



The Annual Report of 2020



نتكامل لصناعة المستقبل
Integrating Towards a Prosperous Future





“We are determined to continue implementing economic reforms and keen to complete the achievements of Vision objectives”

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



“All success stories start with a vision, and successful visions are based on strong pillars”

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

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Chairman of NIDLP Committee
 Minister of Industry and Mineral Resources
Bandar bin Ibrahim Alkhorayef

H.E. Chairman of the Program Committee Message

The goal of Vision 2030 is to achieve a quantum leap forward for the Saudi economy on all fronts with a particular emphasis on industry, mining, energy, and logistics.

Due to the vital importance of integrating these sectors, the related Vision objectives were assigned to a single program, the National Industrial Development and Logistics Program (NIDLP), which is operated by a group of talented and qualified Saudi professionals, who will make the transformation and are capable of bringing about change by working in harmony with the Executing Entities.

NIDLP worked with its executing entities in 2020 to update the Program Delivery Plan, incorporating a number of objectives such as accelerating the adoption of Fourth Industrial Revolution applications, enhancing supply chains and logistics, achieving medical, pharmacological, and food security, strengthening military capabilities, increasing the reliability of the energy supply, achieving sustainability, and others which will be outlined in this report.

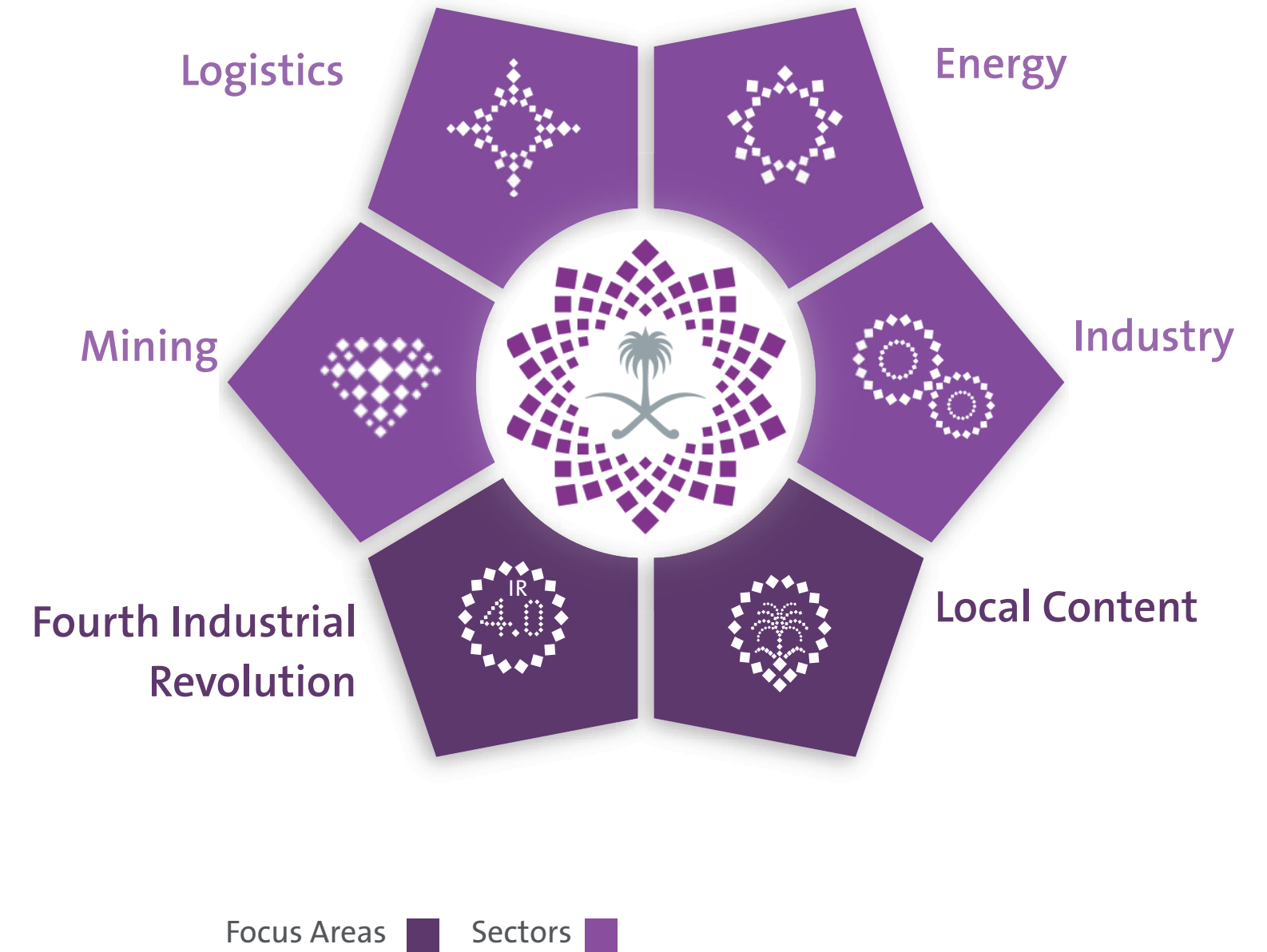
This report also highlights a number of the Program's success stories to date. Thanks to the combined efforts of the Executing Entities and their commitment to implementing the initiatives, accomplishing targets, and maximizing the benefits of the Fourth Industrial Revolution and Local Content — the two focus areas — the Program has seen record-high performance in all of the sectors it covers. The numerous achievements include the discovery of two new oil and gas fields at the northern borders of the Kingdom, the approval of the new mining law, the inauguration of the Jadidat Arar border crossing, and the launch of the first locally manufactured fast interceptor vessel. All of these are a result of the exceptional and continuous support of The Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince and Chairman of the Council of Economic and Development Affairs.

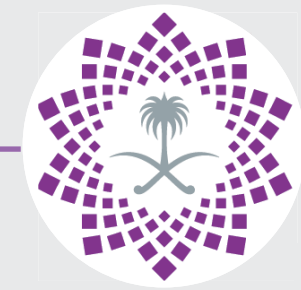
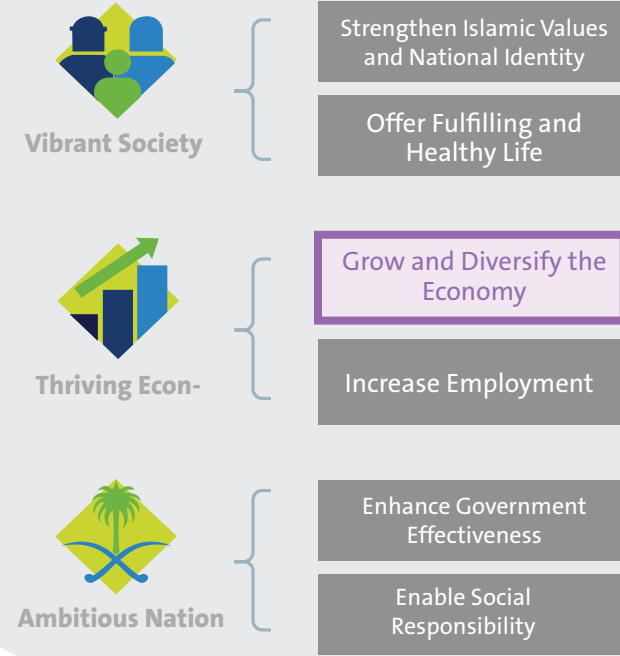
Through its Executing Entities, the Program targets a number of vital objectives in 2021. These include completing the comprehensive energy strategy; awarding a package of renewable energy projects; com-

pleting the national industry strategy; launching three special economic zones; fulfilling the maritime transport strategy; launching the Jadeer platform to enable small and medium industrial enterprises to bid for contracts from major national companies; and launching the “Made in Saudi” platform to support national production and increase non-oil exports in light of the vision and aspirations of the Kingdom. Being so proud of the achievements in the previous period, I am totally confident that the future will be even better and more impactful.

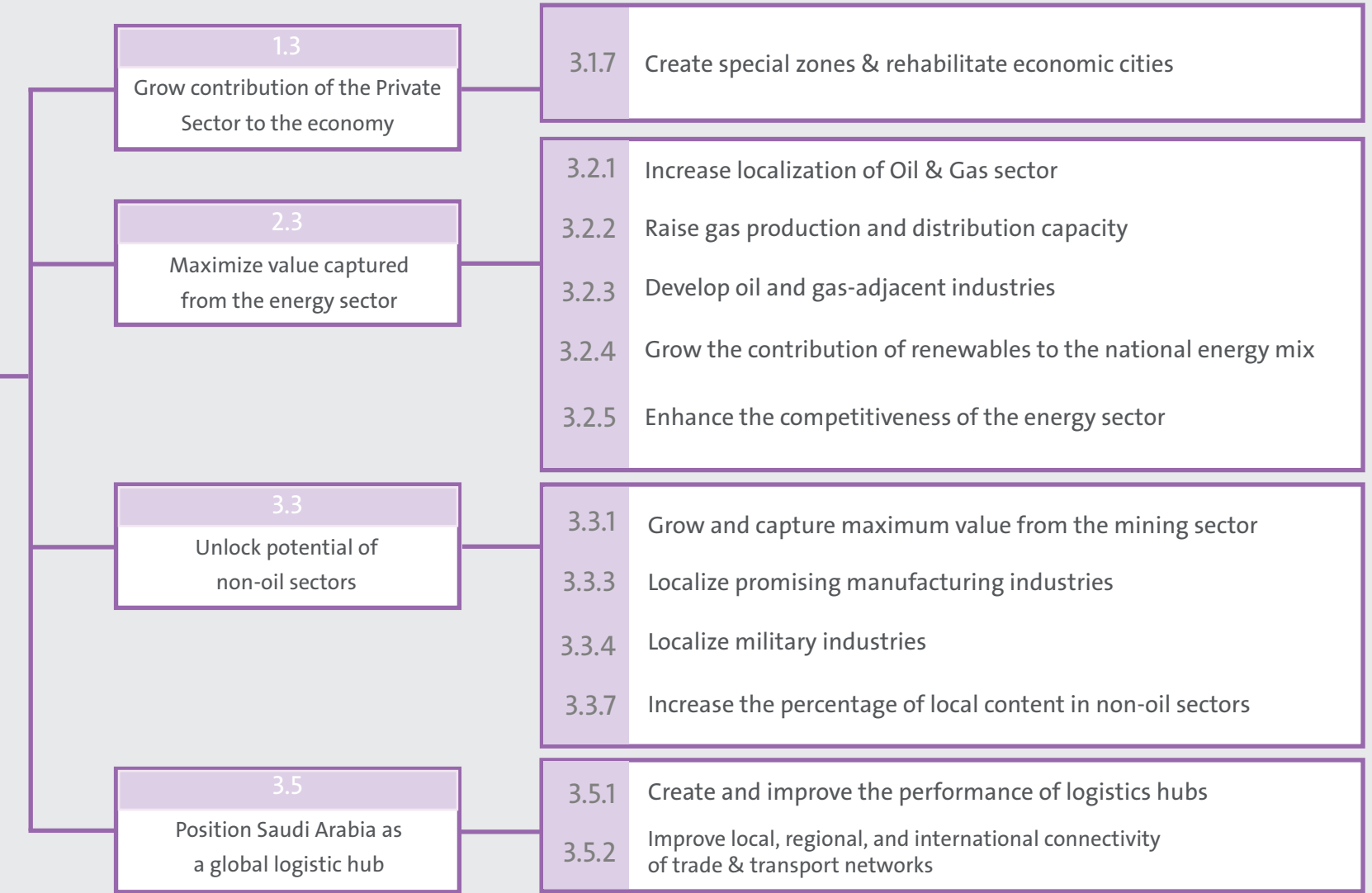
NIDLP Updated Scope

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.





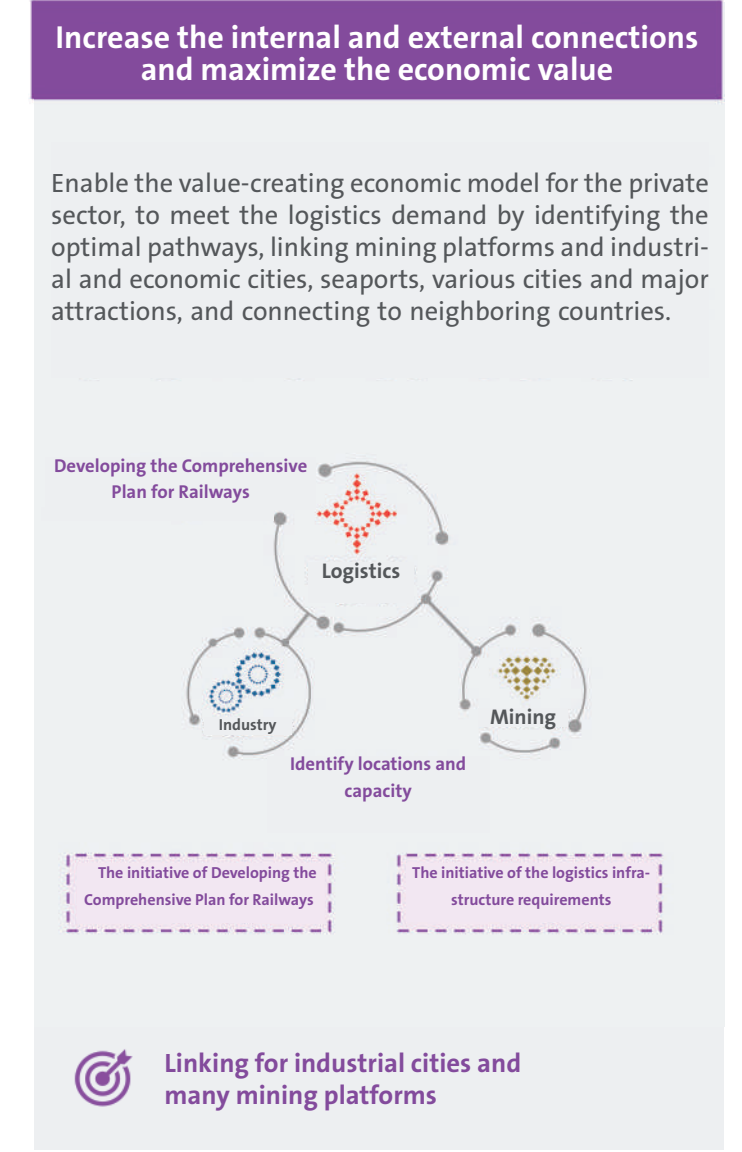
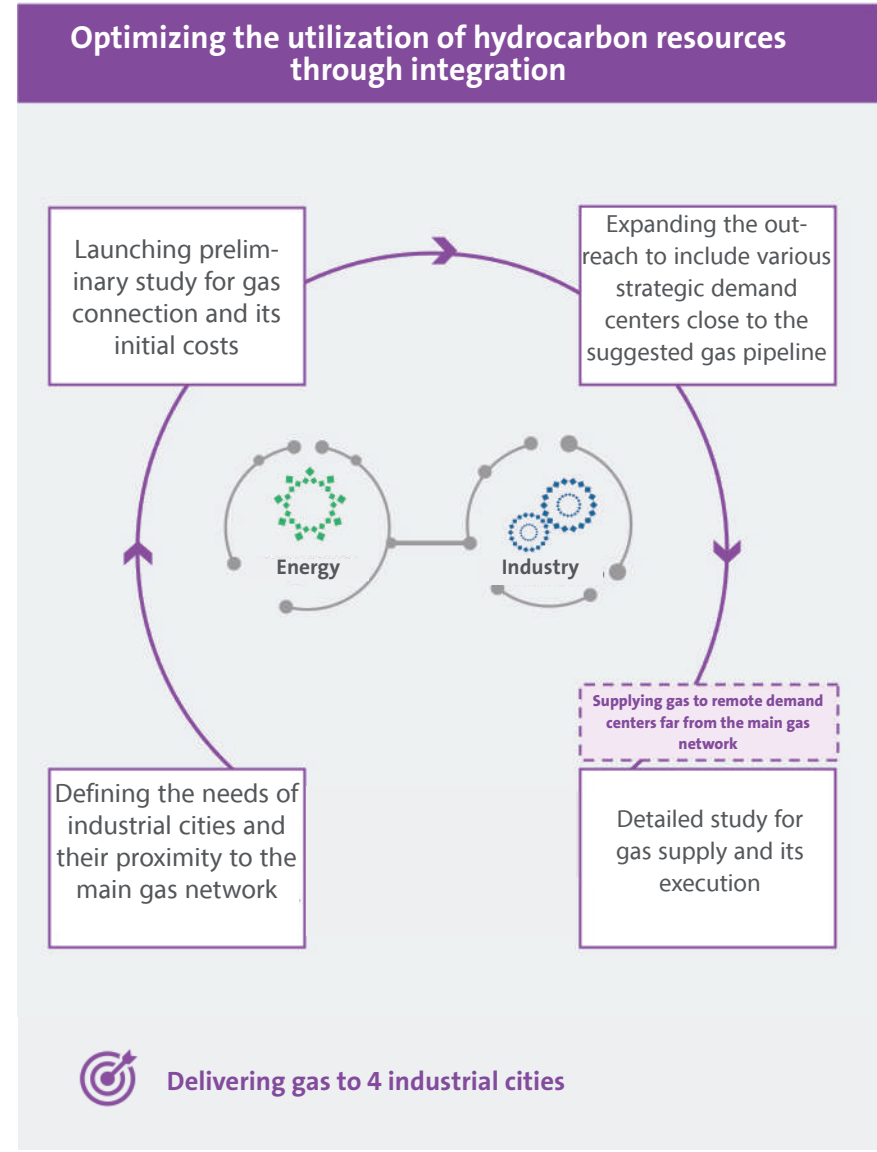
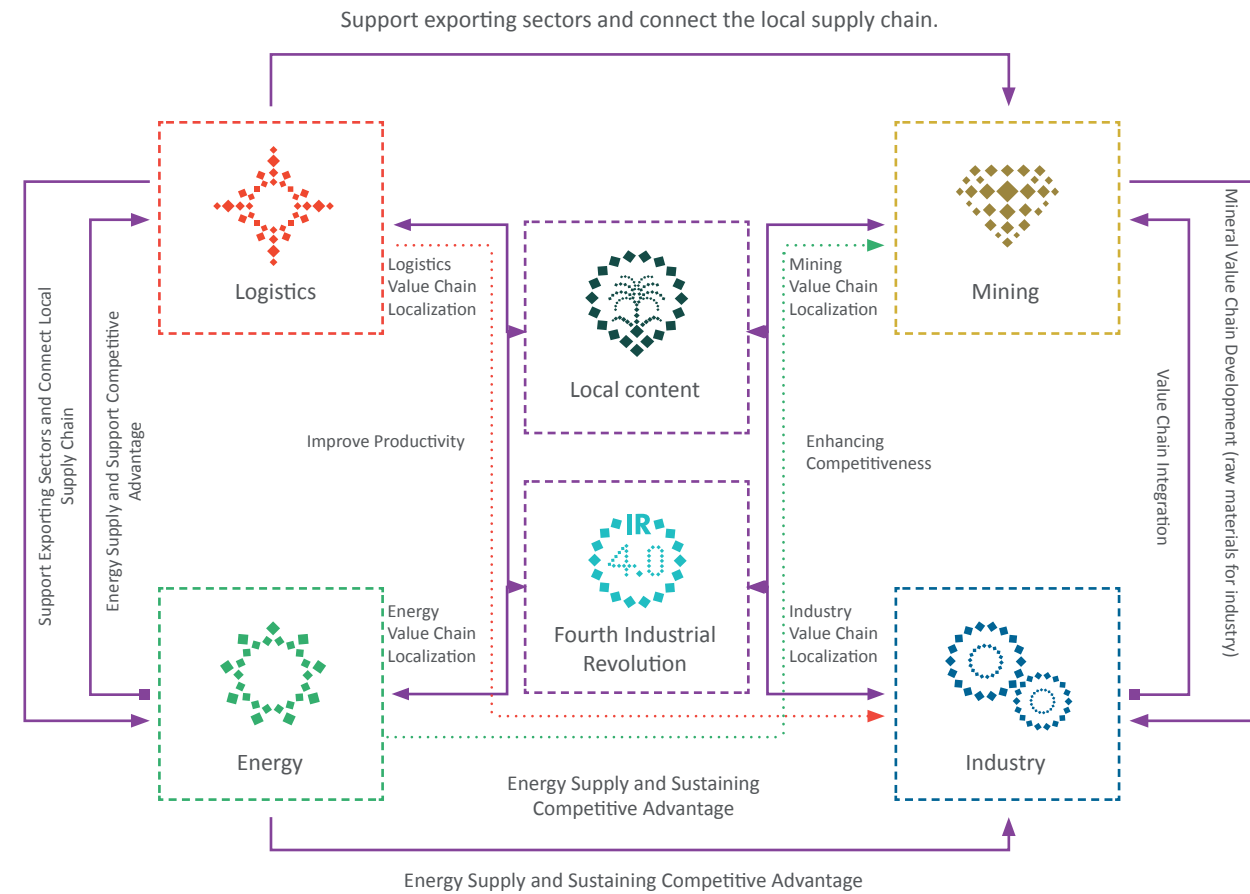
When the Program was launched, it was assigned 11 of the Vision 2030 strategic objectives. Recently, another objective was added — “Increase localization of the Oil & Gas sector” — bringing the total to 12 as follows:

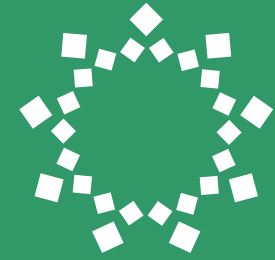


■ Indirect contribution □ Direct contribution

Shaping our future through integration

Combining 4 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 is 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.





Energy

In 1938 oil was discovered in commercial quantities at oil well No. 7 in Dammam, Well of Al-Khair, a historic moment for Saudi Arabia, and today the Kingdom is one of the largest and most reliable energy producers worldwide. This would not have been possible without the hard work of successive the generations in developing the energy sector, and the future of the sector depends on carrying on the work under ambitious and wise leadership.

The plan for maximizing the value captured by the energy sector involves the following:

- Strengthening the infrastructure of the electricity sector in the Kingdom to support economic growth.
- Increasing the added value of producing and distributing electricity, gas, ethane, and liquid natural gas.
- Increasing the contribution of natural gas and renewable energy in the national energy mix, making the Kingdom a leader in the renewable energy sector.
- Optimizing the use of hydrocarbon resources to support the Kingdom's economy while increasing the overall efficiency, in addition to supporting the execution of the liquid fuel displacement program.



Objectives

3.2.2
Raise gas production and distribution capacity


3.2.4
Grow the contribution of renewables to the national energy mix

3.2.5
Enhance the competitiveness of the energy sector


Aspirations for 2030




Become a leader in the renewable energy sector




Provide competitive electricity for consumers to achieve sector sustainability



Optimize the use of hydrocarbon resources to support the national economy



Increase the local content in the oil and gas sector to **75%**



Increase the proportion of renewable energy in the energy mix to **50%**

“We will not be part of the issue or just a part of the solution, we aim to be leaders in finding solutions.”



His Royal Highness
Prince Abdulaziz bin Salman Al Saud
Minister of Energy



Industry

The origins of Saudi Arabia's industrial sector can be traced back to the 1930s, the decade in which the Kingdom was making its first petroleum discoveries and Aramco was established. At that time, the sector was limited to traditional trades and handicrafts. In 1962, Petromin Lubricating Oil Company was established to handle all aspects of the industrial sector in the Kingdom except for Aramco's business. Petromin continued in this capacity until 1975 when the Ministry of Industry and Electricity took charge of industrial projects. Over 1974, 1975 and 1976 a number of industrial organizations were founded, including the Saudi Industrial Development Fund (SIDF), the Royal Commission for Jubail and Yanbu and the Saudi Arabia Basic Industries Corporation (SABIC). The Vision 2030 builds on these efforts to develop the industrial sector with the aim of turning the Kingdom into a leading industrial powerhouse through the National Industrial Development and Logistic Program.

The plan for maximizing the value captured by the industrial sector involves the following:









- Developing the industrial sector as one of the main pillars of the Saudi economy and enhancing the sector to contribute to improving macroeconomic indicators by expanding industries related to the oil and gas sector and developing and localizing promising and competitive industries, including the automotive, food, and pharmaceutical industries, among others, as well as localizing military industries and establishing a high-quality infrastructure.
- Protecting national industry from dumping and unfair competition, increasing the efficiency and competency of domestic products to compete at the regional and international levels, and thus improving promising industry sectors and enhancing exports.
- Maximizing the added value to the economy by increasing the contribution of local manufacturers to governmental purchases and capital and operational expenditures in the industry sector, developing human capital, training labor, and attracting investments to local industries in Saudi Arabia.
- Achieving positive economic impact from the localization of some industries and promotion of efforts in overcoming economic crises. The recent COVID-19 pandemic has given us a lesson in the importance of industries related to food and pharmaceutical security.
- Developing qualitative enablers to include establishing special industrial and economic zones, increasing the quality of economic and industrial cities, and improving laws and regulations to increase competitiveness and attract more regional and international investments.



Objectives

3.2.3 Develop Oil and Gas adjacent Industries	3.3.3 Localize promising industries	3.3.4 Localize military industries	3.1.7 Create special zones and rehabilitate economic cities
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Aspirations for 2030

 Localize 50% of military spending	 Making the renewable energy resources industry one of the leading industries in Saudi Arabia	 Localizing 40% of the pharmaceutical manufacturing market value and increasing the localization percentage of the medical devices and supplies manufacturing sector to 15%	 Localizing pioneering and internationally competitive machinery and equipment manufacturing
 Building regionally competitive and sustainable maritime industry	 Completing and rehabilitating the current economic zones and cities and approving 5 special economic zones	 Localizing 70% of the future supply chain of basic and intermediate chemicals and prioritizing 18 specialized chemical groups	 Making the Kingdom a regional hub for food industries to cover 85% of the local demand for processed food industries as well as enhancing the productivity of aquaculture

“We are keen to provide incentives for the industrial sector all around the Kingdom and we will soon witness a great leap in this sector”



H.E.
Bandar bin Ibrahim Alkhorayef
 Minister of Industry and Mineral Resources



Through its Executing Entities, NIDLP aims to position Saudi Arabia as a global logistic hub by utilizing its strategic location at the crossroads of 3 continents (Asia, Europe and Africa). This can be achieved through exploiting the Kingdom's extensive infrastructure network comprising 28 airports, 73 thousand km of roads (ensuring the country ranks number one worldwide in terms of road connectivity index), integrating with 10 sea-ports, and railways that connect key areas. Steps are being taken to accelerate the development of the transportation system and create and adopt modern transport technologies in order to compete with economies that have already reached an advanced level in this area to reach vision 2030 ambitions.

The plan for maximizing the value captured by the logistics sector involves the following:

- Enhancing the efficiency, quality, and speed of logistic services.
- Improving the quality of logistics infrastructure and increasing its capacity.
- Reducing freight costs by developing interconnections between different local intermodal networks, and developing competitive regional networks.
- Increasing the accuracy of the shipping timings and receiving goods.
- Enhancing the tracking and tracing of shipments and goods to supply chains and automating operations.
- Facilitating clearance procedures and cross-border movement of goods to support industrial growth and export and re-export of goods.
- Raising the efficiency of domestic distribution in order to allow the delivery of goods at a competitive cost, capitalizing on the strategic geographical location of the Kingdom.
- Strengthening the logistics sector's governance and regulations and encouraging private sector participation.



Objectives

3.5.1

Create and improve the performance of logistics hubs

3.5.2

Improve the local, regional and international connectivity of trade and transport networks

Aspirations for 2030



330 million passengers through the Kingdom's airports



40+ million Twenty Equivalent Units (TEU) the volume of goods transported through the Kingdom's ports



Increase the connectivity between the Kingdom and the rest of the world by air (attaining 15th place in the international air connectivity index) and sea (attaining 75th place in the shipping connectivity index)



Top 10 countries The rank of the Kingdom in the Logistics Performance Index (LPI)

“Saudi Arabia has invested more than SAR 400 billion in infrastructure during the last decade, and we plan to leverage our strategic location, expanded infrastructure and accelerated development of the national economy under Vision 2030 to drive growth in the logistics sector. The Kingdom is well positioned to take advantage of these elements and launch a unique transport and logistics offering which benefits from extensive linkages with associated sectors.”



H.E.

Eng. Saleh bin Nasser Al Jasser
Minister of Transport



Mining

Saudi Arabia's mining industry was launched during the reign of King Abdulaziz when mines were established in Mahd Al Thahab and Tholom. Mining activity was ramped up in the 1960s in an effort to diversify the Saudi economy and, more than 40 years ago, the Kingdom issued a law aimed at increasing surveys and exploration. Today, under Vision 2030, the NIDLP is working to make the sector the third pillar of the Saudi industrial economy.

The plan for maximizing the value captured by the mining sector involves the following:

- Improving laws and regulations to increase the competitiveness of the mining sector
- Creating new jobs and developing national personnel
- Gathering important geological data by completing the Geological Survey Program for the Arabian Shield region.
- Increasing expenditure on exploration to compete with international expenditure rates through private sector investment and the support of a proposed exploration fund.
- Finalizing the mining investment system and regulations to meet the objectives, aspirations, and sustainability goals of the mining sector.
- Improving the investor journey and increasing satisfaction levels by improving services, providing the necessary data in a digital format and with a high level of reliability, making data easily accessible, and reducing the exploration licensing period.
- Maximizing the added value of metallic ores by improving the value chains of mineral industries in partnership with the private sector to offer attractive investment opportunities.



Objectives

3.3.1

Grow and capture maximum value from the mining sector

Aspirations for 2030



Create new jobs

219,000 jobs



Maximize the mining sector's GDP contribution

SAR 176 billion



Increase the revenue of the sector by SAR 8.9 billion



Increase investment in the sector by improving regulations and issuing exploration licenses within 60 days

“The mining sector in Saudi Arabia is witnessing rapid expansion and will play a significant role in economic diversification and the development of non-oil income sources.”



H.E.

Bandar bin Ibrahim Alkhorayef

Minister of Industry and Mineral Resources

Resources



Industry 4.0

The Fourth Industrial Revolution is a new era that builds and extends the impact of digital transformation by enhancing existing business models and creating new ones. This includes but is not limited to smart factories, futuristic mines, smart grid and innovative logistics to increase productivity and competitiveness. The Fourth Industrial Revolution includes a wide range of advanced solutions and applications such as: robotics, artificial intelligence, nanotechnology, quantum computing, biotechnology, the Internet of Things, 3D printing and autonomous vehicles. Through Saudi Vision 2030, the NIDLP aims to create a competitive advantage and maximize the value of the Saudi Arabian industrial, mining, energy and logistics sectors while unlocking the full potential of the 4th Industrial Revolution (4IR).

The aspirations for the Fourth Industrial Revolution include the following:

1. Digital transformation of services and products:

This aims at integrating new technology components such as IoT, Big Data and AI with existing and new products designs to help companies collect and analyze data for products enhancements and developments

2. Leveraging digital solutions to reach customers:

Leading companies are expanding their service offering through leveraging digital solutions and platforms that provides data driven decisions and integrated services to create new or enhance existing business models that generate more revenues, retain existing customers and reach to new potential customers.

Objectives

3.3.2

developing the digital economy to enable the Fourth Industrial Revolution

Aspirations for 2030

 <p>Activating 5 national capability centers for Fourth Industrial Revolution technologies</p>	 <p>Enhancing sustainability, efficiency, and competitiveness in production</p>	 <p>Elevating Saudi Arabia as a leading country in adopting cutting-edge technologies</p>
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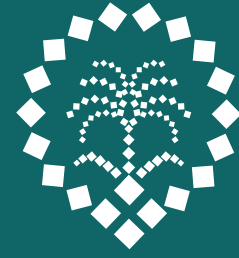
“We are applying the most advanced Fourth Industrial Revolution technological solutions and applications in order to accelerate our progress towards the realization of Vision 2030 objectives”



H.E.

Eng. Abdullah bin Amer Alswaha

Minister of Communications and Information Technology



Local Content

Saudi Vision 2030 calls for total economic transformation. Accordingly, local content has been one of the most important priorities of the NIDLP. The Local Content and Government Procurement Authority (LCGPA) was founded as a direct result of the NIDLP initiatives, established to lead transformation in local content. In addition, the NIDLP aims to localize critical industries, creating local job opportunities, and transferring knowledge in a diversity of fields.

The aspirations for local content include the following:

- Increasing the prominence of local products and services in government procurement.
- Localizing various value chains, and new industries.
- Increasing the share of non-oil revenue to national GDP.
- Maximizing the integration of different local value chains.
- Localizing critical industries and transferring of the know-how.
- Supporting the growth and competitiveness of local SME's.

Objectives

3.2.1

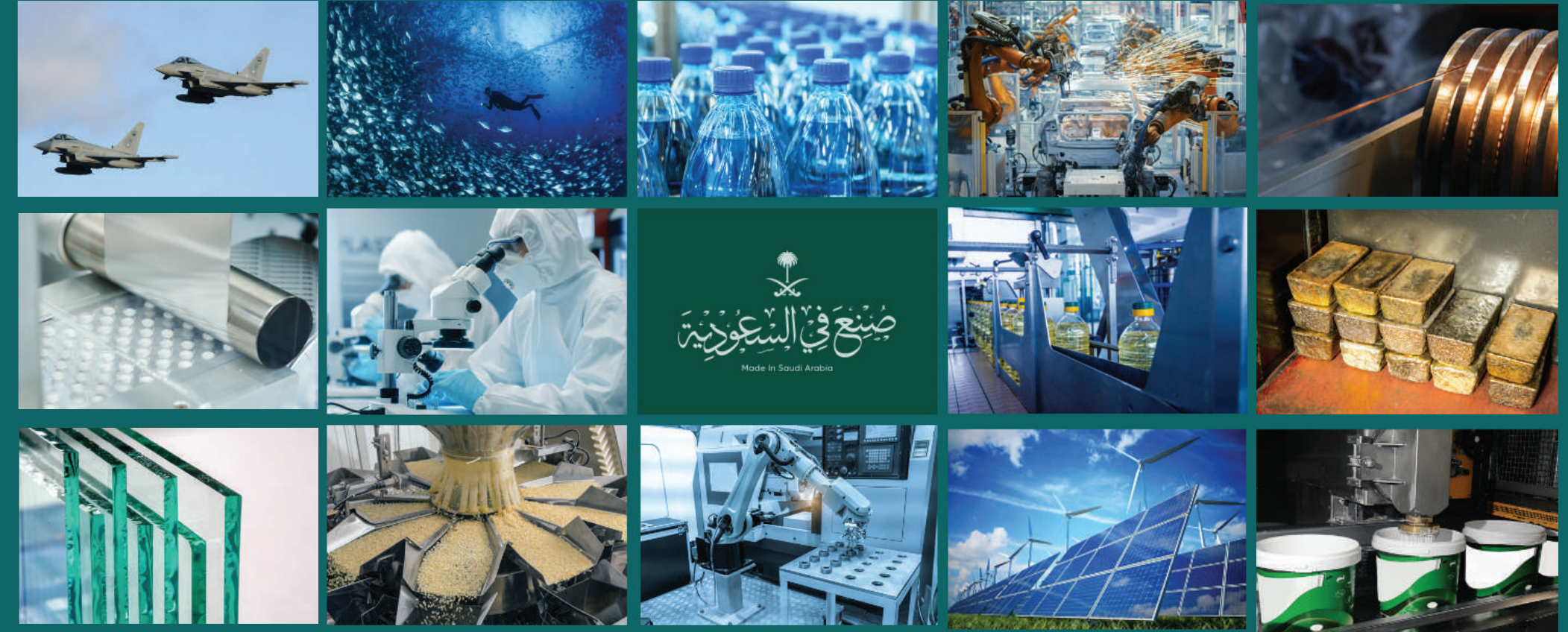
Increase localization of the Oil & Gas sector

3.3.7

Increase local content in non-oil sectors

Aspirations for 2030

Maximizing the added value of the economy by increasing local content in non-oil sectors up to SAR 1.747 billion and the percentage of local content in oil sectors up to 75%. This can be achieved through increasing procurement from domestic manufacturers and service providers, maximizing local content in domestic enterprise capital expenditures, developing human capital capabilities, and attracting investments to localize industries.



The process of updating NIDL Delivery Plan (2020-2025)

NIDL delivery plan has been updated for the period 2020-2025 to include, among other things, increasing investment in infrastructure, encouraging the participation of the private sector by amending laws and regulations, decreasing capital expenditure, enhancing road connectivity, increasing governmental interventions to bridge infrastructure gaps, and collaborations with major industrial companies in Saudi Arabia.

The delivery plan was updated after careful review with the help of more than 30 executing entities and following more than 500 workshops attended by 1,000 participants from the public sector and more than 70 leaders of major national companies. Feedback was sought on how to tackle more than 200 challenges and more than 90 lessons were reviewed over a 180-day period.



The process of updating and restructuring the delivery plan depended on many factors, including:

- Conducting, analyzing, and evaluating benchmarking with the best international practices
- Identifying the points of overlap and interaction between NIDL and other programs of Vision 2030
- Aligning with more than 15 NIDL-related national strategies

180+ days of reviewing and updating
1000+ participants from the public sector
200+ challenges
500+ workshops



An innovative methodology was developed to support NIDL's aspirations and **Vision 2030**. It is based on 4 main principles.

01

Looking forward to the opportunities of the future while accomplishing the commitments of the present.

02

Learning from previous experiences, benchmarking, and innovating to make great strides forward.

03

Engineering our products (enablers, incentives, and other services) to better focus on investor needs and added value.

04

Boosting the role of the private sector in economic growth through creating an attractive investment environment and necessary enablers.





Saudi Arabia's G20 Presidency

The 2020 G20 summit in Riyadh represented a major opportunity for the Arab region and highlighted Saudi Arabia's status on the international level.

This summit, which took place on November 21-22, 2020, was conducted at the conclusion of the Kingdom's first-ever G20 presidency, which lasted from December 1, 2019, until late November 2020. The theme for the Kingdom's G20 presidency was "seizing the opportunities of the twenty-first century for all." Saudi Arabia's G20 presidency was a unique opportunity for the Kingdom to represent Middle East and North Africa countries and other developing economies. Its also a chance for the Kingdom to share its Vision 2030 with the entire world since the Vision's objectives are consistent with the G20's goals, especially with regard to achieving macroeconomic stability and sustainable development, enhancing trade and investment, and empowering women.

At the start of the COVID-19 pandemic, the Kingdom hosted a virtual summit attended by all member states to discuss the adoption of stimulus packages to address the pandemic and mitigate its impact. Under the Kingdom's G20 presidency, the G20 nations allocated about USD 11 trillion to mitigate the economic impact of COVID-19 and support vaccine production. The G20 summit also stressed the importance of promoting inclusive economic activities, developing the circular economy, and reducing carbon emissions.



The end of an exceptional year..

“We stand today at the end of an exceptional year in which we had the privilege and responsibility of the G20 presidency. Since the beginning of this year, we set one goal, ‘Realizing the Opportunities of the 21st Century for All’, which includes themes such as: empowering people, safeguarding the planet, and shaping new frontiers.”

His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Deputy Prime Minister

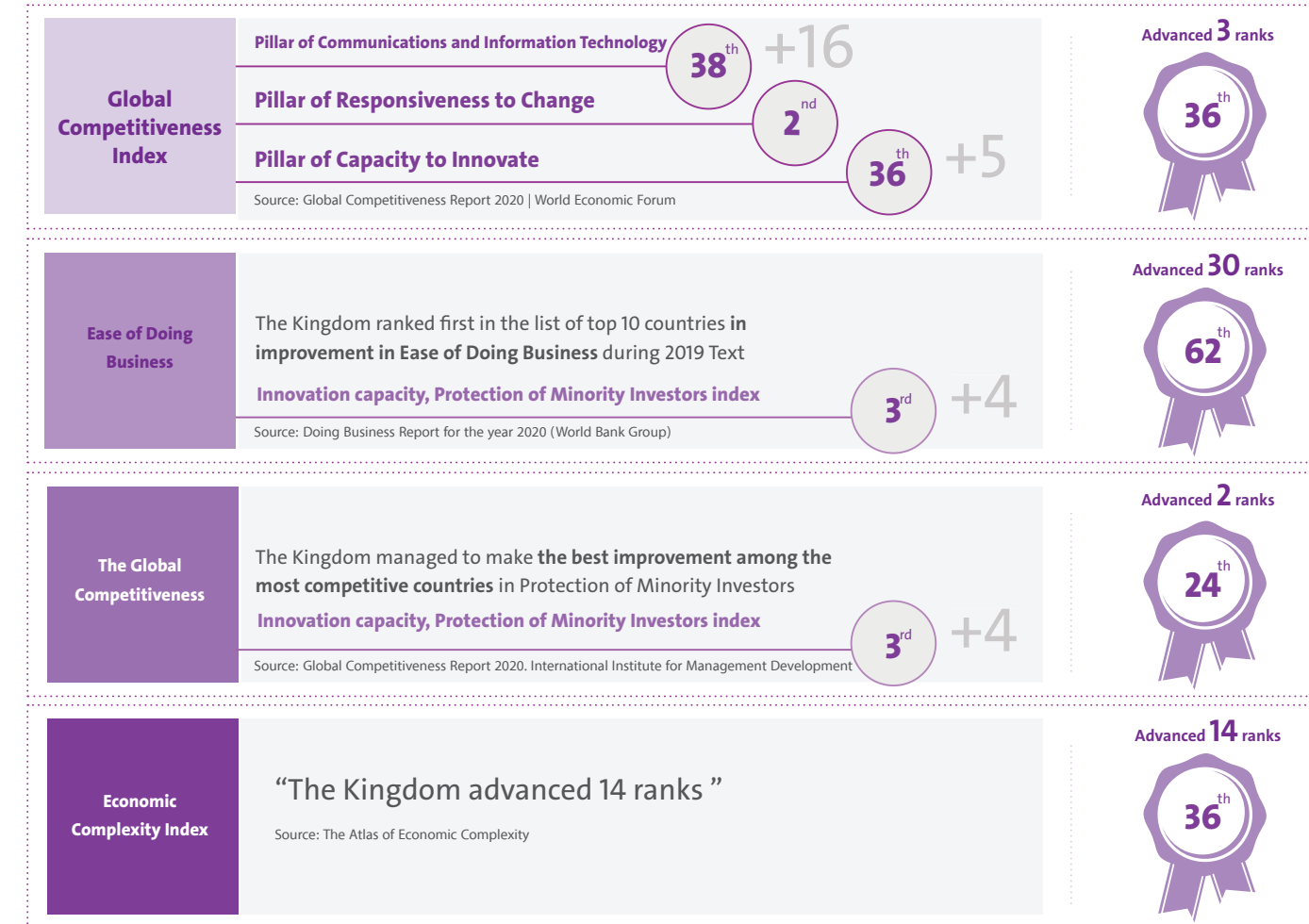
Chairman of the Council of Economic and Development Affairs



Main achievements of the Kingdom

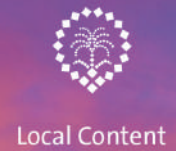
Saudi Arabia's efforts to develop and enhance its business environment and local content and strengthen the competitiveness of its economy were reflected in improvements in the Kingdom's ranking on various global indices.

The main improvements are as follows:



International reports and indices show remarkable progress in business environment enhancement

نتكامل لصناعة المستقبل Integrating Towards a Prosperous Future



Local Content



Industry 4.0



Logistic



Industry



Mining



Energy

NIDLDP's current and upcoming efforts to achieve sustainability

NIDLDP's Delivery Plan was updated last year to include objectives aimed at **achieving food and medical security, strengthening military capabilities**, developing the Kingdom's manufacturing capabilities, **localizing advanced manufacturing capabilities**, developing the Kingdom's **logistical network, increasing the reliability of energy supplies**, and maximizing the benefits of the **Fourth Industrial Revolution** in NIDLDP sectors. The latter will **enhance the Kingdom's ability to respond to crises** like the COVID-19 pandemic and achieve economic sustainability. **These efforts are detailed below:**

Improving Supply Chains and Logistics

The basis of a robust successful supply chain is its ability to operate efficiently and continuously when crises unfold. The Pandemic has brought to the surface the fragility of the supply chain infrastructure in most countries, which requires proper planning and storage of quantities that can mitigate any supply delays or repackaging. Such challenges demonstrate the importance of the logistics and supply chains on which NIDLP operates. NIDLP's Delivery Plan strives to improve the link between the Kingdom's cities and industrial and mining regions, which will contribute to acting proactively when similar crises occur. The Delivery Plan also helps to ensure the continuity of production affected by the disruption of supply chains by adopting the Fourth Industrial Revolution technologies, such as activating and consolidating 3D printing technology for sensitive and important spare parts for national security, and creating a database and digital designs for the high priority sectors in the Kingdom, including the food, pharmaceutical and military sectors, taking into account all the risks and their mitigation plans such as increasing dependence on local suppliers and producers to elevate the GDP and uncover greater job opportunities.

Achieving Food Security

NIDLP seeks to reinforce food security by establishing a regional food hub to ensure that all food needs are met by local manufacturers, thereby increasing the competitiveness of the main locally produced foods such as meat, poultry, seafood, dates, and dairy products to cover 75% of local demand for processed food products by 2025, up from 66% in 2019. Specialized food manufacturing clusters will be established, linking farmers, manufacturers, packaging plants, and retail companies in order to enable the local food processing sector to meet 85% of local demand for processed food products by 2030. By strengthening supply chains and establishing specialized industrial clusters, the Kingdom will increase the value of its food market to over SAR 255 billion by 2025.

Accelerating the adoption of the Fourth Industrial Revolution

The strength and resilience of the advanced economies around the world in the face of crises lies in their adoption of digital technologies. The COVID-19 pandemic has brought about a significant change in the priorities and strategies of the Fourth Industrial Revolution, specifically with regard to workforces and supply chains. NIDLP focuses on accelerating the Fourth Industrial Revolution in Saudi Arabia and the localization of technologies that reduce dependence on labor and external companies in a wide range of activities, including surveillance and remote monitoring equipment, autonomous vehicles, drones, vision systems for quality control, and augmented reality, thereby helping to ensure business continuity in all circumstances. NIDLP also works to support the innovation of advanced technologies and ensure that all its focus sectors benefit from artificial intelligence (AI) such as seaports, factories, mines, and smart electricity grids, in order to support improving operations and analytical capabilities across all the sectors to ensure that they can take proactive actions towards future crises.

Enhancing Energy Supply Reliability and Improving Sustainability

NIDLP, through its Executing Entities, seeks to increase the reliability and sustainability of the energy supply through the regionally connected electricity grids and switch to smart grid through creating advanced control systems and installing smart meters to automate the distribution network feeders, which increases reliability and keeps pace with growing demand efficiently. NIDLP aims to move towards sustainability by increasing energy production from renewable sources and introducing it in the Kingdom's energy mix to reach 50% of the energy mix by 2030, while continuing to use gas to reach the optimal energy mix that will reduce emissions and increase efficiency.

Strengthening Military Capabilities

NIDLP seeks to enhance the Kingdom's military capabilities by localizing military industries. It is also focused on raising military readiness, enhancing strategic independence, promoting greater cooperation between all military and security entities and developing sustainable domestic military industries by strengthening supply chains, supporting technological research and development and developing the related infrastructure. Saudi Arabia aims to localize military industries up to 50% by 2030. The localization percentage reached 8% in 2020 compared to less than 2% in 2017.

Achieving Medical and Pharmaceutical Security:

To achieve medical and pharmaceutical security, NIDLP seeks to develop industrial clusters for the manufacturing of pharmaceutical and medical supplies and leverage local content policies. This will promote the growth of the domestic medical and pharmaceutical sector, allowing the sector to cover 40% of local demand for pharmaceutical products and 15% of local demand for medical supplies by 2030. NIDLP targets a significant increase in the value of the domestic medical and pharmaceutical manufacturing sector as well as a transition to more complex products. This will make the Kingdom a leading manufacturer and innovator of medical and pharmaceutical products in the MENA region and ensure medical and pharmaceutical self-sufficiency.



Main success stories of NIDLP's Executing Entities in 2020

Investment attraction	Infrastructure Development	Optimal Utilization of resources	Improvement of Regulations and Legislations	Access to international markets
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NIDLP has secured a number of significant achievements that will positively impact the Kingdom's economy. The Program and its Executing Entities helped to **develop the infrastructure** of NIDLP sectors, thereby raising the Kingdom's competitiveness and attractiveness as an investment destination and **better utilizing the Kingdom's resources** and strengths. Work has also been done to **improve laws and regulations** in line with the Vision 2030 objectives and the current requirements, and to develop the logistics sector to **facilitate access to local and global markets** and **attract investments** in NIDLP sectors.

Investment Attraction

Volume of investments since the NIDL's inception until the end of 2020

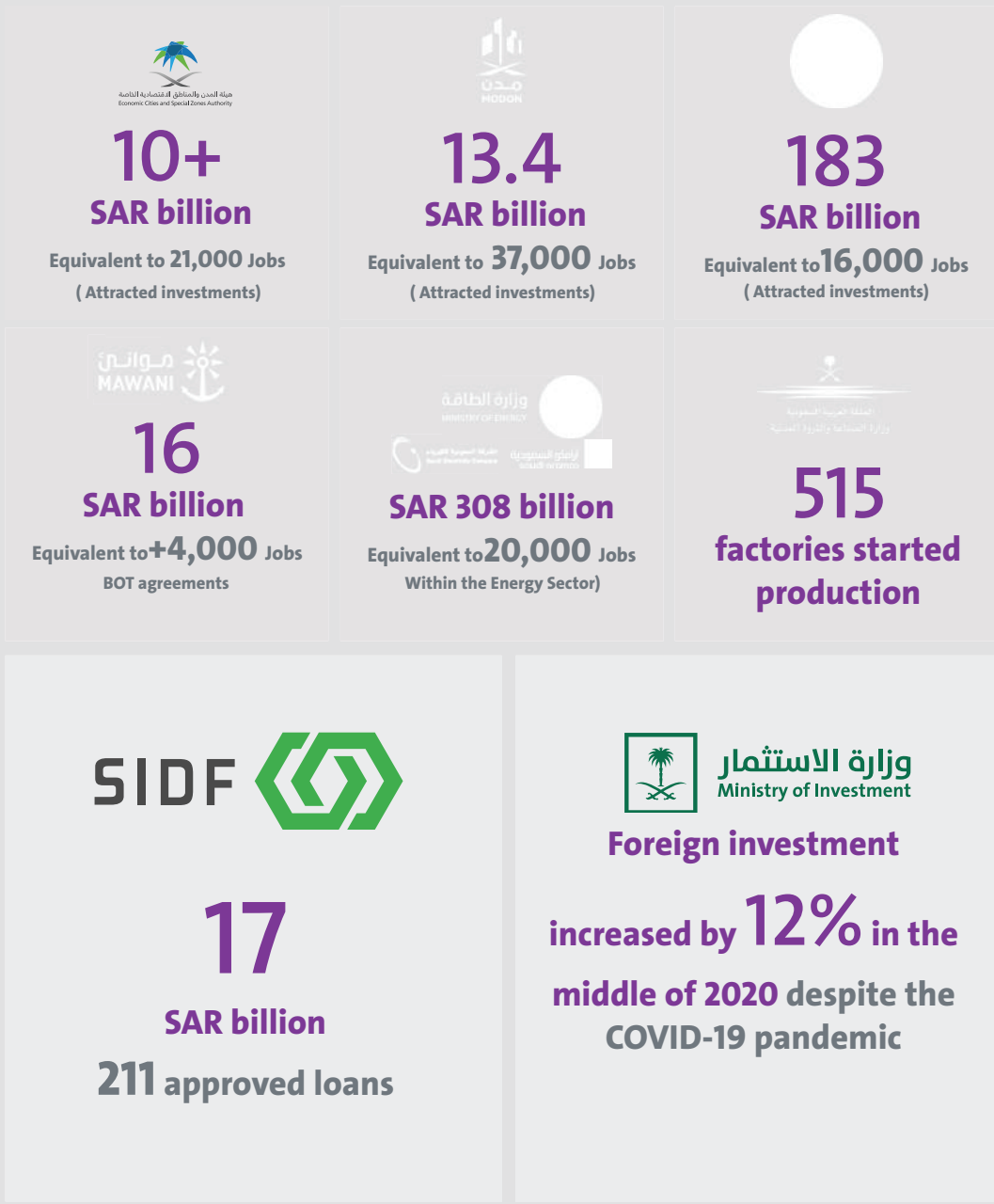
“Encouraging private sector investments by developing infrastructure and improving regulations and legislation to utilize natural resources and access local and global markets.”

Projects delivered within NIDL's sectors up to 2020:

300 SAR billion Investment



+ 50,000 Jobs



Signing BOT Agreements in Jeddah Islamic seaport and King Abdul Aziz Seaport in Dammam which will **contribute to increasing the capacity of container terminals and create more than 4,000 jobs in the ports sector.**



Launch of the first locally-manufactured fast interceptor vessel by Zamil Offshore Services Company in collaboration with French CMN Group for the Royal Saudi Navy, as part of efforts intended **to localize the shipbuilding industry, enhance the Saudi Arabian navy, develop supply chains, and improve national security.**



The General Authority for Military Industries issued 107 licenses in 6 military activities for 66 local and international companies to practice business in services, manufacturing, and supply in order to **enhance and develop the capabilities of local companies and give them the chance to bid for military systems and service contracts.**



903 new industrial licenses with a value of SAR 23 billion were issued to **increase investments in the industrial sector and increase the sector's contribution to the national economy while creating jobs for local workers.**



Infrastructure Development

“Developing sustainable world-class infrastructure that is attractive for investment.”



Constructed logistical hub to handle shipments with special requirements
Such as Covid-19 vaccine

Fourth Industrial Revolution transformation agreements signed for

8 factories

Fourth Industrial Revolution transformation plans implemented in

5 factories



1.9 billion investments in infrastructure development



4 Solar PV projects were introduced

9783 existing and under-construction industrial factories with a growth rate of 9.6 %



The launching of medical materials handling facilities at the SAL Cargo Terminal in the Model Cargo Village at King Khalid International Airport in Riyadh, to **facilitate imports of medical products, including COVID-19 vaccines.**



Installing 8 million smart meters by the end of 2020 as part of a program to replace 10 million mechanical meters with electronic ones in an effort to **achieve digital transformation and improve the quality of services in the electricity sector.**



Introducing Solar PV projects projects with a combined capacity of 1,200 MW in the third round of the National Renewable Energy Program in order to **diversify the Kingdom's energy resources and create promising industries.**



Launching of the Unified Customs Operation Center to **facilitate and accelerate the issuance of custom clearances.**



The number of existing and under-construction industrial factories increased by 9.6% to 9,783 in 2020, contributing to **greater economic diversification in the Kingdom.**



Signing an agreement with Lockheed Martin for localizing Terminal High Altitude Area Defense for the first time in order to localize the missile defense system industry to secure the industrial capabilities related to **manufacturing parts of the air defense system for the Ministry of Defense as a part of the supply chain developments.**

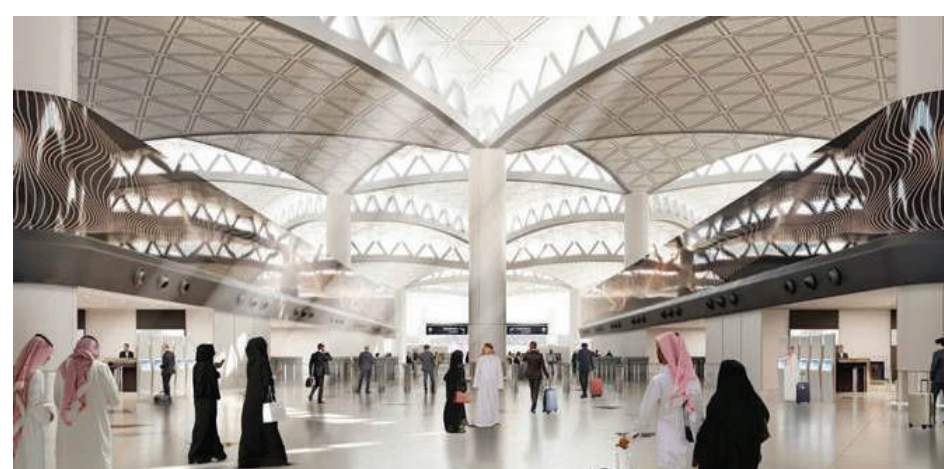




Saudi Customs has activated RFS services to **enhance the efficiency and competitiveness of the logistics sector, reduce its costs, and facilitate import and export operations.**



Saudi Customs provided Saudi Post with a customs clearance license to **upgrade the efficiency of operational services and develop customs procedures at post clusters.**



Completing the study for the construction of a new airport in Riyadh to **increase the international competitiveness of the aviation sector.**



Launching the Local Content Mandatory List amounting to **approximately to SAR 1.1 billion.**



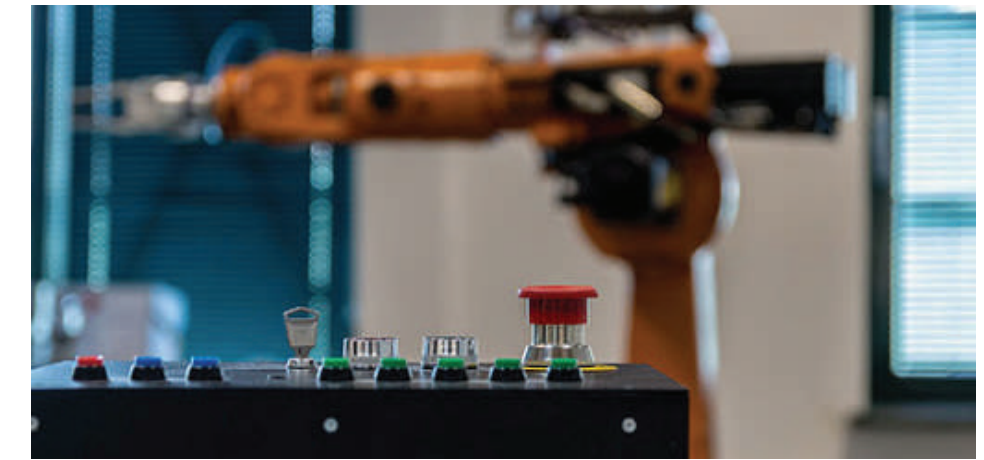
Finalizing the preliminary study for the application of Hyperloop technology in the Kingdom in order to **enhance the logistics sector through the use of modern technologies.**



Signing Fourth Industrial Revolution transformation agreements with 8 factories and implementing Fourth Industrial Revolution transformation plans in 5 factories to maximize the use of modern technologies in order to **support the realization of Vision 2030 objectives and attract investment in the domestic industrial sector.**



Saudi Arabia ranked first in **digital competitiveness among the G20 countries and won the Government Leadership Award presented by the International Telecommunication Union.**



Optimal Utilization of Resources

“Maximizing utilization of the Kingdom’s strengths and leveraging its resources in unlocking economic diversification and growth.”



Jazan refinery project is **95%** completed

The completed Al-Fadhili Gas Production Plant commenced operations with a total processing capacity of

2.5 billion standard cubic feet/day of natural gas



Gas production

increased by **8 %**



The largest geological survey was launched.

The high-efficiency air-conditioner initiative is **91 %** completed with approximately **190 thousands devices**



وزارة الطاقة
MINISTRY OF ENERGY



Successfully started 100% operations of Al-Fadhili Gas Production Plant with total processing capacity of 2.5 billion standard cubic feet of gas per day, contributing to **energy diversification and the reduction of energy production costs in Saudi Arabia.**

المملكة العربية السعودية
وزارة الصناعة والثروة المعدنية



A contract was awarded for the Geophysical Magnetic Gradiometric and Aerial Radiological Survey to **provide more precise and detailed knowledge about Saudi Arabia’s mineral resources.**

وزارة الطاقة
MINISTRY OF ENERGY



The Council of Ministers of Saudi Arabia has approved the establishment of a state-owned shareholding company under the Ministry of Industry and Mineral Resources to **supervise mining activities and monitor compliance with all relevant laws, regulations, and instructions.**

The production of medical facemasks was increased from 600,000 to 3 million a day to **help fight the COVID-19 pandemic.**





The 95%-completed Jazan Refinery project was launched with a capacity to process more than 400,000 barrels of domestically produced crude oil daily as part of efforts to maximize the use of the Kingdom's strengths to **achieve a more sustainable and durable economy.**



Approval was granted for the development of the Al-Jafurah gas field, which will make Saudi Arabia one of the top gas producers worldwide. The gas field will be able to **meet the gas needs of the electricity, water desalination, petrochemical and mining industries. The development works are expected to be completed in 2036.**



The high-efficiency air-conditioner initiative is 91% completed with approximately 190,000 devices sold so far out of a targeted 300,000, helping to **meet the demand for more efficient electrical products.**



The geochemical survey, part of the Geological Survey General Program, was launched to **maximize the mining capabilities and resources of Saudi Arabia.**



The first fully integrated shrimp farm was launched in the Tabuk region to **attract foreign investments in the aquaculture sector and ensure that the sector's technological capabilities are on a par with international standards.**



The first stage of the National Geological Database was launched to **provide more precise and detailed information about mineral deposits.**



An MOA was signed for a limited liability company named Advanced Aquaculture Company LLC which allows 4 local aquaculture companies to combine efforts, reduce production costs and contribute to **achieving the Kingdom's food security objectives.**



Improvement of Regulations and Legislations

“Thriving and competitive legislative and regulatory environment”



Enacting a New Mining Investment Law

Customs clearance reduced from 288 hours to 9 hours



Launching Regulatory framework for small solar energy system



Launching the Local Content Mandatory List amount approximately to SAR 1.1 billion

Launching the study of local content policies for the medical devices and supplies sector



A new mining investment law was enacted to enable the mining sector to achieve its potential, attract investment, and reinforce its position as the third pillar of the Saudi economy. The Implementing Regulations for the New Mining Investment Law were approved in order to **raise the competitiveness and investment attractiveness of the sector and maximize its contribution to the Saudi economy.**



The regulatory framework for small solar energy systems was launched as part of efforts to **reduce carbon emissions, decrease the load on Saudi Electricity Company's electrical grid, and increase the reliability of the grid.**



Adopting the Executive Regulations of the new Mining Investment Law aiming to **raise the sector's attractiveness and competitiveness, and creating an investment environment that would maximize the sector's contribution to the Saudi economy.**



23,000 government bids subject to local content mechanisms





A study of local content policies for medical devices and supplies was launched and a study to identify gaps in the medical devices and supplies sector was completed. A number of policies were drafted to **fill the gaps that were identified, increasing the local content in the sector, and identifying 36 investment opportunities.**



The National Advisory Council for the National Command Center for Clinical Trials consisting of 7 government entities was established to **increase research and development in the pharmaceutical sector, thereby contributing to the production of new medicines and raising non-government investments in promising industries.**



The Council of Ministers approved the electricity law and the regulation of the Water and Electricity Regulatory Authority, upon which the Authority organizes, supervises and coordinates all electricity and other related services in order to **develop the necessary framework to ensure high quality and reliability to reach the desired level of competitiveness.**



A study of local content policies for the machinery and equipment sector was launched to **increase local content in the sector.**



Adding high-voltage switchgear to the mandatory list, in order to **increase the local content in government works and procurements related to machinery and equipment.**



The implementation of legislation related to the Saudi nationalization scheme (Nitaqat) was postponed until the issuance of the final industrial license to **ensure the expansion of SMEs in the industrial sector, and reduce financial risks on SMEs, thereby helping to maximize the sector's contribution to the Saudi economy.**



Launching the first phase of the mandatory list of pharmaceutical and medical supplies to **increase the benefit of local manufacturers from the value of annual government procurements of these products estimated at approximately SAR 1.1 billion.**



A committee was formed to assign responsibilities for natural resources to decide upon the objections submitted by government entities about requests of allocating mining areas and granting mining licenses on specific lands and areas in order to **raise the percentage of mineral resources extraction and avoid the confusion among investors in terms of the responsible entity.**



A study of local content policies in the pharmaceutical sector was launched in order to **raise the localization rate in the sector.**



The customs clearance was reduced from 288 hours to 9 hours in order to **enhance the performance of logistics centers and make the most of the Kingdom's strategic geographical location.**



Access to local and international markets

“Improving the local, regional and international connectivity of trade and transport network.”



Inauguration of Jadidat Arar border crossing

The Kingdom was ranked **5th** in the index of the fastest countries in handling container ships



Fish products have reached Russia and Singapore



3 new shipping lines launched to Asia and Africa.

8 agreements signed with private sector to operate cargo facilities in operational functions of cargo buildings in a number of airports in the Kingdom



The Kingdom was Ranked 5th in the index of the fastest countries in handling container ships, which contributes to enhancing container handling productivity and ensures the quality application of performance indicators.



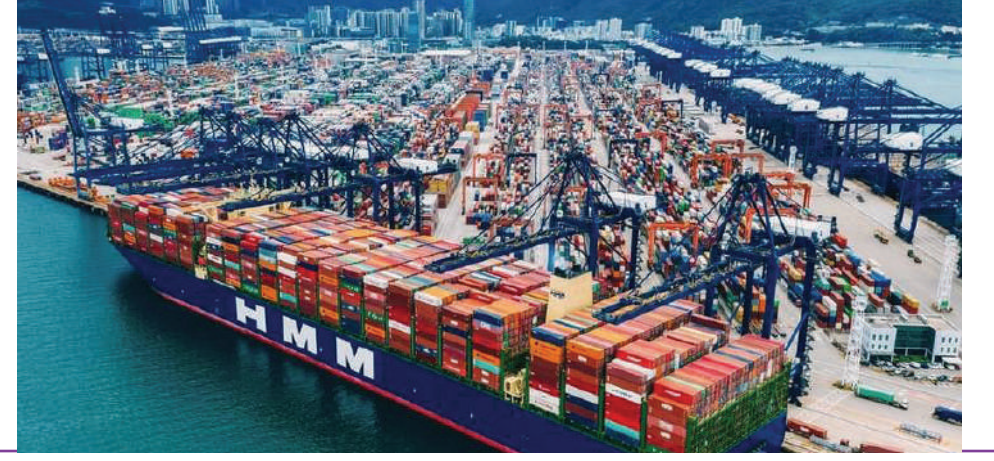
2,000 tons of Saudi fish and shrimp was exported to Singapore with a value of approximately SAR 40 million.



The Jadidat Arar border crossing was inaugurated to increase trade between Saudi Arabia and Iraq.



8 agreements were signed to increase the efficiency of cargo operations in the Kingdom's airports. The assigned companies will be responsible for operations, handling, cargo, and maintenance. These agreements will contribute to assign duties and responsibilities of procedures and services provided for customs clients.





The Exporting Atlas Campaign was launched to **support Saudi exporters by providing them with data and information.**



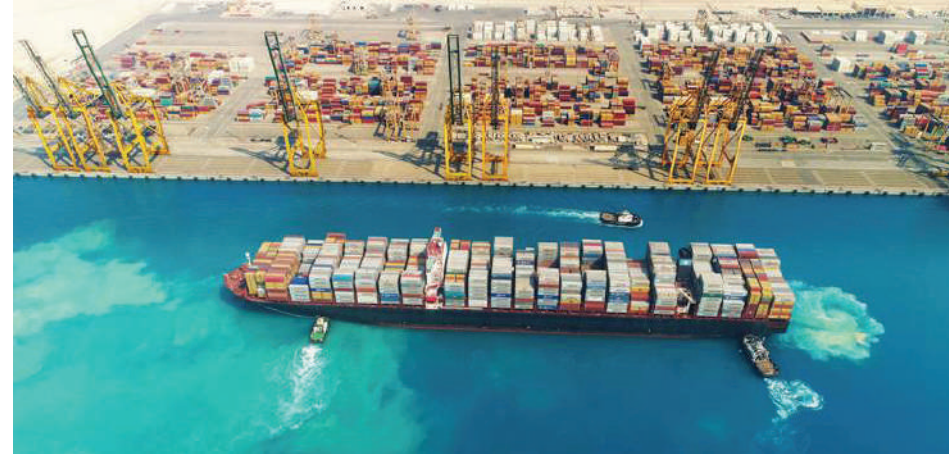
Operations were started in a new shipping line to **link Saudi Arabia's Jubail Commercial Port with East Asian countries and facilitate trade between the Kingdom and East Asia.**



A new shipping line was inaugurated connecting the ports of the Red Sea with the ports of Aqaba and Suez, in order to **strengthen the connectivity of the Kingdom's ports with international ports and attract major international shipping companies.**



A new shipping line was inaugurated connecting King Fahd Industrial Port and Yanbu Industrial City with East African countries, **capitalizing on the strategic geographical location of Saudi Arabia.**



A truck management system was launched at King Abdulaziz Port using the latest technology for **appointment bookings, monitoring and managing the flow of trucks while improving connectivity between government agencies and relevant parties.**



SAR Company recorded its highest volume of transported minerals in one month since its inception in 2011 with a total weight of 1,065,062 tons, **contributing significantly to the mining sector's objectives.**



The Kingdom ranked **first** in the Arab region and **twentieth** in the world in maritime transport, according to the UNCTAD report for the year 2020, **enhancing the Kingdom's position as a global logistics center.**



The first regional grain terminal was established in Saudi Arabia's Yanbu Commercial Port with an area of 313,000 square meters, contributing to **enhance domestic food security and speeding up the arrival of grains to the Kingdom.**

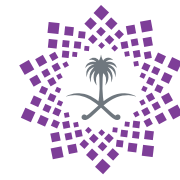


Exports of Saudi fish and shrimp to **Russia reached 15,000 tons a year with a value of approximately SAR 293 million.**



Various financial incentives were adopted for exporters in line with the regulations of the World Trade Organization to **partially cover export costs, as part of measures undertaken by the Kingdom to stimulate economic growth.**





**National Industrial
Development and
Logistics Program**

Integrating Towards a Prosperous Future



Thank you