

استثمر في السعودية

INVEST
SAUDI



Energy Sector

WHY INVEST IN KSA ENERGY SECTOR?

- Welcoming investment environment
- Energy Transition Opportunities
- Clear localization drive and goals
- Inviting knowledge transfer & innovation

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



Labor

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



Localization

- 10% preference for local producers enforced by Local content & Government Procurement Authority (LCGPA) - a governmental arm
- An evolving “mandatory list” that enforces government procurement and state owned companies to buy from mandatory list

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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.



NEOM

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

أرامكو السعودية
Saudi Aramco



BLUE HYDROGEN

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



وزارة الاستثمار
Ministry of Investment

SAUDI GREEN INITIATIVE

10BN

Trees to be planted
within the Kingdom

+60

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

278mtpa

Reduce carbon emissions
by 2030

40M

Hectares of degraded
land to be restored in
Saudi Arabia

44 Mtpa

To extract use and
store of CO₂ by 2035

Net-Zero

Emissions by 2060

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



%59

Local content percentage of goods/services for 2021



%41

Local content percentage of goods/services for 2021



TARGETED PRODUCTS FOR LOCALIZATION TO 2030

Not Exhaustive



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INVITING KNOWLEDGE TRANSFER & INNOVATION

Key Stakeholders

Policy Maker & Regulator



Funds



Enablers + Other roles



Private Sector



Academia & Innovation +KABSRK



saudi aramco
energy ventures



KAUST
Innovation



nusaned™
A SABIC business initiative

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