

Energy Sector

Welcoming investment environment

Energy Transition Opportunities

Clear localization drive and goals



EXISTING ENABLERS



CAPEX

- Competitive land costs relative to other countries
- Provision of soft loans
 up to 75% of project financing by SIDF
- Customs duties
 exemption on
 imported machinery,
 equipment, raw
 materials and spare
 parts utilized for
 industrial purpose

 HRDF covers monthly salaries of up to 30% for Saudi employees (extra 10% for females) for 2 years

Labor

 Expat worker levy waived off for industrial manufacturers

Utilities

- Lower power and water costs set for industrial cities
- Electricity tariffs in KSA are amongst the most competitive globally

Exports

- Trade agreements with multiple countries and organizations (e.g. GAFTA, European Free-Trade Agreement) which allows access and export possibilities to wider growing regional markets
- Saudi EXIM Bank



•

10% preference for local producers enforced by Local content & Government Procurement Authority

- Procurement Authori (LCGPA) - a governmental arm
- An evolving "mandatory list" that enforces government procurement and state owned companies to buy from mandatory list



Welcoming investment environment

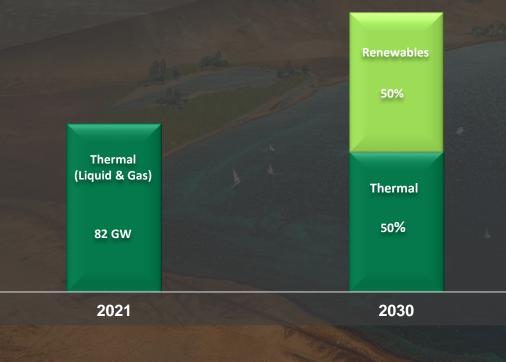
Energy Transition Opportunities

Clear localization drive and goals



VISION 2030 SETS THE AMBITIOUS GOAL OF MEETING OVER 50% OF THE ENERGY MIX WITH RENEWABLE ENERGY SOURCES, BOOSTING MARKET DEMAND FOR SOLAR AND WIND ENERGY

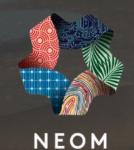
Power Generation



- Liquid fuel based generation will be phased out by natural gas & potentially nuclear
- Focus on energy efficiency as an important element of sustainable growth



SAUDI ARABIA IS DEVELOPING HYDROGEN AND CARBON CAPTURE AND STORAGE PROJECTS.



GREEN HYDROGEN

ACWA Power, Air Products, and NEOM have formed the NEOM Green Hydrogen Company (NGHC) to develop a world-class large-scale green hydrogen project in Saudi Arabia



BLUE HYDROGEN

Saudi Aramco aims to produce blue ammonia, a carrier of blue hydrogen, by 2030, supporting emissions reduction in hard-to-decarbonize sectors





SAUDI GREEN INITIATIVE

10BN

Trees to be planted within the Kingdom

40M

Hectares of degraded land to be restored in Saudi Arabia



initiatives, powered by a first wave of investment of \$ 186bn

278mtpa

Reduce carbon emissions by 2030

44 Mtpa

To extract use and store of CO 2 by 2035

Net-Zero

Emissions by 2060



Welcoming investment environment

Energy Transition Opportunities

Clear localization drive and goals



MAXIMIZE THE ENERGY SECTOR'S GDP CONTRIBUTION THROUGH LOCALIZATION DEVELOPMENT IN MATERIALS, SERVICES, AND HUMAN CAPITAL.

Increase the Overall Spend in KSA

Localize High Value Jobs in Energy Sector

75% LOCALIZATION TARGET BY 2030

Enhance Local Products & Services Competitiveness

Ensure Business Continuity & Sustainability

Knowledge & Knowhow Transfer



Local content percentage of goods/services for 2021

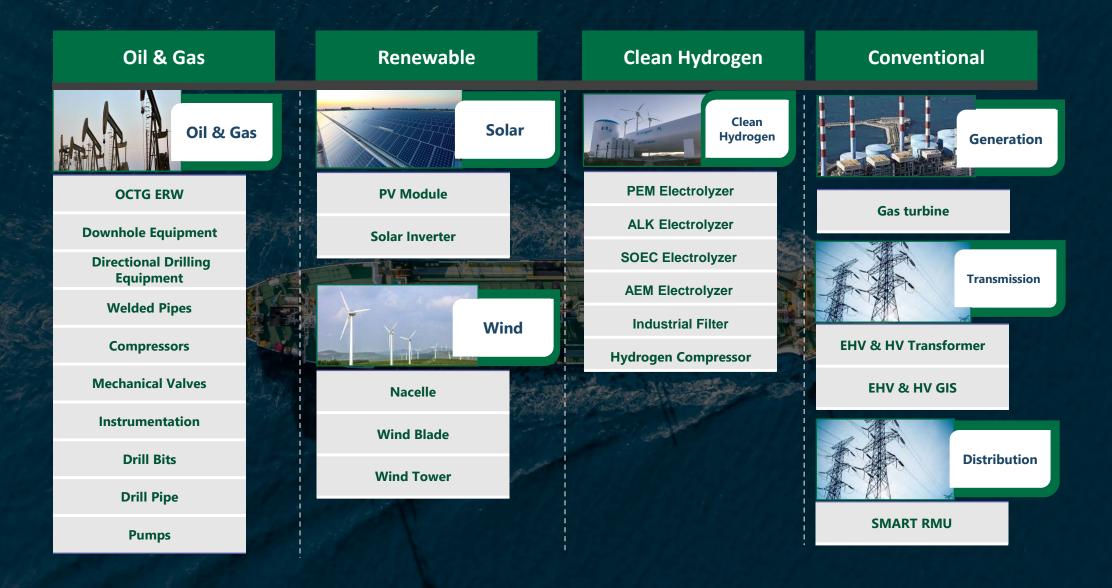


%41

Local content percentage of goods/services for 2021

الشركة السعودية للكهرباء Saudi Electricity Company

TARGETED PRODUCTS FOR LOCALIZATION TO 2030 Not Exhaustive



Welcoming investment environment

Energy Transition Opportunities

Clear localization drive and goals



INVITING KNOWLEDGE TRANSFER & INNOVATION







THANK YOU

INVEST SAUDI ONLINE PORTAL WE HAVE DEVELOPED AN ONLINE PORTAL TO ASSIST YOU ON YOUR JOURNEY



Contraction of the second second

INVESTOR SERVICES MANUAL

MISA





INVESTMENT LICENSE CHECK



INVESTOR JOURNEY GUIDELINES

INVEST SAUDI





