



Ministry of Industry
& Mineral Resources

Introduction to the Industrial and Minerals Ecosystem

Presentation for Roundtable Meeting

Major governance reforms were needed to unlock the sectors' potential

The Regulator

The Ecosystem

Center of gov. committees



Vision 2030: Fueling Growth and Development

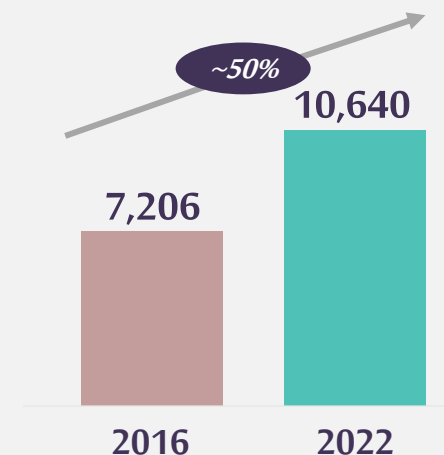
Key objectives and targets

Since launching Vision 2030 in 2016...

Number of manufacturing licenses



~50% more factories were added to the industrial sector since 2016

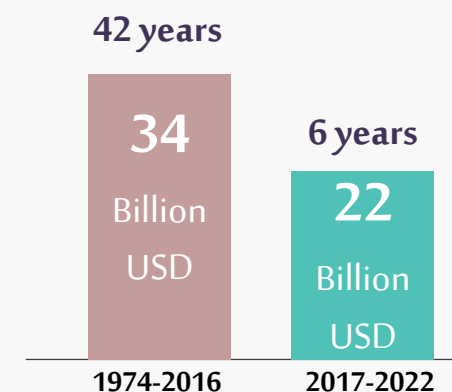


SIDF's Funding



...**~60% increase** in fund's allocated capital from **17b USD** to **28b USD**

Also, while established in 1974, **~40%** of SIDF's total approved loans were in the **last 6 years**



Since launching Vision 2030 in 2016...

The mining sector has undergone...



Amending the mining law and its regulations



Launching a regional geological survey over the Arabian Shield



Establishment of the Saudi Mining Services Company



Launching The Future Minerals Forum



Launching Mining Auctions



Developing the National Geological Database

Resulting in...

42% growth in number of licenses issued since 2016

Licenses issued in **2021** amount to more than the total licenses issued in the **last 10 years**

347 million USD in fiscal revenue in **2022**

Overview on the National Industrial and Mining Strategies for the Kingdom

Saudi Arabia's industrial ecosystem contributed to develop the National Industrial Strategy to transform the Kingdom's manufacturing sector

The journey to develop NIS



20+

National, sectoral, and other strategies



20+

Government entities participating



30+

Workshops with government sector



300+

Representatives from private sector at chairman and CEO level



29

Workshops with private sector



3

Years of work to develop NIS



Approval by His royal Highness Mohammed Bin Salman



Roadshow workshops to present the NIS



NIS Booklet

The national industrial strategy was launched by the end of 2022 and is currently under activation

VISION

“Build an agile and competitive sustainable private sector-led industrial economy”

STRATEGIC OBJECTIVES

Build industrial national resilience

Become an integrating regional manufacturing hub

Expand global leadership in select segments

ENABLING OBJECTIVES

Cultivate innovation and know-how

Support of Global M&A, JV and international partnerships

Talent development and attraction

Applied R&D and innovation

Grow the Industrial business base

Localization & local content

Advanced financial ecosystem (access to capital)

Transparent and agile regulatory framework

Entrepreneurial culture and SME development

Unlock KSA International trade

Export enablement

Trade policies and agreements

Quality System

KSA industry branding

Build world-class supply chain

Industrial Infrastructure

Logistics

Special Economic Zones

Advanced Manufacturing

KSA Strengths

Availability of Capital and high purchasing power

Stable Political & Monetary Policy

Abundance of natural & energy resources

Strong National champions and Conglomerates

Geographic position & Regional Leadership

Government



Private Sector



12 Targeted clusters

-  **M&E**  **Food Processing**
-  **Chemicals**  **Maritime**
-  **Renewables**  **Medical Devices**
-  **Aerospace**  **Metals**
-  **Military**  **Pharma**
-  **Building Materials**  **Automotive**

Focus next slide

The NIS identifies 118 priority segments (investment opportunities) where the Kingdom will focus its resources

Sectors of focus of NIS

 M&E	 Automotive
 Pharma	 Maritime
 Renewables	 Medical Devices
 Aerospace	 Metals
 Military	 Chemicals
 Building Materials	 Food Processing

118 Segments (sample)

Manufacturing BEV	Seating	Consumables	Tyres
Manufacturing ICE	Plastic Modules	Wipers	HVAC
Manufacturing FCEV (Hydrogen)	Exterior Plastic Fitting	Glass	Instrument cluster

Adhesives & sealants	Corrosion inhibitors	Surfactants	Elastomers
Catalysts	Flavours and fragrances	Plastics	Polyurethane
Construction chemicals	Industrial and inst. cleaners	Non-Metallics	Others

NIS contributes to the KSA sustainability programs through 3 main themes

Emission reduction

Emission reduction focusses on initiatives targeting the reduction in CO2 emission by developing energy efficiency programs or investing in carbon capture technologies such as blue hydrogen.



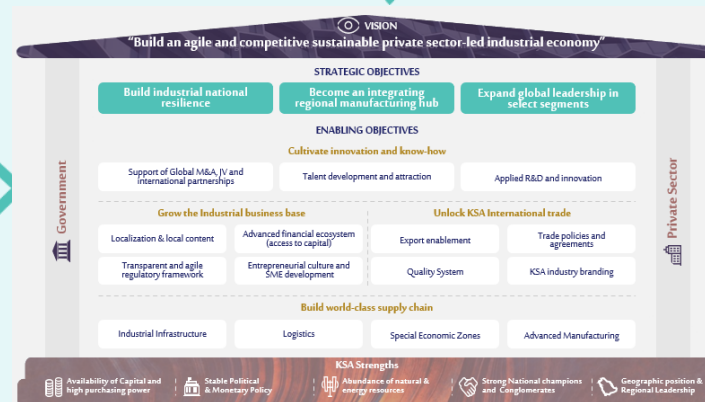
Energy transition

Energy transition refers to the Kingdoms investment and commitment in renewable energy generation via investments in Solar, Wind and Hydrogen technologies.



Circular economy

Circular economy refers to initiatives pertaining to waste management, sustainable practices to reduce waste, compost biodegradable waste or promote usage of recyclable materials.



The NIS has further enhanced the attractiveness of KSA through implementing several policies, building additional world class infrastructure, and offer a set of enablers



KSA's investors value proposition



Attractive financing & incentives

- Access to low-cost financing
- Access to trade credit for exports through Saudi Exim
- Multiple local content programs that support products made in KSA



Business-friendly environment

- Customs exemptions for raw materials
- Ambitious sustainability agenda
- Transparent regulation to support local manufacturers
- Forecast of demand by State Owned Enterprises



Access to growing markets

- Growing local, regional and global markets
- Access to free trade with high-growth markets such as GCC, GAFTA, etc.
- Global logistic hub with excellent connectivity with all key markets



Availability of skilled talent

- Human Capabilities Development Program as a part of Vision 2030
- Tailored visa program for talents attraction
- Access to skilled talent pool
- Employee related OPEX support (salaries, trainings)



World-class infrastructure

- World-class industrial infrastructure (current \$14 bn NIS infrastructure investments)
- 4 special economic zones for key sectors
- Competitive energy cost
- Industrial parks for Chemicals manufacturers

Our main NIS targets will set Saudi Arabia among the global industrial leaders

UNTIL 2035, SAUDI IS TARGETING:

x4.3

The Manufacturing GDP

From 88 to 377 billion USD

x5.3

Value of Manufacturing Sector Exports

From 45 to 240 billion USD

x3.7

Number of Jobs in the Industrial Sector

From 900k to 3,281k jobs

+24

Ranks Increase in Economic Complexity Index (ECI)

From 39 to 15

+22

Ranks Increase in Competitive Industrial Performance (CIP)

From 37 to 15

x1.6

Percentage of localized industries¹

From 41% to 64%

The mining and mining industries development strategy was launched in December 2017



Develop mineral value chains to become the third pillar of Saudi industry by capitalizing on KSA's mineral endowment

Strategy pillars

Accelerating exploration

Enhancing business case viability

Promote sector development

Improving value chain social benefits

Boosting sector fiscal revenue contribution

Initiatives



Increase geological data and accelerating exploration

10 Initiatives



Enhance investors' Journey, developing the regulatory environment, and ensuring the sustainability and funding of the sector

14 Initiatives



Developing the value chain and minerals industries and attracting investments

12 Initiatives

Until 2030 The mining strategy is targeting:

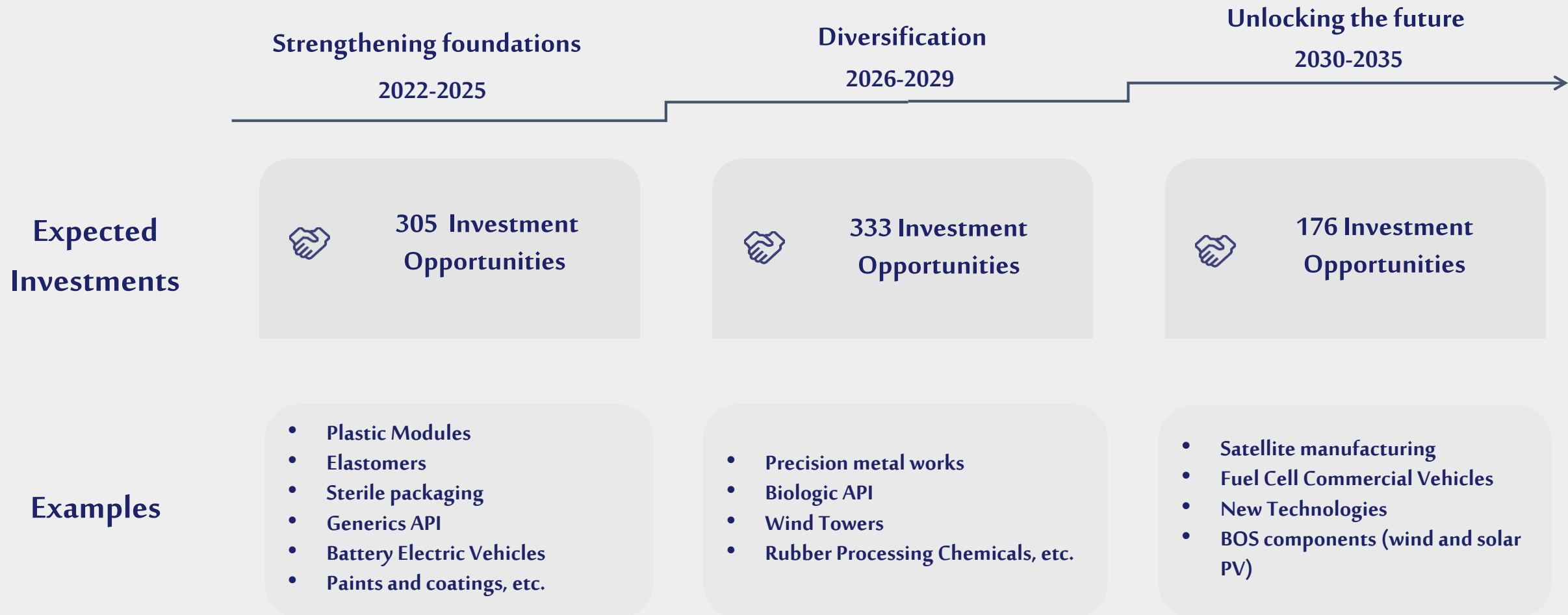
\$ 64 Bn in Sector GDP

370k Jobs in mining sector

\$ 8.5 Bn decrease in net imports

Investment Opportunities

The NIS Identified a road map for 800+ investment opportunities for the industrial sector that phases on value-chains and ecosystem maturity



In order to achieved the investments targets by 2035, NIS has specified the number of investment opportunities for each priority sector

NIS Deals per Sector





Thank you