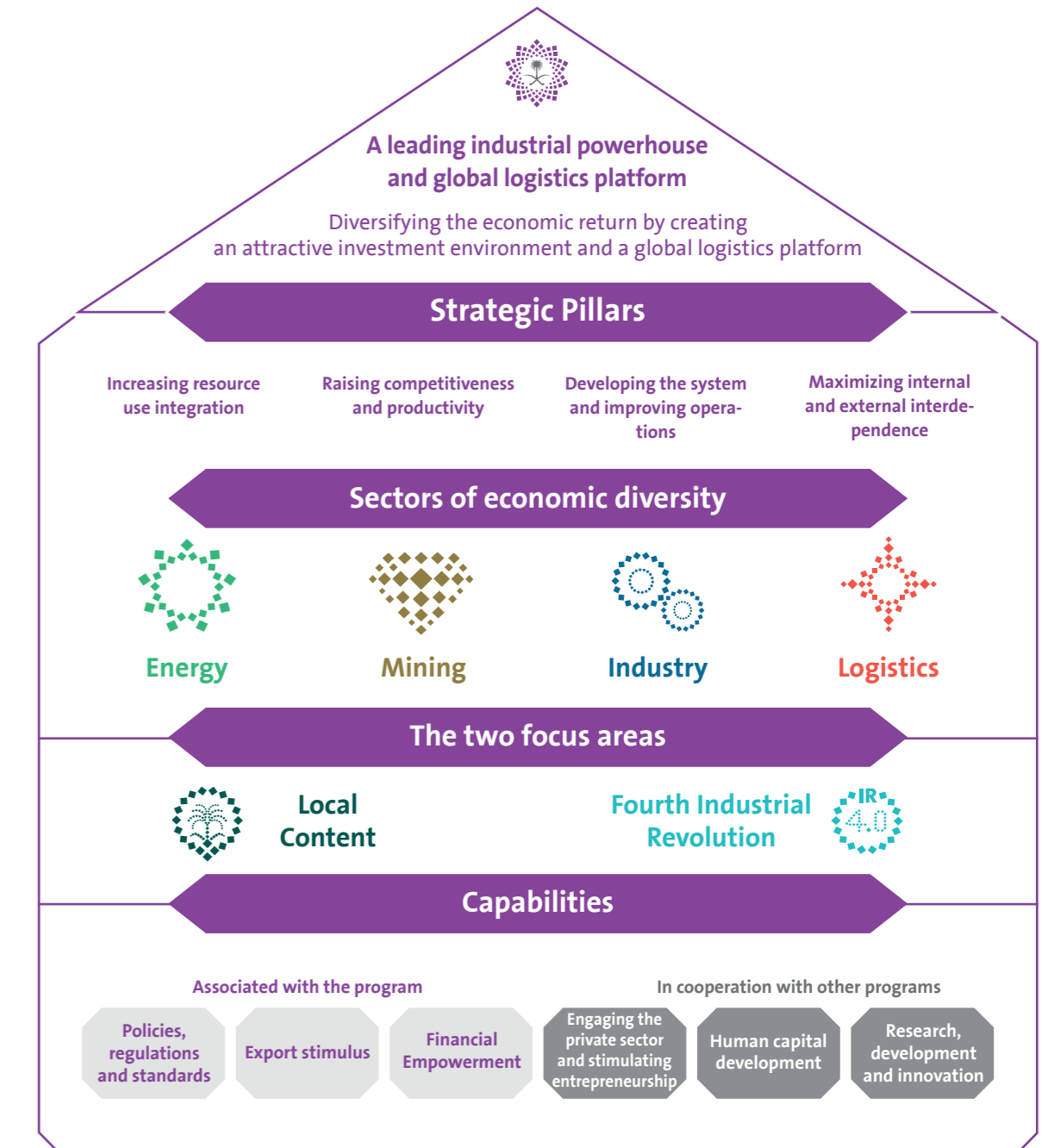


Program Strategy

The program relies on 4 important strategic pillars, which contribute to achieving the ambitious objectives of the program, and these pillars are:

1. Promote integration for the exploitation of resources, whether natural resources, assets or human resources
2. Raising competitiveness and productivity, providing the necessary capabilities to be a leading country world-wide
3. Developing the system and improving operations to focus on investor needs and added value rather than focusing on investment only
4. Maximizing internal and external interdependence and access to demand areas in global regions

Additionally, the strategy follows a development model: **That starts with:** Building on strengths, maintaining gains, and developing sustainable competitive advantages. **Relies on:** Factors that boost the competitiveness of various sectors in the short, medium, and long term



Economic Overview





His Excellency Mr.

Faisal bin Fadel Al-Ibrahim

Minister of Economy and Planning

“

The Kingdom's firm determination and solid plans to transform into a leading industrial center and logistical hub in the region come in order to achieve optimal diversification in its economic structure, providing a platform of policies and services that are proactive in their flexibility and keeping pace with changes, compete with its sectors in adding the optimal value to its partners and to its distinguished geographical location, and to employ that In accessing the service of different markets on the three continents, thus strengthening its strong connection with the global economy

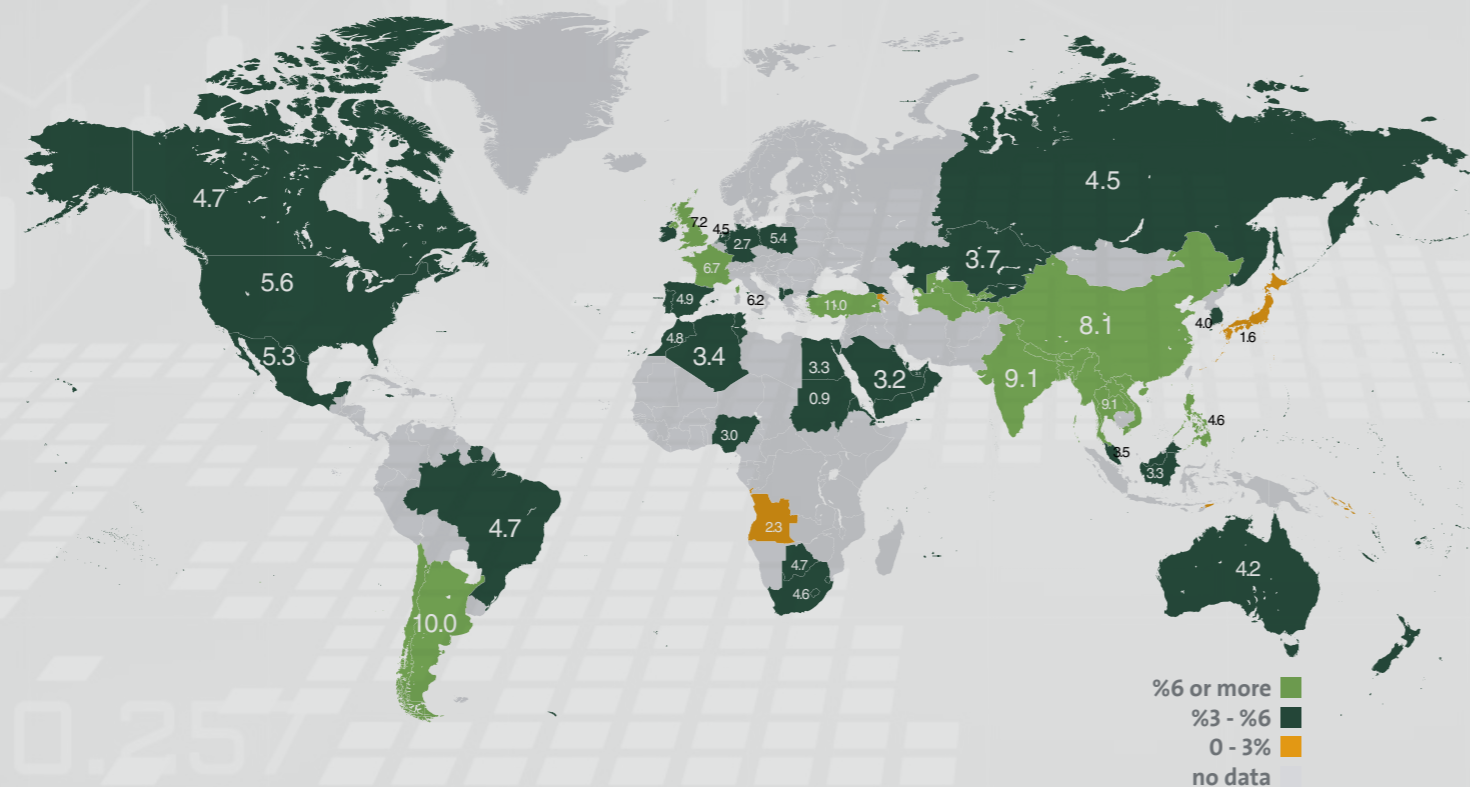
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Global Economy

The global economy grew in 2021 as a result of the recovery from the coronavirus pandemic (Covid-19) and reopened economies, with global growth of 5.9% compared to 2020.

Real GDP growth rate 2021



By the end of 2020, the global economy had begun to recover and continued to grow, reaching 5.9% in 2021, up from (-3.1)% in 2020. India achieved the highest annual GDP growth rate of 9.0 %, after a (-7.3)% decline in 2020, followed by China at 8.1%.

Real GDP

%

%

2020

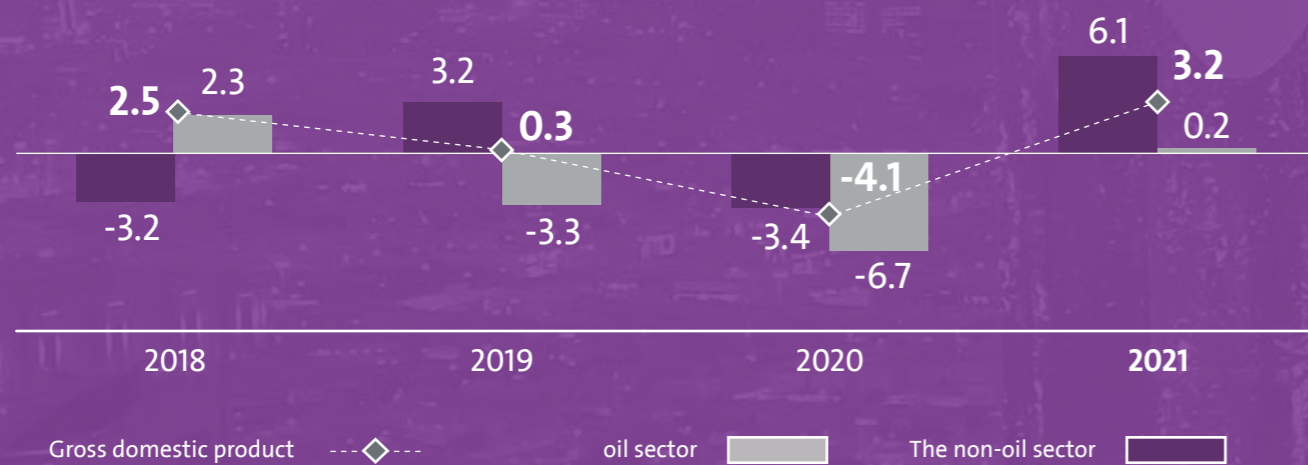
2021

	2020	2021
International Economy	-3.1	5.9
Kingdom of Saudi Arabia	-4.1	3.2
The United Arab Emirates	-5.9	3.1
Arab Republic of Egypt	3.6	3.3
United States of America	-3.4	5.6
United Kingdom	-9.4	7.2
China	2.3	8.1
India	-7.3	9.0
Korea	-0.9	4.0
Japan	-4.6	1.6
Malaysia	-5.6	3.5
Russia	-2.7	4.5

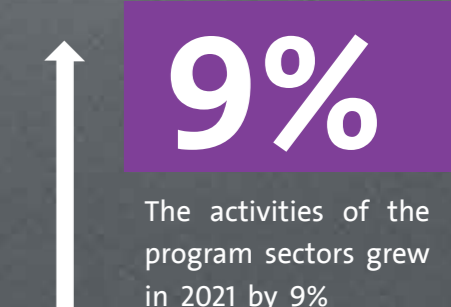
Saudi Economy

Saudi economy grew by 3.2% (Y-o-Y) in 2021, due to the gradual economic recovery and decreasing impacts of pandemic with a value of 2,614 billion SAR led by a 6.1% growth in the non-oil GDP sector, while the oil GDP sector increased by 0.2% (Y-o-Y).

GDP growth rate

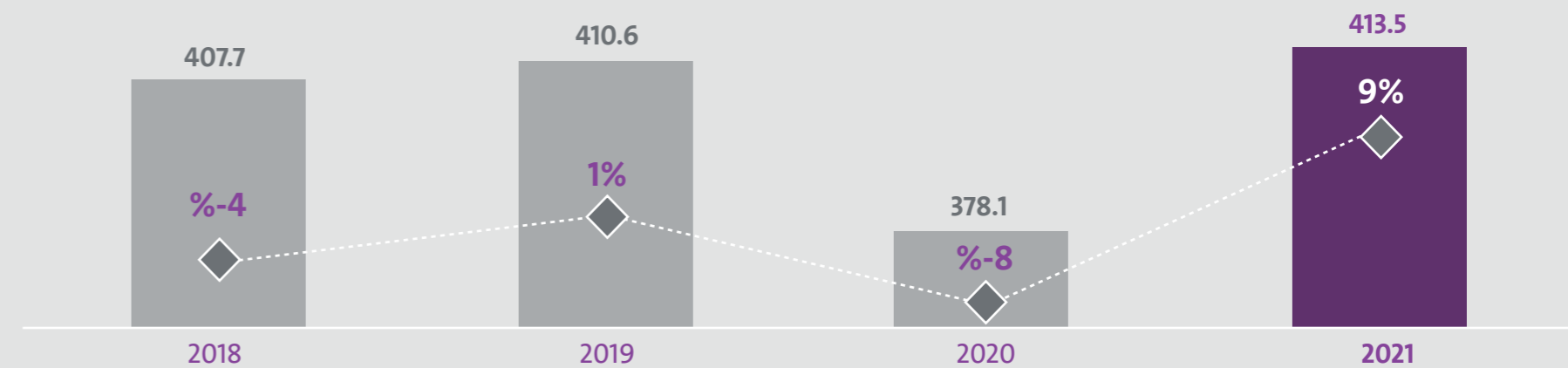


Data from the General Authority for Statistics indicate a growth in the non-oil GDP of the economic activities of the program sectors in 2021 by 9%, compared to the 2020, with a value of 413.5 billion SAR.



The gross domestic product of economic activities of the program sectors

(billion SAR)



Sources: General Authority for Statistics, National Industrial Development and Logistics Program Team analysis.

Total Saudi Exports

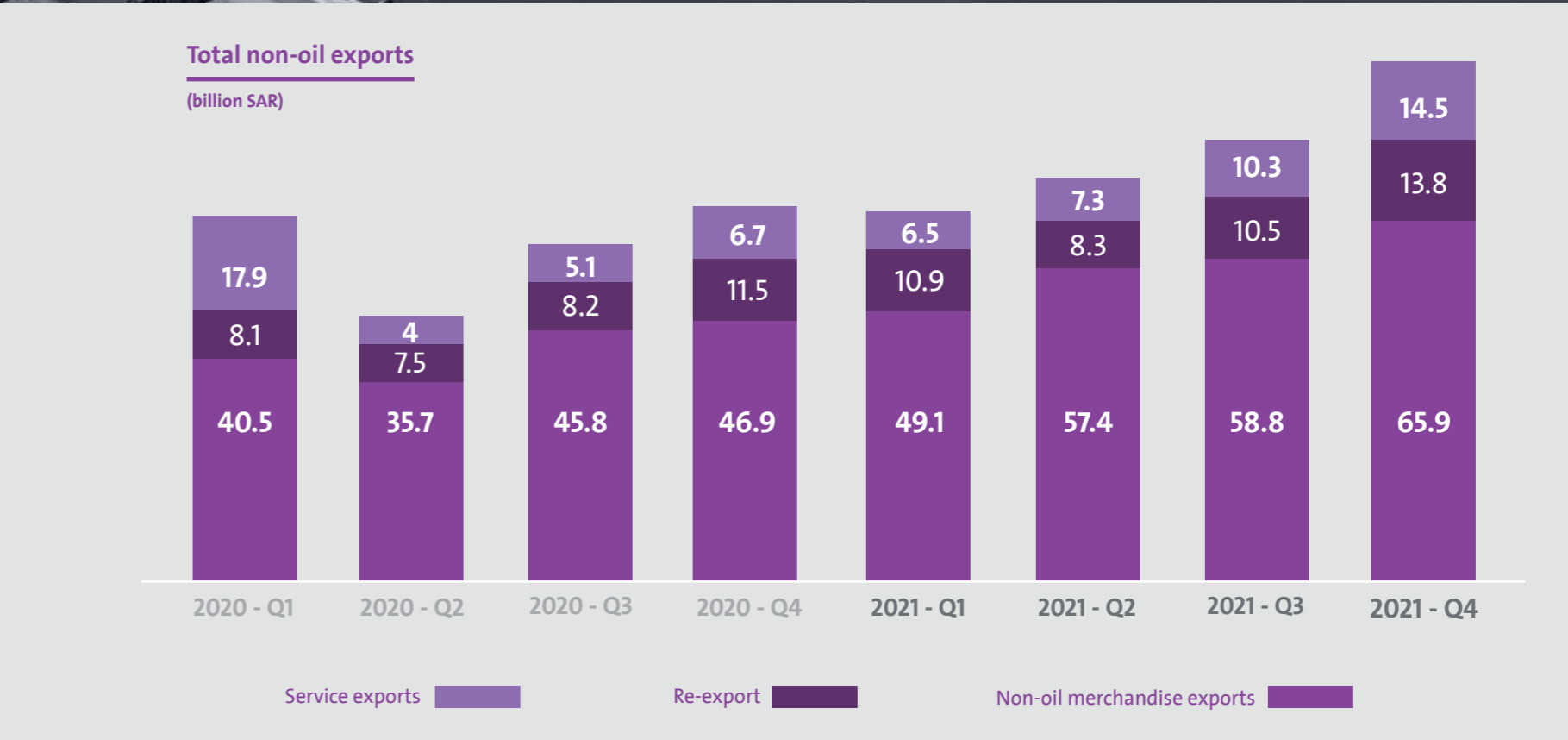
274.9

The value of non-oil exports (goods and re-exports), with an increase of about 34.5% compared to 2020.

The exports of the Kingdom of Saudi Arabia began to rise from June 2020, supported by the increase in oil exports. Oil exports reached their highest value in October 2021 with a value of 82.4 billion SAR, and non-oil commodity exports achieved growth in 2021 (The chart below shows the growth of the exports).



Total non-oil exports in 2021 reached about 313.5 billion SAR. The data of the General Authority for Statistics showed an improvement in the performance of non-oil commodity exports, as they recorded at the end of the year 231.3 billion SAR, compared to about 168.9 billion SAR in 2020, which means an increase percentage of 37% approximately. The value of re-export also improved by the end of 2021 and reached 43.5 billion SAR, compared to 35.3 billion SAR in 2020, an increase percentage of 23% approximately. This unprecedented increase in non-oil commodity exports comes as a result of the rise in prices and the increase in the quantities through stimulus efforts and enabling initiatives. While the decline in service exports has continued since 2020 due to COVID-19 and began to improve in the third quarter of 2021.



Employment in the Program Sectors

In 2021, the program sectors employed 1.388 million people, and the Saudization rate grew from 31% in 2020 to 32% by the end of 2021. The data show a rise of approximately 48,000 workers in the program, which reduced the unemployment rate, as Saudi employees number surged by 31.1 thousand workers, while non-Saudi employees number increased by 17.8 thousand workers. The logistics sector created the most jobs, followed by mining and then industry, demonstrating the government's continued effectiveness in reducing the effects of the COVID-19 pandemic on unemployment rates.



Saudis

31.1 ↑

thousand employees



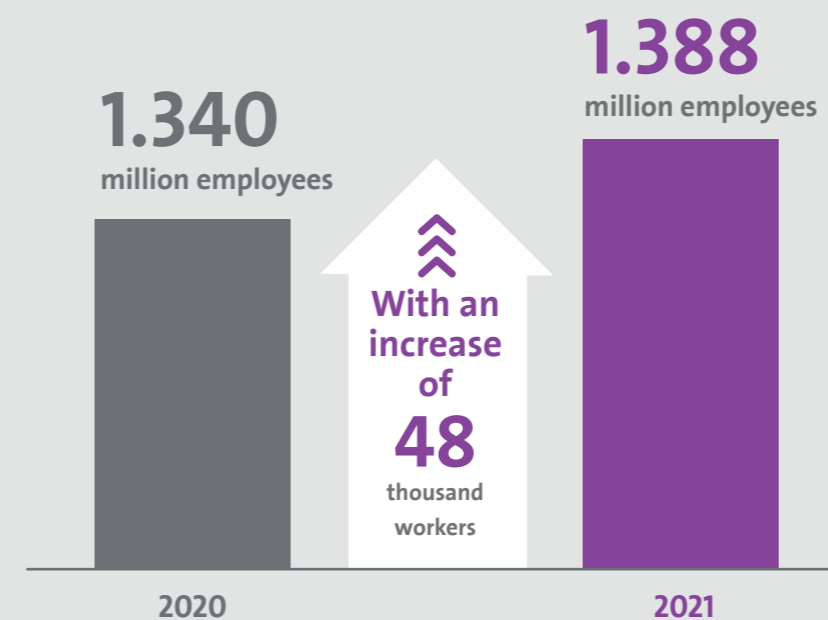
Non-Saudis

17.8 ↑

thousand employees

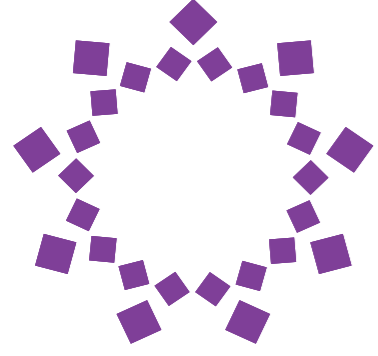
Comparison of total number of employees in program sectors

for 2020 and 2021



Program Sectors and Focus Areas





Energy Sector



Towards a Thriving Future..

Energy



His Royal Highness
 Prince Abdulaziz bin Salman
 Minister of Energy

”

I eagerly await the day when each of you comes up to Crown Prince Mohammed bin Salman and tells him that they've fulfilled the objectives of Saudi Vision 2030. I'm looking forward to this day and I will be proud of it. In fact, I see it right around the corner.

“



Since the flow of oil from Dammam No.7 (Lucky No. 7) in 1938, the Kingdom has undertaken the responsibility of supplying the world with energy. Today, after generations and generations working hard to develop this sector, the Kingdom has become the world's most reliable energy supplier. Now, we follow in their footsteps in order to keep moving forward and achieve more successes under an ambitious vision and a wise leadership.

The direction of the energy sector aims at maximizing the value generated from the sector through:

- 1 Strengthening the infrastructure of the electricity sector in the Kingdom to promote economic growth.
- 2 Maximizing the added value of increased production and distribution capacity of electricity, gas, ethane, and natural gas liquids.
- 3 Increasing the contribution of renewables in the domestic power consumption as well as attaining their targeted share in the optimal energy mix along with natural gas, building national capacities to make the Kingdom a global leader in the energy sector, and developing the legislative and regulatory structures that encourage other complementary energy sectors to maximize the overall economic return nationally.
- 4 Optimizing the use of hydrocarbon resources in the Kingdom to support its national economy and environmental commitment by meeting local hydrocarbon demand, exporting, and increasing the overall energy efficiency, in addition to diversifying energy sources in the Liquid Fuel Displacement Program.

Our objectives

3.2.2

Increasing gas production and distribution capacity

3.2.4

Increasing the contribution of renewable energy sources in the energy mix

3.2.5

Promoting competitiveness of the energy sector



Top Aspirations by 2030



To optimally use hydrocarbon resources in the Kingdom to support its national economy and environmental commitment



To provide electricity services to consumers in a competitive manner that is conducive to the sustainability of the sector



To be a global leader in renewable energy



To increase the share of renewables in the energy mix to around 50% in order to optimize the mix to produce electricity



To raise the share of local content in the oil and gas sector to 75%



Top Achievements



125 THOUSAND CITIZENS BENEFITED FROM MORE THAN

295 THOUSAND HIGHLY-EFFICIENT, LOCALLY MANUFACTURED AIR CONDITIONERS



TOTAL CAPACITY OF RENEWABLE ENERGY PROJECTS PUT OUT TO TENDER, APPROVED OR CONSTRUCTED

7,100 MW BY THE END OF 2021

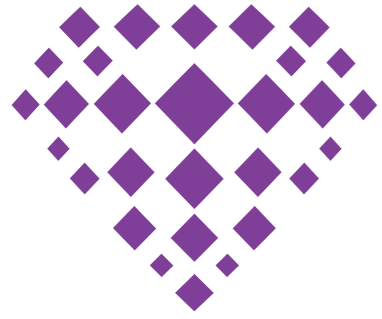


SETTING THE WORLD'S RECORD FOR LOWEST LCOE IN THE WORLD WITH THE SHUAIBAH SOLAR PROJECT

1.04 US CENTS/KWH



COMPLETING THE SEPARATION OF THE SAUDI ENERGY PROCUREMENT COMPANY (PRINCIPAL BUYER) FROM SEC



Mining Sector



Opportunities
and Prosperity..

Mining



His Excellency Mr.
Bandar bin Ibrahim Al-Khorayef
 Minister of Industry and Mineral Resources
 Program Committee Chairman

”

It is our responsibility to overcome the challenges of developing the mining sector and to create an environment that attracts more investments. This requires an effective partnership between the public and private sectors, as well as a thorough understanding of each party's role, as mining requires substantial capital and a long-term investment horizon.

“



During King Abdulaziz's reign, mining works started to emerge as we fully used Mahd al-Zahab and Zolm mines.

Mining started in the 1960s with the goal of diversifying the Kingdom's economy. The Kingdom established a mining policy 40 years ago, increasing expenditure on surveying and exploratory activities.

Today, the mining sector is getting significant attention as part of the Kingdom's Vision 2030, as the National Industrial Development and Logistics Program works to optimise this sector's contribution as the third pillar of Saudi industry.

Mining sector measures aim to maximize the value generated from the sector through:

- 1 **Developing** regulations and legislations and improving capabilities to raise the level of competitiveness in the mining sector.
- 2 **Creating job opportunities** and developing national capabilities.
- 3 **Providing** required geological data by completing the Arabian Shield geological survey as part of the Regional Geological Program.
- 4 **Increasing** exploration expenditure to global levels via private sector investments which will be backed by the planned exploration fund.
- 5 **Enhancing** the beneficiary's experience and satisfaction by upgrading services, delivering relevant data in a highly reliable digital format, easing access to it and lowering the time required to issue detection licenses.
- 6 **Maximizing** the added value of mineral ores via the establishment of value-added chains for mining industries with private sector involvement, which will give excellent investment possibilities.

Our objective

3.3.1

— Maximizing the value of the mining industry



Top Aspirations 2030



Maximizing contribution to GDP
to reach
176 billion riyals



Creating new jobs that exceed
219 thousand jobs



Enhancing the beneficiary's
experience, raising levels of
satisfaction with the services
provided, and reducing the
period of issuance of detection
licenses to reach **60 days**



Top Achievements



THE LAUNCH OF THE AIRBORNE GEOPHYSICAL SURVEY OF THE ARABIAN SHIELD

THROUGH THE AIRBORNE GEOPHYSICAL SURVEY OF THE ARABIAN SHIELD, GEOLOGICAL DATA WILL BE PROVIDED FOR THE ENTIRE AREA OF THE ARABIAN SHIELD. THIS IS TO ENABLE MINING EXPLORATION WORK, ENHANCE THE ROLE OF THE MINING SECTOR, AND RAISE ITS CONTRIBUTION TO THE GDP.

THE MINING SECTOR IN THE KINGDOM HAS ACHIEVED THE HIGHEST REVENUES IN ITS HISTORY, AS A RESULT OF THE REFORMS AND THE RAPID DEVELOPMENT WITNESSED BY THE SECTOR. THE ACHIEVED REVENUES FOR THE YEAR 2021 AMOUNTED TO MORE THAN 727 MILLION SAR, WHICH IS AN INCREASE OF 27% OVER THE RETURNS ACHIEVED IN THE PREVIOUS YEAR.



Mansoura and
Massarah Movie



RECONNAISSANCE LICENSES

32

ISSUANCE AND
RENEWAL

EXPLORATION LICENSES

164

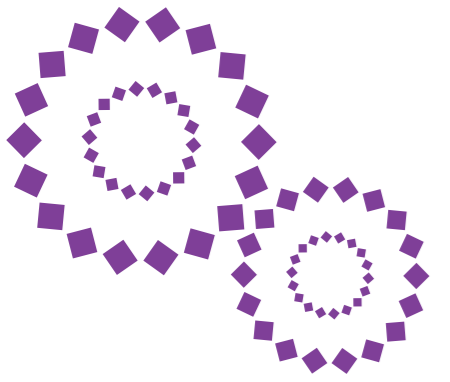
ISSUANCE AND
RENEWAL

BUILDING MATERIALS QUARRY LICENSES

579

ISSUANCE AND
RENEWAL

AS A RESULT OF THE ENACTMENT AND ACTIVATION OF THE NEW MINING INVESTMENT LAW: 32 RECONNAISSANCE LICENSES, 164 EXPLORATION LICENSES AND 579 BUILDING MATERIALS QUARRY LICENSES WERE ISSUED AND RENEWED BY THE END OF THE YEAR 2021, WHICH WILL CONTRIBUTE TO INCREASING NON-OIL REVENUES AND DIVERSIFYING SOURCES OF INCOME.



Industry Sector



New Horizons..

Industry



His Excellency Mr.
Bandar bin Ibrahim Al-Khorayef
 Minister of Industry and Mineral Resources
 Program Committee Chairman

”

The Ministry of Industry and Mineral Resources is eager to create incentives for the industrial sector and in numerous fields. During the upcoming period, we will witness a significant development in this valuable sector.

“



Saudi Arabia's industrialization began in the 1930s with the discovery of oil and the establishment of Aramco. Industrialization was limited to traditional crafts and handicrafts. In 1962 Petromin was established to be in charge of all industrial activities (except for Aramco) and lasted until 1975 when the Ministry of Industry and Electricity acquired control of all industrial projects in the Kingdom except for those involving Aramco. The years (1974, 1975, and 1976) witnessed: three Industrial establishments: Saudi Industrial Development Fund, the Royal Commission for Jubail and Yanbu and SABIC. Today, efforts to grow the industrial sector are intensified, as the Kingdom's Vision 2030 aspires to transform the Kingdom into a leading industrial power via the National Industrial Development and Logistics Program.

The industry sector strategic directions aim to maximize the value generated from the sector through:

- 1 **Built an agile and competitive sustainable private sector-led industrial economy** that improves macroeconomic indicators by expanding promising industries (such as: Pharmaceuticals, medical devices, automotive), and oil and gas related industries (such as: industry of specialty chemicals, plastics, rubber) and the military industries, and creating an enabling competitive environment characterized by: outstanding infrastructure, flexible and transparent legislative and regulatory frameworks, as well as research and innovation capabilities that fits the requirements of the industrial facilities of all sizes
- 2 **Protecting** national industry from dumping and unfair competition, improving local product efficiency to compete regionally and worldwide, which will promote the development of promising industries and exports.
- 3 **Maximizing** the added value of the economy, by raising the percentage of local manufacturers' contribution to government purchases, capital and operational expenditures for government companies in the industrial sector, developing human capital and training manpower, and attracting investments to localize industries in the Kingdom.
- 4 **Localizing** high-quality industries that boost the national economy and its adaptability to any crises or global changes. Moreover, localizing industries that the Kingdom can lead globally and regionally, as well as leading regional industrial integration.
- 5 **Developing** qualitative enablers that include: creating special economic zones, increase the quality of economic and industrial cities, as well as improving regulations and legislation to raise competitiveness and attract more regional and international investments.

Our objectives

3.2.3

— **Develop oil and gas adjacent industries**

3.3.3

— **Localize promising manufacturing industries**

3.3.4

— **Localizing the military industries**

3.1.7

— **Create special zones and rehabilitate economic cities**



Top Aspirations 2030

رؤية 2030
 المملكة العربية السعودية
 KINGDOM OF SAUDI ARABIA



Building a world-class machinery and equipment industry



Localizing 40% of pharmaceutical market value and 15% of medical devices market value



Permitting the Kingdom to be a regional hub for food industries, capable of meeting 85 percent of local demand, as well as enhancing the aquaculture sector's production capacity



Localizing 50% of the Spending on Military and Security related Industries



Developing the renewable energy industrial base to become one of the kingdom's main industries



Localizing 70% of the future supply chain for basic and intermediate chemicals and prioritizing 18 specialized chemical groups



Completion and rehabilitation of existing economic zones and cities, as well as establishing 8 targeted economic zones in 2025



Building sustainable and regionally competitive marine industry



Top Achievements



INVESTMENTS
100
 BILLION

ATTRACTING INDUSTRIAL INVESTMENTS TOTALING 100 BILLION RIYALS THROUGH THE ROYAL COMMISSION FOR JUBAIL AND YANBU, THE SAUDI AUTHORITY FOR INDUSTRIAL CITIES AND TECHNOLOGY ZONES, AND THE GENERAL AUTHORITY FOR MILITARY INDUSTRIES.



LICENCES
74
 COMPANIES

IN 2021, 74 COMPANIES RECEIVED MILITARY LICENCES, BRINGING THE TOTAL TO 144 COMPANIES. THIS CONTRIBUTES IN INCREASING INVESTMENT IN THE DEFENSE INDUSTRIES SECTOR AND MAXIMIZING ITS CONTRIBUTION TO ECONOMIC DIVERSIFICATION AND LOCALIZATION.



ESTABLISHING
197
 READY-MADE
 FACTORIES

ESTABLISHING
16
 SELF-STORAGE
 FACILITIES

IN 2021, 68 FACTORIES AND 16 SELF-STORAGE FACILITIES WERE COMPLETED, THUS COMPLETING 197 READY-MADE FACTORIES AND 16 SELF-STORAGE FACILITIES. THIS CONTRIBUTES IN ATTRACTING MORE INVESTMENTS IN THE INDUSTRIAL SECTOR, WHILE FACILITATING THE INVESTOR'S TRIP AND ENABLE HIM TO ACHIEVE HIS INVESTMENT.

LAUNCH OF
 "MADE IN SAUDI" PROGRAM



WITH THE AIM OF PROMOTING THE NATIONAL PRODUCT, ENHANCING THE CULTURE OF LOYALTY TOWARDS IT, AND ENABLING IT TO COMPETE IN THE LOCAL AND GLOBAL MARKETS.

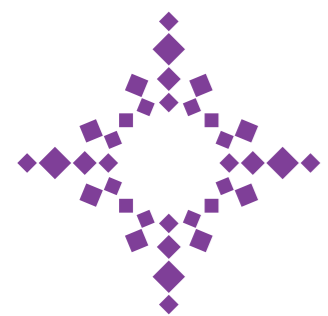


ISSUANCE OF
954
 INDUSTRIAL
 LICENCES

ISSUING 954 NEW INDUSTRIAL LICENCES, IN ADDITION TO ACTIVATING 820 NEW FACTORIES, REPRESENTS 8% OF THE KINGDOM'S EXISTING FACTORY BASE, WHICH IS ESTIMATED AT 10 THOUSAND FACTORIES.



ACTIVATION OF
820
 NEW FACTORIES



Logistics Services Sector



Access and Connectivity..

Logistics



His Excellency Engineer
Saleh bin Nasser Al-Jasser

Minister of transport and logistics Services

Vice Chairman of the Program Committee

”
"The transport and logistics system will operate according to a consistent plan, that aims to expand our partnership with the private sector, apply best practices in facility usage, facilitate corporate growth and increase investment, while improving the quality of services provided to customers and end-users."
 “



The National Industrial Development and Logistics Program and its executing entities are working to transform the Kingdom into a global logistics platform by exploiting its privileged location linking the three continents (Asia, Europe and Africa). They also work hard to utilize the solid infrastructure in the Kingdom, as 28 airports in the Kingdom were connected through an integrated road network of more than 73,000 km, after which the Kingdom ranked first in the world in land connectivity. It is also integrated with 10 ports distributed on the Saudi coasts and railways connecting the most important commercial and vital areas in the Kingdom. It's noteworthy that work is progressing at a rapid pace to develop existing modes of transportation and to develop and adopt modern transportation technologies in general, in order to keep up with changes and compete with developed countries in this field in order to achieve the Kingdom's Vision 2030 ambitions.

The logistics sector measures aim to maximize the value generated from the sector through:

- 1 **Boosting** the Kingdom's position as a global logistics hub, as the Kingdom enjoys a distinctive strategic geographical location in the middle of trade lines, linking 3 continents (Asia, Europe, and Africa).
- 2 **Improving** integration with modes of transport, by strengthening the links between sea, air, road and rail transport, which contributes to improving goods and freight services.
- 3 **Improving** logistics licensing procedures and legislation.
- 4 **Providing** a lower cost for transporting and storing Saudi-origin goods through advanced logistics services, which encourages local industry initiatives, and contributes to attracting new industrial investors to take advantage of these advantages.
- 5 **Improvement** of the Kingdom's ranking in the Logistics Performance Index from 55th to the top ten, ensuring its regional leadership.
- 6 **Investment** in smart technologies (such as: Automation across ports and logistics infrastructure); To speed up, facilitate and raise operating efficiency.
- 7 **Improving** connectivity with neighboring countries, which contributes to increasing the attractiveness of the Saudi market to individual investors, and facilitates movement and transportation of goods.

Our objectives

3.5.1

— **Creating and improving the performance of logistic hubs**

3.5.2

— **Improving the local, regional and international connectivity of trade and transport networks**



Top Aspirations 2030

VISION رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



+40 million TEUs
The volume of goods handled through the Kingdom's ports



330 million passengers
The number of passengers through the Kingdom's airports



Among the top 10 countries
Kingdom's rank in the Logistics Performance Index



Raising connectivity
Between the Kingdom and the world and lowering the cost of transport of goods and passengers;
To accommodate the volume of goods handled and the number of passengers



Top Achievements

LAUNCH OF
**THE NATIONAL
TRANSPORT AND
LOGISTICS STRATEGY**

ESTABLISHING
**THE
LOGISTICS
SERVICES
COMMITTEE**

LAUNCH OF
**THE UNIFIED
LOGISTICS
LICENSE**

THE FIRST
32
LICENCES FOR
INTERNATIONAL
AND LOCAL COMPANIES

**SAUDI ARABIA HAS BECOME A
MEMBER OF THE UNITED NA-
TIONS INTERNATIONAL MAR-
ITIME ORGANIZATION (IMO)
COUNCIL FOR 2022-2023**



KSA PORTS
1ST
WORLD-WIDE

THE KINGDOM'S
PORTS ARE THE MOST
EFFICIENT PORTS IN THE
WORLD

OUT OF 370 PORTS AROUND THE WORLD, THE KING ABDULLAH PORT RANKED FIRST, JEDDAH ISLAMIC PORT RANKED EIGHTH, ADVANCING 55 POSITIONS, AND KING ABDULAZIZ PORT RANKED 14TH GLOBALLY, ADVANCING 88 POSITIONS, IN THE GLOBAL CONTAINER PORTS PERFORMANCE INDEX FOR 2021 ISSUED BY THE WORLD BANK AND S&P GLOBAL.

LAUNCH OF
**SAUDI
LOGISTIC
ACADEMY
AND TRAIN**



300
TRAINEES



RANKING 4 SAUDI
AIRPORTS

AMONG TOP
100
AIRPORTS
WORLDWIDE

AMONG BEST
10
AIRPORTS IN THE
MIDDLE EAST



THE KINGDOM MADE PROGRESS IN THE "UNCTAD" REPORT'S INDICATOR OF LINER SHIPPING CONNECTIVITY INDEX.

70.097

POINTS
AS AN AVER-
AGE FOR 2021



Industry 4.0



**Towards
a Prosperous Future..**

Industry 4.0



His Excellency Engineer
Abdullah bin Amer Alswaha
 Minister of Communications and Information Technology
 Program Committee Member

“

The Fourth Industrial Revolution that we are witnessing today will be a key element in achieving the Kingdom’s Vision 2030, which requires everyone to formulate new business models and implementation mechanisms under the new global competitive rules, transitioning away from assets and expertise to a total reliance on new fuels represented in data, artificial intelligence, and building the new drivers: youth and leadership.

”



The Fourth Industrial Revolution is a paradigm shift in work policies and methodologies, based on the integration of advanced technologies, the transition to smart factories and future mines, smart electricity grids and logistical supply chains; all with the objective of increasing productivity and competitiveness. The Fourth Industrial Revolution includes a wide range of technological applications (such as: Robotics, Artificial Intelligence, Nanotechnology, Quantum Computing, Biotechnology, Internet of Things, 3D Printing and Autonomous Vehicles). The Kingdom’s Vision 2030, through the National Industrial Development and Logistics Program, aims to maximize the use of these technologies in order to create competitive advantages and enable the four program sectors.

The Fourth Industrial Revolution aims to increase adoption of advanced technologies through

- 1 Preparing the legislative environment by developing the necessary legal frameworks in order to expand the scope of the applications of 4IR in line with the development of the program sectors.
- 2 Developing the infrastructure of communications and digitalization technologies as a major enabler for the growth and diversification of the applications of 4IR in various fields.
- 3 Developing the ecosystem for the technologies of 4IR expanding existing value chains, and developing new ones.

Our objective

3.3.2

—
 Development of the digital economy For (Enabling the Fourth Industrial Revolution)



Top Aspirations 2030

VISION رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



Artificial
intelligence

A pioneer in advanced technology adoption and innovation



Improve productivity, competitiveness and sustainability



Activating 5 national capability centers for the Fourth Industrial Revolution technologies



Top Achievements



مدينة الملك عبدالعزيز
للعلوم والتقنية
KACST

جامعة الملك عبدالله
للعلوم والتقنية
King Abdullah University of
Science and Technology



WORLD
ECONOMIC
FORUM

LAUNCHED THE PILOT PHASE OF THE FOURTH INDUSTRIAL REVOLUTION CAPABILITY CENTER IN COOPERATION WITH KING ABDULLAH UNIVERSITY OF SCIENCE AND TECHNOLOGY.

LAUNCHED THE FOURTH INDUSTRIAL REVOLUTION CENTER IN COOPERATION WITH THE WORLD ECONOMIC FORUM (WEF), AN EXECUTING THINK TANK THAT SEEKS TO PROMOTE THE DEVELOPMENT AND APPLICATION OF EMERGING TECHNOLOGIES FOR THE BENEFIT OF THE SAUDI SOCIETY.



مدينة الملك عبدالعزيز
للعلوم والتقنية
KACST

INDUSTRIAL
SECOND
RIYADH

PREPARING THE CAPABILITY CENTER FOR THE FOURTH INDUSTRIAL REVOLUTION OF THE KING ABDULAZIZ CITY FOR SCIENCE AND TECHNOLOGY IN THE SECOND INDUSTRIAL CITY IN RIYADH



EVALUATED

45

FACTORIES

COMPLETED THE EVALUATION OF 45 FACTORIES IN MODON'S INDUSTRIAL CITIES AND DELIVERING THE FOURTH INDUSTRIAL REVOLUTION TRANSFORMATION PLANS.



TRAINING
450+
EMPLOYEES

OVER 450 EMPLOYEES HAVE BEEN TRAINED ON THE CONCEPTS AND APPLICATIONS OF THE FOURTH INDUSTRIAL REVOLUTION.



THE ENGAGEMENT OF

100
COMPANIES

A CAMPAIGN TO RAISE AWARENESS OF THE FOURTH INDUSTRIAL REVOLUTION WAS CONDUCTED, IN WHICH 100 COMPANIES PARTICIPATED.



Local

Content



Enabling
and Empowering..

Local Content



His Excellency Mr.
Bandar bin Ibrahim Al-Khorayef
 Minister of Industry and Mineral Resources
 Program Committee Chairman

“

The industrial trends in the Kingdom is focusing on developing local content in all sectors and adopting the technologies of the Fourth Industrial Revolution, which will significantly increase the productivity of local producers and create high-quality job opportunities for citizens

”



The Kingdom's Vision 2030 calls for an economic reform focused on the local content. Therefore, Local Content and Government Procurement Authority was established to lead the transformation processes in this field. Additionally, LCGPA has enacted and implemented different regulations aimed to increase the economic value through local purchasing power of both public and private sectors and also leveraging the growing size of local markets.

The strategic directions of Local content aim to focus on this area through:

- 1 Increasing local content in the national economy through establishing key targets and objectives at all levels, as well as embedding local content policies in governmental procurement activities.
- 2 Maximizing the share of local manufacturers and service providers in the procurement, capital and operating expenses.
- 3 Increasing the local manufacturing and services sectors, as well as employment and human capital training, through domestic and foreign direct investment and the localization of emerging and new technologies to strengthen the resilience of the industrial economy.

Our objectives

3.2.1

— Increase localization of oil and gas sector

3.3.7

— Increase the local content in non-oil sectors



Top Aspirations 2030



**75%
LOCAL
CONTENT**

رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



**1,747
BILLION**

**RIYALS
IN THE NON-
OIL SECTORS**

Maximizing the national economy's added value by increasing the local content in the oil and gas sector to 75%, by 2030, through increasing the contribution of local manufactures and service providers in purchases, capital and operating expenditures for sector companies, as well as developing human capital and attracting investments to localize sector industries.

Developing the local capabilities to achieve the highest contribution to the local content component in the non-oil sectors to reach 1,747 billion riyals by 2030, as a contribution to achieve a prosperous and sustainable economy.



Top Achievements

5
MANDATORY LISTS
INCLUDING
319+
PRODUCTS



8.5
BILLION
ESTIMATED IMPACT



REACHING 5 MANDATORY LISTS OF NATIONAL PRODUCTS THAT INCLUDE 319 PRODUCTS, WITH AN ESTIMATED IMPACT ON INDUSTRIAL LOCAL CONTENT OF 8.5 BILLION RIYALS.

INCLUDING
+208
NATIONAL PRODUCTS IN
THE PRICE PREFERENCE
MECHANISM



WITH AN
IMPACT THAT
EXCEEDS
500
MILLION RIYALS

MORE THAN 208 NATIONAL PRODUCTS WERE INCLUDED IN THE PRICE PREFERENCE MECHANISMS (IN SECTORS SUCH AS BUILDING AND CONSTRUCTION AND HEALTH CARE), WITH AN IMPACT OF MORE THAN 500 MILLION RIYALS, AND THE VALUE OF GOVERNMENT TENDERS TO WHICH THE PRICE PREFERENCE MECHANISM APPLIES EXCEEDED 21 BILLION RIYALS.



**SIGNING
5**
AGREEMENTS
TO LOCALIZE THE
INDUSTRY AND
KNOWLEDGE
TRANSFER

ACTIVATED THE CONTRACTING METHOD OF LOCALIZATION OF INDUSTRY & KNOWLEDGE TRANSFER (LIKT) BY SIGNING FIVE AGREEMENTS TO LOCALIZE THE MEDICAL PERSONAL PROTECTIVE EQUIPMENT, WITH THE AIM TO INCREASE THE CONTRIBUTION OF LOCAL CONTENT, SUPPORTING PROMISING INDUSTRIES, AND ACHIEVING SELF-SUFFICIENCY.

APPLYING LOCAL CONTENT
SCORE IN COMMERCIAL
EVALUATION & MINIMUM
LOCAL CONTENT THRESH-
OLD MECHANISMS

8
SECTORS



WITH AN IMPACT
THAT EXCEEDS

33
BILLION RIYALS

THE LOCAL CONTENT SCORE IN COMMERCIAL EVALUATION & MINIMUM LOCAL CONTENT THRESHOLD MECHANISMS WERE INCLUDED IN 607 GOVERNMENT TENDERS WITH A TOTAL VALUE OF 93 BILLION RIYALS, WITH AN IMPACT OF MORE THAN 33 BILLION RIYALS.

REACHING
83%
OF GOVERNMENT
TENDERS MEET THE RE-
QUIREMENTS OF LOCAL
CONTENT

REACHING A TOTAL OF 33,000 TENDERS THAT MEET THE REQUIREMENTS OF LOCAL CONTENT, REPRESENTING 83% OF THE TOTAL GOVERNMENT TENDERS, AND 545 AUDITED LOCAL CONTENT CERTIFICATES HAVE BEEN ISSUED TO PRIVATE SECTOR COMPANIES.

APPLYING LOCAL CONTENT
SCORE IN COMMERCIAL
EVALUATION
53% | 35%
OF GOVERNMENT TENDERS
ON CONSULT-
ING SERVICES

ON INFORMATION
TECHNOLOGY
SERVICES

EXPANDING THE USE OF LOCAL CONTENT SCORE IN COMMERCIAL EVALUATION MECHANISM TO INCLUDE 53% OF TOTAL GOVERNMENT SPENDING ON ADMINISTRATIVE ADVISORY SERVICES AND 35% OF TOTAL GOVERNMENT SPENDING ON INFORMATION TECHNOLOGY SERVICES.

Top Achievements



Since its launch, the program has been able to increase the integration between its four sectors (energy, mining, industry, and logistics), in addition to the two focus areas (Fourth Industrial Revolution, and Local Content) by collaborating with more than 40 executing entities. These collaborations aim to attract more investments, developing infrastructure, maximizing resource utilization and improving regulations and legislation, as well as providing the best access to local and global markets.

Top Achievements



Investment Attraction



Top Achievements / Investment Attraction

Top Achievements / Investment Attraction



Attracting industrial investments with total of 40 investments, and total value up to 87 billion riyals, including:

- Laying the foundation stone for the construction work of the Veolia plant for central waste treatment and management facilities in the PlasChem complex in Jubail 2.
- EV Metals Group is working on developing a lithium battery factory in Yanbu Industrial City.

Attracting more than 350 new investments in the cities of the Saudi Authority for Industrial Cities and Technology Zones (Modon), with a total value of up to 5 billion riyals during 2021, as part of the Kingdom's efforts to develop the industrial and logistics sectors and achieve economic diversification.

Signing power purchase agreements for renewable energy projects in various regions of the Kingdom, and as a result several Saudi renewable energy companies have been established.

Top Achievements / Investment Attraction



Attracting 12 investors with a total new investment of 1.1 billion riyals during 2021 in the economic cities.



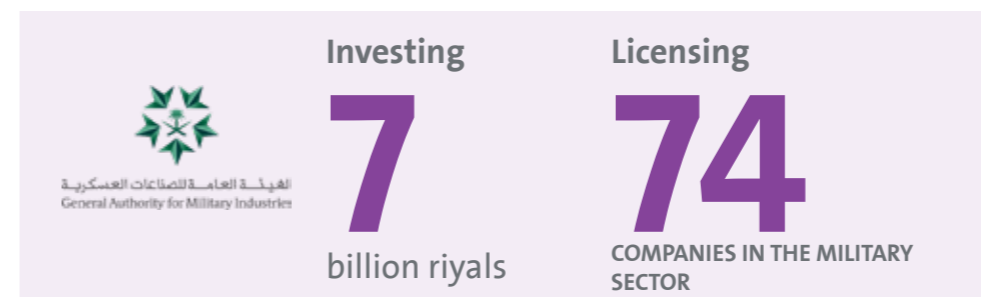
Establishing the Middle East's largest integrated logistics zone for Maersk at Jeddah Islamic Port, with an investment value of 500 million riyals.

Mawani signs investment contracts to **establish storage silos at Jazan and Rsa- Alkhair ports with a total value of SAR 370 million**



Attracting investments of 2.4 billion riyals, and signing several investment contracts at King Abdulaziz International Airport (including: Establishment of an express parcel services area, providing air freight handling service and the expansion of the "SAL" station").

Top Achievements / Investment Attraction



74 companies were licensed in the military sector which contributed to:

- The start of a joint venture between the Saudi Arabian Military Industries Company, the French "Figeac Aero" Group and the Saudi Arabian Industrial Investments Company (Dussur), with the aim of building manufacturing facility to produce aircraft structure components.
- Localizing the drone industry, the "Sky Guard, Under the leadership of SAMI.
- Inauguration of joint projects between SAMI and L3 Harris, a leading American company in advanced communications systems and sensors.
- The signing of the first Saudi-Emirati joint cooperation agreement between the SAMI Company and the Emirati Nimr Company for the production of "JAIS" vehicles.



Attracting investments of 3.6 billion riyals in the King Salman Energy park (SPARK), **by enabling SMEs via allocating developed land, providing advanced logistic services and specialized training programs.**

Top Achievements / Investment Attraction



The Saudi Export-Import Bank approved credit applications worth more than 10 billion riyals in 2021, and the number of approved credit applications has reached 125 since the bank was established.



The Saudi Export-Import Bank signed agreements with a number of banks with an estimated value of \$118.5 million, which included an insurance policy to enhance documentary credits with a local bank, with a value of \$63.5 million, and credit line agreements with a Jordanian and an Iraqi bank, worth \$55 million, to support importers of Saudi goods, services and products in the Jordanian and Iraqi markets.



The disbursement of financing loans worth 10 billion riyals during 2021, of which 2 billion riyals are loans provided to enterprises operating in the mining sector.



Top Achievements



Infrastructure Development

Top Achievements / Infrastructure Development



Inauguration of Mudon Oasis
 Al-Qassim of

706 Thousand m²

Establishing "Modon" oasis in Qassim, which covers an area of 706 thousand square meters and was **created to promote women's industrial investments.**



Extension of
 fiber optic lines with a length of

12 km

The completion of the extension of fiber-optic lines with a length of 12 km **in order to serve the facilities of the Royal Commission in Jazan City for basic and downstream industries.**



Completing the evaluation of

63 Factories

Evaluated factories in Modon's industrial cities and delivered digital transformation roadmaps, making the cumulative number of total factories assessed 63. **Implementing the digital roadmaps is expected to contribute to a 10%-40% EBITDA increase due to increased factory efficiency.**



Installation and replacement

10 million Smart Electric
 Meters

Completing the smart electric metering project, which includes the installation and replacement of 10 million meters across the Kingdom, 40% of which are locally manufactured, **in order to contribute to the electrical network's digital transformation and increase its reliability.**



Completing the establishment of

197 Ready-made factories

The completion of 68 ready-made factories, bringing the number of ready-made factories to 197, as well as the completion of 16 self-storage facilities, bearing in mind that the total target for completion is 416 ready-made factories and 64 self-storage facilities, **with the aim of attracting more investments in the industrial sector by easing the investor's journey.**

Top Achievements



Improvement of Regulation and Legislation

Top Achievements / Improvement of Regulation and Legislation



Launching the "Made in Saudi" program
With the aim of promoting the national product, enhancing the culture of loyalty towards it, and enabling it to compete in the local and global markets.



5 Mandatory lists with an impact of up to **8.5** billion riyals

Launching 5 mandatory lists (including: food and agricultural, artwork, pharmaceutical, medical supplies, building and construction), These lists cover more than 319 products. **The expected impact on industrial local content as a result of these mandatory lists is up to 8.5 billion riyals.**



Expanding the use of Local Content Score in Commercial Evaluation

53% Of the total government spending on management consulting services **35%** Of the total government spending on IT services

Expanding the use of local content score in commercial evaluation mechanism to include 53% of total government spending administrative advisory services and 35% of total government spending on information technology services, **with the aim of raising the contribution of local content and enabling it to compete.**



Localization of pharmaceutical products including

103 Products

Launching the second updated version of the mandatory list of pharmaceutical products, which now comprises 103 medicinal items and preparations. **The list aims to increase the local content and enable it to compete in the promising industries area.**



Launching the Fourth Industrial Revolution Center in cooperation with the World Economic Forum

WEF

Launching the Fourth Industrial Revolution Center to be a multilateral platform that brings together government and private sectors around the world to promote the development of policy and governance frameworks that support the technologies of the Fourth Industrial Revolution in the Kingdom. It is the result of cooperation between the World Economic Forum and King Abdulaziz City for Science and Technology.



Launching the unified logistics license and handing over the first package of licenses to

International and local leading companies

32

Launching the unified logistics license and handing over the first package of licenses to 32 leading international and local companies in order **to accelerate business and apply global best practices in the logistics industry.**



Approval of the regulation That regulates the activity of freight brokers

Approval of the regulation that regulates the activity of freight brokers, which aims to regulate the sector of transporting goods by trucks, boost the professional competence of drivers and operating managers, as well as enhancing the operational efficiency of trucks and raising the level of road safety, and to preserve the environment, enhance the level of competitiveness of the sector to **provide the best services, and regulate the contractual relationship between all parties to the transfer process.**

Top Achievements / Improvement of Regulation and Legislation



Approving the regulation for the light transport of goods on roads

This regulation aims to regulate the transport of goods on roads with light transport vehicles whose total weight do not exceed 3500 kg, **which contributes to raising the efficiency and quality of transporting goods of all kinds, supporting the logistical movement and supply chains, preserving the environment, raising the level of safety and services provided to beneficiaries, and organizing the relationship between all parties to the transfer process.**



Developing a mechanism for regulating the entry of trucks into cities

This mechanism enables carriers working in the activity of transporting goods on land roads to have the correct movement in times of prevention, peak and traffic congestion on main roads in cities, which contributes **to reducing long waiting periods for drivers, developing operational aspects, reducing costs, accelerating shipping operations in cities and regions of the Kingdom, and raising the efficiency and quality of operational services for the logistics movement, providing reports and data to support the decision-making process and developing the sector, working to achieve the targeted economic growth, and reducing financial losses for carriers.**



Merging the Saudi Railway Organization into the Saudi Railways Company (SAR)

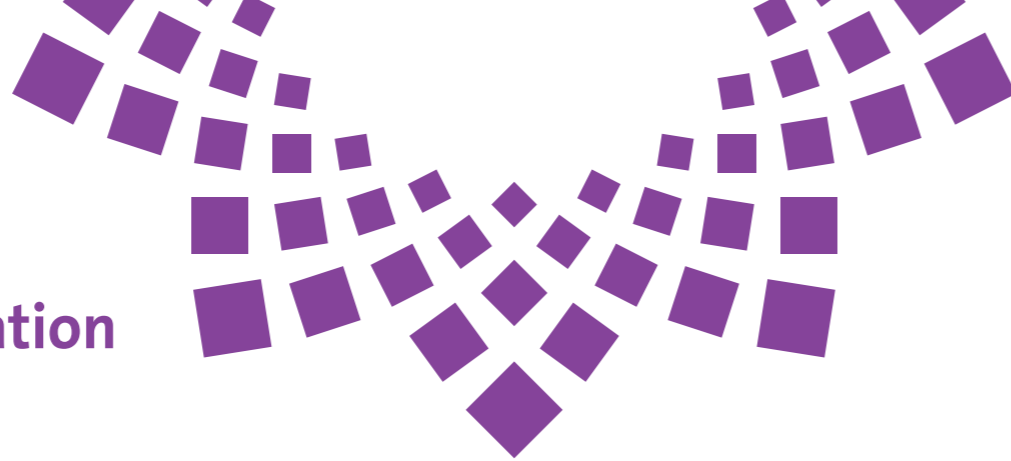
It is an important step in the field of privatizing some of the transport sector's work, which raises efficiency and flexibility, **enhances the effectiveness of services, achieves optimal investment of resources, and contributes to rail linking between the regions of the Kingdom and neighboring countries.**



Launching the Supply Chain Finance Product

Launching a supply chain finance product in partnership with SABB Bank; **To enable the private sector to invest in the development of supply chains, and to increase investments in the targeted sectors.**

Top Achievements / Improvement of Regulation and Legislation



هيئة المحتوى المحلي
والمشتريات الحكومية
Local Content & Government
Procurement Authority



Including
208+ National products in the price preference mechanism
With an impact that exceeds
500 million riyals

More than 208 national products were included in the price preference mechanism (in sectors such as building and construction, health care, industry and energy) with an impact of more than 500 million riyals, **with the aim of raising the contribution of local content, and enabling the national product in government tenders and procurement.** The value of government tenders to which the price preference mechanism applies exceeded 21 billion riyals.

هيئة المحتوى المحلي
والمشتريات الحكومية
Local Content & Government
Procurement Authority



Including Local Content Score in Commercial Evaluation & Minimum Local Content Threshold mechanisms in 607 government competitions
With an impact that exceeds
33 billion riyals

The mechanisms of Local Content Score in Commercial Evaluation & Minimum Local Content Threshold were included in 607 government tenders with a total value of 93 billion riyals, with an impact of more than 33 billion riyals on the local content.

هيئة المحتوى المحلي
والمشتريات الحكومية
Local Content & Government
Procurement Authority



REACHING
800+ certificates of the local content was issued

Issuing more than 545 certificates of local content for the private sector during 2021, and the number of certificates since the activation of the new government tenders and procurement law has exceeded 800 certificates.

وزارة الطاقة
MINISTRY OF ENERGY



Completing the transfer of
the Saudi energy procurement
company (Principal Buyer)

With the efforts of the Ministerial Committee for the Restructuring of the Electricity Sector and the Saudi Electricity Company, the Saudi Energy Procurement Company (Principal Buyer) was transferred from the Saudi Electricity Company, to ensure ease of business operations for stakeholders and encourage private investment, **In order to achieve financial sustainability, increase efficiency and impartiality, and avoid conflict of interests.**

وزارة الصناعة
والتروة المعدنية
Ministry of Industry and Mineral Resources



Issuance and renewal
775 Licenses according to the new mining investment law

Launching the new mining investment law, where 32 exploration licenses, 164 exploration licenses and 579 building materials quarry licenses were issued and renewed by the end of 2021, which will contribute to **increasing non-oil revenues and diversifying sources of income.**

وزارة الصناعة
والتروة المعدنية
Ministry of Industry and Mineral Resources



Issuances
954 New industrial Licenses

Issuing 954 new industrial licenses, in addition to the activation of 820 new factories, represents 8% of the Kingdom's existing factory base, which is estimated at 10,293 factories **and serves the Kingdom's industrial production base expansion.**

وزارة البيئة والمياه والزراعة
المملكة العربية السعودية



Application of the
monitoring
and follow-up
program

Implementing a monitoring and follow-up program for biosecurity controls in aquaculture projects across the Kingdom. The program aim to ensure the sustainability of the projects' work and to reduce the risk of infection with diseases, particularly viral ones, which pose a significant challenge to aquaculture projects. **Through the application of the Biosecurity Protocol, the application of best practices and production quality in the sector Farming in the Kingdom was ensured**

وزارة الطاقة
MINISTRY OF ENERGY



Launching the service
of issuing licenses for
the use of petroleum
products

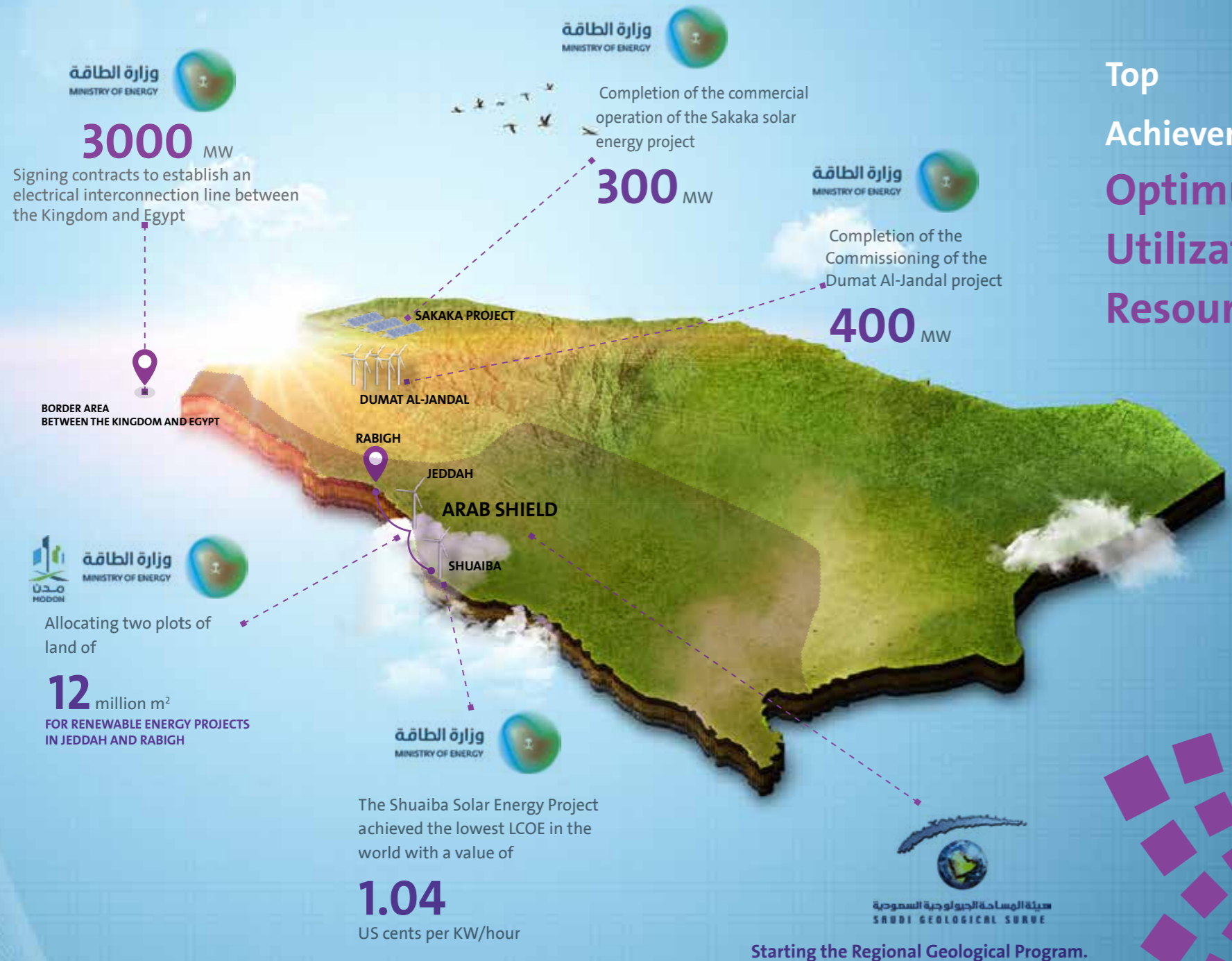
The launch of a service for issuing petroleum product licenses to the **private sector** as part of the approval and implementation of the petroleum product trading system.

Top Achievements

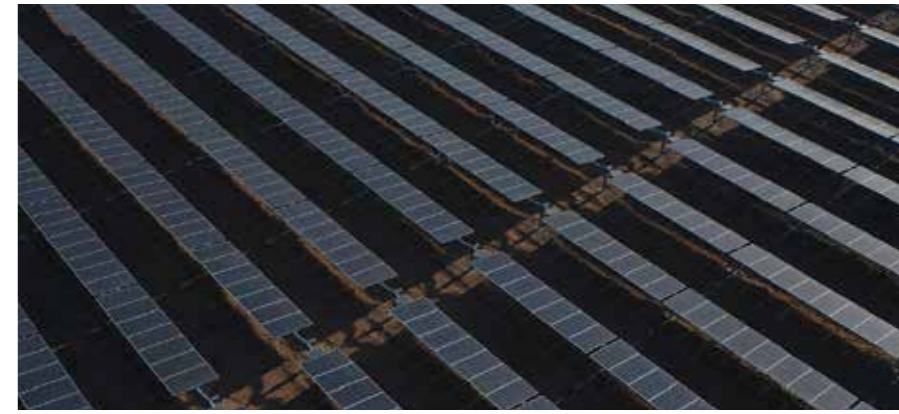


Optimum Utilization of Resources





Top Achievements / Optimum Utilization of Resources



125 thousand benefited from high-efficiency air conditioners

About **125,000 citizens benefited from 295,000 high-efficiency air-conditioning units** within the air-conditioners manufactured locally around the regions of the Kingdom, contributing to stimulating and supporting the local industry, and achieving an estimated saving of 245,000 barrels of oil equivalent annually, in addition to reducing carbon dioxide emissions. With approximately 78 thousand tons annually, **the High Efficiency Air Conditioning Initiative won the first place award in the Arab Energy Efficiency Day competition presented by the Secretariat of the Arab Ministerial Council for Electricity** emanating from the economic sector of the General Secretariat of the League of Arab States, as the best financing mechanisms provided for the year 2021 at the level of Arab countries



300 MW of the Sakaka project

The completion of the commercial operation of the Sakaka solar photovoltaic project with a total capacity of 300 MW, through which the Kingdom aims to **increase the contribution of renewable energy sources in the energy mix for electricity production by about 50% by 2030.**



727 million SAR

The mining sector in the Kingdom has achieved the highest revenues in its history, as a result of the reforms and the rapid development witnessed by the sector. The achieved revenues for the year 2021 amounted to more than 727 million SAR, which is an increase of 27% over the returns achieved in the previous year.



1.04 US Cents/ KWH

The Shuaiba solar photovoltaic project has achieved a world record for the lowest cost of purchasing electricity produced from solar energy in the world. The purchase cost reached (1.04) US cents per kilowatt-hour, which reinforces **the Kingdom's leading role in the renewable energy sector.**

Top Achievements / Optimum Utilization of Resources



Training

525 Trainees in the field of nuclear and renewable energy

Signing 3 agreements to train 525 trainees in order to activate educational and training program and attraction mechanisms in the fields of nuclear and renewable energy as part of the initiative to rehabilitate the human capital required for the nuclear and renewable energy industries. These agreements cover a variety of programs and opportunities for professional and industrial growth, education and knowledge dissemination



The total capacity of renewable energy projects under bidding and execution is

7,100 MW
 By the end of 2021

The total capacity of renewable energy projects under bidding and execution is **7,100 MW** and a capital cost of about 19 billion riyals. Agreements were signed for a number of solar energy projects during 2021 that resulted in the establishment of a number of Saudi companies.



Launching the Saudi Logistics Academy

300 Trainees

The establishment of the Saudi Logistics Academy and the training of 300 trainees as part of the activities supporting the Kingdom's Vision 2030. The academy's mission is to deliver distinctive professional competencies while also strengthening national human capabilities through a variety of specialized logistics training programs.



Completion of the commissioning of the Dumat Al-Jandal wind power project, with a total capacity of

400 MW

Completion of the trial operation of the Dumat Al-Jandal wind power project with a total capacity of 400 MW, which is the largest project of its kind in the region, and aims to increase the contribution of renewable energy sources to the energy mix for electricity production by about 50% by 2030.



Allocating two plots of land of

12 million m² to develop two renewable energy plants

The Saudi Authority for Industrial Cities and Technology Zones (Modon) has allocated 12 million square metre 2 areas, to create two renewable energy plants with a combined capacity of 600 megawatts in the Third Industrial City in Jeddah and the Industrial City in Rabigh. The project aims to reduce the costs of electric power production by exploiting renewable energy sources.

Top Achievements / Optimum Utilization of Resources



Launching Saudi-Egyptian electrical interconnection project

Launching the Saudi-Egyptian electrical interconnection project (transfer stations, submarine cable and overhead wires) **to build 3000 megawatt electrical interconnection line between the Kingdom and Egypt. The project came as part of the electrical interconnection initiative with Egypt.**



Starting the works of the Regional Geological Program of the entire area of the Arabian Shield

Inauguration and launch of the airborne geophysical survey of the Arabian Shield to provide the necessary initial data as part of the "Regional Geological Program." initiative, through which geological data will be provided for the entire area of the Arabian Shield **in order to enable exploration work and enhance the role of the mining sector and raise its contribution to the gross domestic product.**



Training more than

450

Employees

A campaign to raise awareness of the Fourth Industrial Revolution was conducted, in which 100 companies participated. Over 450 employees have been trained during this campaign on the concepts and applications of the Fourth Industrial Revolution. **The campaign aims to contribute to accelerating the adoption of the technologies of the Fourth Industrial Revolution.**



Launching and commissioning of hybrid solar and diesel generators

Launching and operating solar energy systems and hybrid diesel generators with a combined capacity of approximately 3 megawatts. The step aims to aid the localization of renewable energy technologies in the Kingdom through the solar energy systems integrated with diesel generators. **Furthermore, it will also provide approximately 2 million liters of diesel fuel annually and reducing carbon emissions by approximately (5,800) tones per year.**



الهيئة السعودية للمواصفات والمقاييس والجودة
Saudi Standards, Metrology and Quality Org

Developing the industrial standards

Developing the technical capabilities of industrial standards for the most important standards-related entities in the government sector (such as: Saudi Food and Drug Authority and Zakat, Tax and Customs Authority), by providing a specialized training program in the standardization system and quality infrastructure, **with the aim of developing capabilities and raising technical expertise related to industrial standards, thus contributing to the localization of promising industries.**



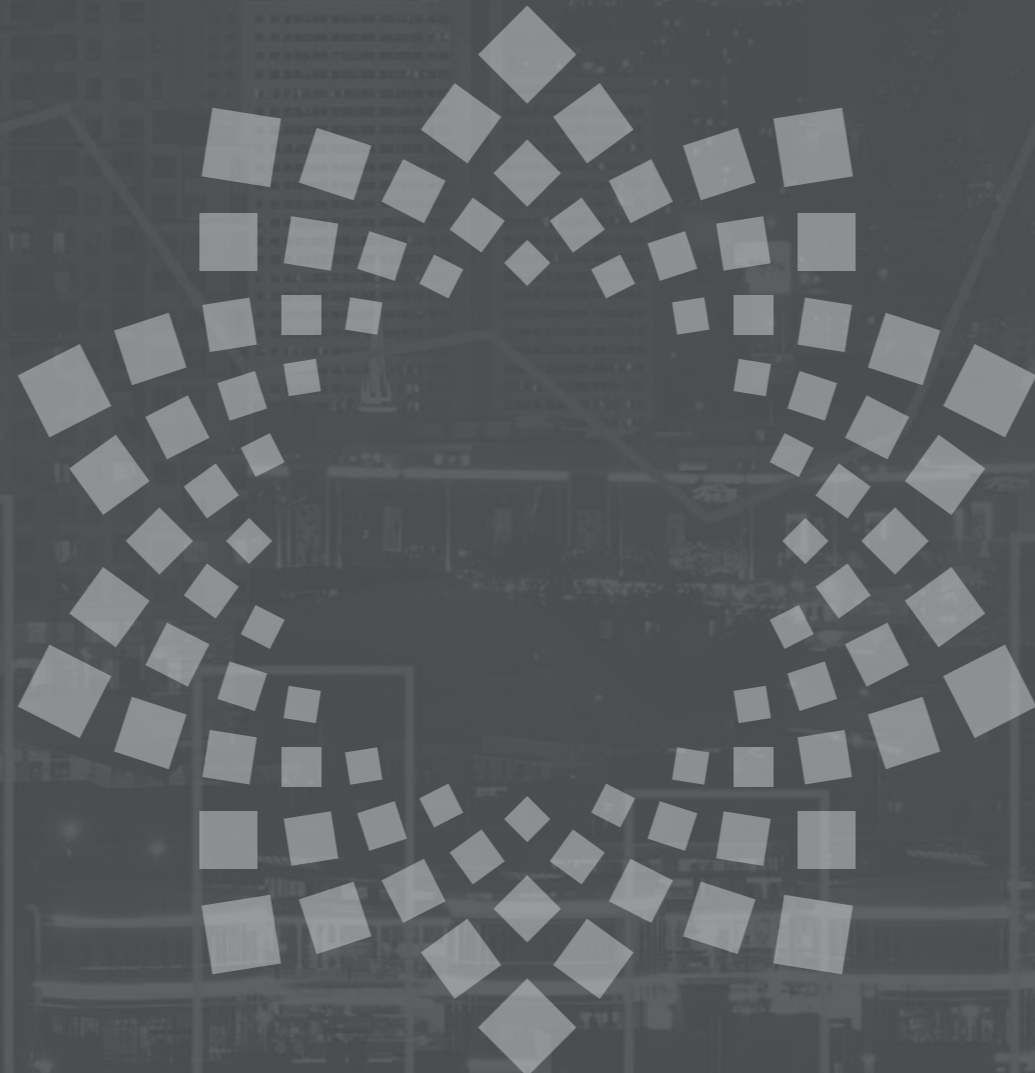
Investments of up to

59.4

million riyals

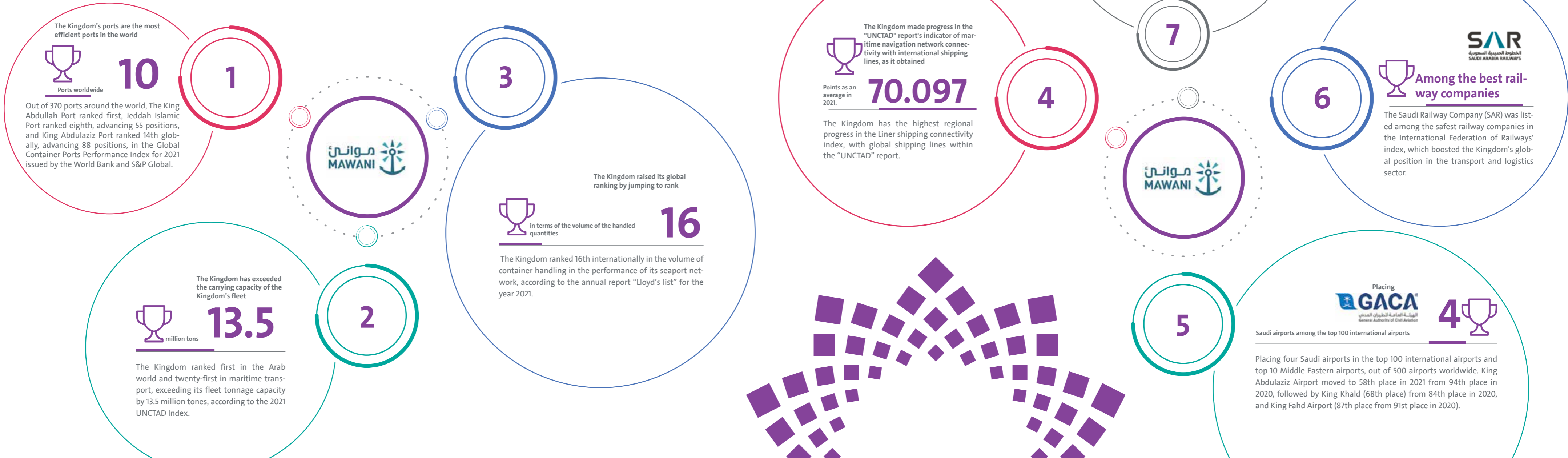
Launching the "Logistics\Industrial Land and Loan" product in King Abdullah Economic City with a total financing of 59.4 million riyals **to advance local industry, expand industrial and logistical growth opportunities, as attracting investment by streamlining business processes, reducing effort, time, and mitigating risk.**

Top Achievements

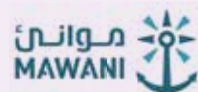


Access to Markets

Top Achievements / Access to Markets On the Global Ranking



Top Achievements / Access to Markets



Trade agreement with the Hapag-Lloyd Shipping Line



A trade agreement with the Hapag-Lloyd shipping line **to increase transshipment operations in the Kingdom's ports, and this contributes to increasing the market share of the Kingdom's ports from regional transshipment, as the Kingdom's ports currently occupy approximately 21% of the transshipment market in the region, And 80% of the total transshipment market in the Red Sea, aiming to acquire more than 50% of the transshipment container market by the end of 2030.**



merchandise exports
totalled Exports

231

billion riyals

Non-oil merchandise exports totaled 231 billion riyals in 2021, 37% higher than 2020, **which raised the contribution of non-oil exports to the GDP.**



Launching a new transshipment service to connect King Abdulaziz Port, Khalifa Bin Salman Port and Far East Ports

Launching a new transshipment service to link King Abdulaziz Port in Dammam, Khalifa Bin Salman Port in the Kingdom of Bahrain and the Far East Ports, in partnership with the Saudi International Ports and Shipping Line (OOCL), **with the aim of increasing transshipment quantities at King Abdulaziz Port in Dammam, and enhancing the flow of traffic Trade between the Kingdom of Saudi Arabia and the countries of the region and the world.**



Launching the unified
logistics license for

32

Companies
and local
companies

Launching the unified logistics license and handing over the first licenses to 32 leading international and local companies **in order to accelerate business and apply global best practices in the logistics industry.**



An agreement between
SAR and SABIC to transport

300

thousand
containers
annually

The Saudi Railway Company (SAR) has entered into an agreement with "SABIC" to transport polymers via railways from Jubail Industrial City to King Fahd Industrial Port in Dammam for 25 years. It is also expected to transport more than 300,000 containers annually, **which will contribute to reducing the number of traffic accidents and Carbon emissions by 19%, as it will cancel at least 300,000 truck trips from the roads annually, which helps to improving road infrastructure.**



Saudi ports achieved an increase in the total number of transshipment containers by

14.27%

With more than 242
thousand TEUs

Transshipment containers increased in the Kingdom's ports by 14.27% during May 2021.

Top Achievements / Access to Markets



SAR
الخطوط الحديدية السعودية
SAUDI ARABIA RAILWAYS

Among the best railway companies

The Saudi Railway Company (SAR) was listed among the safest railway companies in the International Federation of Railways' index, **which boosted the Kingdom's global position in the transport and logistics sector.**

موانئ
MAWANI

An increase in the total handled goods exported and imported by more than

5 million tons

Increase in the total cargo in the King Fahd Industrial Port in Jubail in July 2021 by 3.45%, more than 5 million tons, compared to the same period of the previous year.

موانئ
MAWANI



Arrival of the world's first and largest cargo ship

Arrival of the world's first and largest LNG-powered cargo ship to Jeddah Islamic Port. This achievement reflects **the Kingdom's progress in transportation and logistics infrastructure. The anchoring of this massive ship in Jeddah Islamic Port is likewise regarded as a historic event. It also asserts on the position of the Jeddah Islamic Port, which is a major marine junction linking Asia, Europe and Africa.**



Top Achievements



Developing System and Process

Top Achievements / Developing System and Process



Completion of the big data and the smart operations center systems in Yanbu Industrial City

Completion of the two systems through the integration of the unified portal system with existing information technology systems **in order to contribute to the development of the city's technical infrastructure, which includes optical fibers, Internet of things applications, communication, and information services.**



Launching the service for amending trade licenses data electronically through the "Shamel" portal

The Royal Commission in Jubail has started an internet service to amend data on business licenses. The program comprises a range of electronic services for investors **in order to create and streamline processes for beneficiaries and realize the goal of digital transformation.**



Developing a comprehensive operational model for the two-hour clearance program

Developing a comprehensive operational model for the two-hour clearance program **to streamline customs clearance processes and increasing the Kingdom's logistics sector's attractiveness**



Preparing the Capability Center for Fourth Industrial Revolution

Preparing the Capability Center for the Fourth Industrial Revolution of the King Abdulaziz City for Science and Technology in the second industrial city in Riyadh. The center will allow beneficiaries from the sectors of energy, mining, industry and logistics services to obtain **the necessary knowledge and experience to learn about the technologies of the Fourth Industrial Revolution and how to benefit from and develop them.**



Launching the pilot phase of the Fourth Industrial Revolution Capability Center

Launching the pilot phase of the Fourth Industrial Revolution Capability Center in cooperation with King Abdullah University of Science and Technology at the university's premises. **This center aims to accelerate the adoption of the technologies of the fourth industrial revolution in the sectors of energy, mining, industry, and logistics services.**



Launching the electronic objection platform for the Authority's violations

Launching the electronic objection platform for violations of the Transport General Authority; **To facilitate its processing and implementation automatically**, 15 business service centers were opened, and these centers belong to the Transport General Authority, and are distributed over the Kingdom's regions.



Launch of Washag Platform

Launching Washag Platform to connect the air shipments supply chain electronically, **thus facilitating the issuance of licenses for it and enabling its tracking.**

Top Achievements / Developing System and Process

وزارة الطاقة
MINISTRY OF ENERGY



Launching the registration phase on the electronic services platform for the Petroleum Products Control Department

Beginning the registration phase for the Petroleum Products Control Department's electronic services platform, as part of a project to automate the process of obtaining licenses to use petroleum products. **The platform will also enable the private sector to use petroleum products through giving import and export permits, as well as offering internal control and inspection procedures.**

GACA
الهيئة العامة للطيران المدني
General Authority of Civil Aviation

Signing of the Operational Protocol agreement for the areas of joint cooperation

The signing of an operational protocol agreement between Saudi Data & AI Authority (SDAIA) and the General Authority of Civil Aviation, **as well as the completion of the electronic connection of all national airlines through "Tawakkalna" application.**

وزارة النقل والخدمات اللوجستية
Ministry of Transport and Logistic Services



Launching The National Transport and Logistic Strategy

Launching the National Transport and Logistics strategy which includes major projects and ambitious initiatives **to promote the transport and logistics industry locally and globally to support sustainable development across the kingdom.**



Accelerated Steps



Launch of Daleel Platform



His Royal Highness, Minister of Energy Prince Abdulaziz bin Salman, and Excellencies, members of the Program Committee, launched “Daleel “ platform , which is an integrated interface that provides transparent, simple, and up to date information that the local and international investor may need on the investment journey in the energy, mining, industry and logistics sectors.



Activating the role of the private sector by attracting investments worth 50 billion riyals

A cooperation agreement was signed to invest in NIDLP sectors with the Ajlan and Brothers Holding Group (Ability), under the patronage and presence of His Excellency the Minister of Industry and Mineral Resources, Chairman of the Program Committee, Mr. Bandar bin Ibrahim Al-Khorayef, and in the presence of the Vice Chairman of the Board of Directors of the Ajlan and Brothers Holding Group (Ability), Mr. Mohammad bin Abdulaziz Al-Ajlan. This agreement aims to activate the role of the private sector by attracting investments worth 50 billion riyals.



NIDLP and Riyadh Bank launched the “We Finance, You Manufacture” and “We Invest, You Manufacture” initiatives worth 6 billion riyals.

under the patronage and presence of His Excellency the Minister of Industry and Mineral Resources, Chairman of the Program Committee, Mr. Bandar bin Ibrahim Al-Khorayef, and in the presence of the Chairman of the Board of Directors Riyadh Bank, Eng. Abdullah Al-Issa. The “We Finance, You Manufacture” initiative aims to finance the localization of 50 products in 5 sectors, at a value of 4 billion riyals, while the “We Invest, You Manufacture” initiative aims to finance investment funds specialized in the industrial sector in 3 sectors, at a value of two billion riyals.



Establishing platforms and use cases for emerging technologies in the industrial, energy, mining and logistics sectors

The National Industrial Development and Logistics Program "NIDLP" and the Saudi Telecom Company (STC) have signed an agreement to collaborate on developing national platforms and use cases for new technologies in the sectors of energy, mining, industry and logistics.

This memorandum reflects the Kingdom's positive growth toward collaboration between the public and private sectors, as well as its commitment to achieving the Kingdom's Vision 2030 objectives.

It's objectives include: Collaboration in the development of national platforms and use cases for new technologies in the program's sectors. Additionally, it seeks to collaborate within the framework of national information and communication technology logistics by utilizing the Saudi Telecom Company's fundamental capabilities, as well as enabling and supporting the achievement of the National Industry Development and Logistics Program initiatives.



Activating the Capability Center For adopting the Fourth Industrial Revolution technologies

The National Industry Development and Logistics Program "NIDLP" signed a memorandum of understanding with King Abdullah University of Science and Technology "KAUST", in the presence of His Excellency Bandar bin Ibrahim Al-Khorayef, Minister of Industry and Mineral Resources and Chairman of the Program Committee. The memorandum aims to: Establishing a partnership to activate the Capability Center for the Fourth Industrial Revolution in the Western Region to accelerate the adoption of Fourth Industrial Revolution technologies in the program's sectors. Additionally, it intends to build a road map and outstanding program that will allow this center to accomplish its objectives, as well as suitable structures and methods. Additionally, it seeks to deliver premium services to beneficiaries through a single digital platform, while collaborating with relevant authorities to establish the criteria identifying Fourth Industrial Revolution capability centers as national capability centers.





National Industrial
Development and
Logistics Program



VISION رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



National Industrial
Development and
Logistics Program

نتكامل لصناعة المستقبل
Integrating Towards a Prosperous Future



Local Content



Industry 4.0



Logistic



Industry



Mining



Energy