Country Profile

Kingdom of SAUDI ARABIA

ICDT 2025

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General Data

General info

- Capital: Riyadh
- Nature of State: Monarchy
- Location: Middle East - Area: 2,253,000 km²
- Time zone: GMT + 3

Demography

- Population : 33 264 292 - 2023
- Natural increase: 3.3% - 2023
- Official language: Arabic
- Business language: Arabic, English

Currency

- Saudi Riyal (SR)
- 1 USD = 3.75 SR – March 2025

Macro economy

- GDP : 1 070 MM USD Growth: -0.8 % - 2023
- GDP per capita: 32 094 USD - 2023
- Employment to population ratio, 15+ : 61%

International trade

- Imports – 2023: 211 MM USD
- Exports – 2023: 321 MM USD

FDI

- FDI stocks in 2023: 239.13 MM USD
- Inward FDI flows in 2023: USD 25.6 MM USD

Strong facts

- Key oil producer with more than 15% of the world's proven reserves,
- leading role in OPEC
- Strong financial shock absorbers
- Intensification of economic diversification efforts (Vision 2030)
- Leading financial sector
- Young and competitive population

GDP growth

Saudi Arabia's economy returned to growth in 2024, with real gross domestic product increasing 1.3% compared to the previous year.
Non-oil growth vastly outperformed overall GDP in 2024 as well, increasing 4.3% while oil activities declined 4.5% and government activities grew 2.6%.
The Saudi economy contracted 0.8% in 2023 as oil production cuts and lower oil prices hit growth in the world's biggest crude exporter.
the Saudi government projects 2025 growth at 4.6%
Saudi Arabia's economic growth is propelled by Vision 2030, a transformative strategy aiming to diversify the economy beyond oil. Key initiatives include the development of mega-projects like NEOM, Qiddiya, and the Red Sea Project, which focus on tourism, entertainment, and infrastructure. The Public Investment Fund (PIF) plays a central role, channeling investments into sectors such as technology, manufacturing, and clean energy. Additionally, the "Made in Saudi" initiative promotes domestic production, while the National Investment Strategy seeks to enhance the business environment and attract foreign investment.

Doing Business in Saudi Arabia

Doing business in Saudi Arabia offers compelling opportunities, driven by the Kingdom's ambitious Vision 2030 reforms and strategic initiatives. These efforts aim to diversify the economy, reduce oil dependency, and create a more investor-friendly environment.

Tax Incentives and Ownership: The government offers tax exemptions, reduced corporate tax rates, and allows 100% foreign ownership in many sectors, making it an attractive destination for foreign investors.

Infrastructure Development: Saudi Arabia is investing heavily in infrastructure projects like NEOM, the Red Sea Project, and Qiddiya, which are expected to boost sectors such as tourism, entertainment, and real estate.

Financial Sector Reforms: The Kingdom has made significant strides in financial sector reform, with liberalization policies attracting global investors. The Saudi Stock Exchange (Tadawul) has witnessed increasing international participation, and the introduction of financial technology (fintech) regulations has paved the way for digital banking, payment solutions, and blockchain applications.

Main sectors of activity

2.5 %	Share of agriculture in GDP	It employs 2.4% of the population
41.3 %	Share of industry in GDP	It employs 24.8% of the population
56.2 %	Share of services in GDP	They employ 72.8% of the population

Sector Strategies

Since the launch of Vision 2030, the country has undertaken an unprecedented series of reforms to the operating model of the public sector, the economy and society as a whole. This promising vision builds a bright future for Saudi Arabia.

The kingdom has experienced many obstacles and has rised a myriad of challenges , a fact that helped strengthening its confidence in achieving its future goals. The country's authorities have worked to improve the efficiency and responsiveness of the government, provide opportunities for growth and investment, open the kingdom's gates to the world in order to build and launch platforms for future growth, and improve the quality of life of its citizens.

Private investment plays a key role in achieving Vision 2030. Saudi Arabia aims at achieving 40% to 65% increase in private sector contribution to GDP and 0.7% to 5.7% increase in FDI contribution to GDP by 2030.

The vision has been divided into 6 strategic objectives to enable an effective implementation through programmes spread over 3 variants of this 2030 vision:

An ambitious nation	A thriving economy	A living society
• Improving government efficiency • Enabling social responsibility	• Developing and diversifying the economy • Increasing employment	• Strengthening Islamic and national identity • Providing a satisfying and healthy life

Infrastructure

Maritime

Handling capacity of 13 million twenty-foot containers (TEU) in 10 main ports for non-oil trade, including 200 jetties and 216 berths.

15,000 ships handled annually by the Kingdom's ports.

90% of the Red Sea and 30% of East African regional trade transits dominated by Saudi ports.

King Abdullah Economic City (KAEC) is the world's fastest growing port, with an annual capacity of 4 million TEUs.

Road

Ranked 1st in the WEF Road Connectivity Index, with 200,000 km of roads, including 66,000 km of roads linking major cities and providing access to railways, ports and airports.

5,000 km of highways and bridges provide extensive transportation facilities.

138.5 million tons of goods transported via the Kingdom's road network in 2021.

Airport

34 billion dollar aviation industry, with 99 million passengers passing through the Kingdom's airports.

28 airports including 6 international airports.

The country is connected to 81 airports in 45 countries, with plans to increase this to 250 destinations. 5 hours flight time from half of the world's population.

Railway

10.4 million tons of minerals transported by the North-South Railway.

350,000 volume of containers transported by the Riyadh-Dammam railroad.

The 1,065 km land bridge project is designed to provide a direct link between the Red Sea and the Persian Gulf.

Promising Sectors

01 **Chemistry :** A global chemical leader with a large domestic industry poised for significant growth (home to the world's largest integrated chemical complex ever built in a single phase). Nine of the world's top ten chemical players already operate in Saudi Arabia. It has a 10% cost advantage for Naphtha compared to Western markets.

02 **ICT :** plays a vital role in the Kingdom's growth, innovation and economic diversification. Several opportunities are offered in the development of digital content and media, the expansion of the telecommunication system, the digitalization of the country and the creation of new high-tech and smart industries.

03 **Energy :** ambitious goal of meeting more than 50% of the energy mix with renewable energy sources, stimulating market demand for solar, wind, tidal and other energy sources through strong government support and private sector investment.

04 **Manufacturing:** Fastest growing country in the manufacturing sector, with an average growth of 7.5% per year. It is now the third largest non-oil contributor to the Saudi economy. Key factors for manufacturing growth are large market size, developed R&D facilities, government support, modern infrastructure, and business-friendly regulations.

05 **Health:** The country has placed great emphasis on the use of medical technologies in the health sector, including teleconsultations, the national health command center, and software as a medical device (SaMD) to serve patients. Opportunities: The increasing prevalence of chronic and infectious diseases is spurring demand, an important market with untapped potential and significant growth ahead.

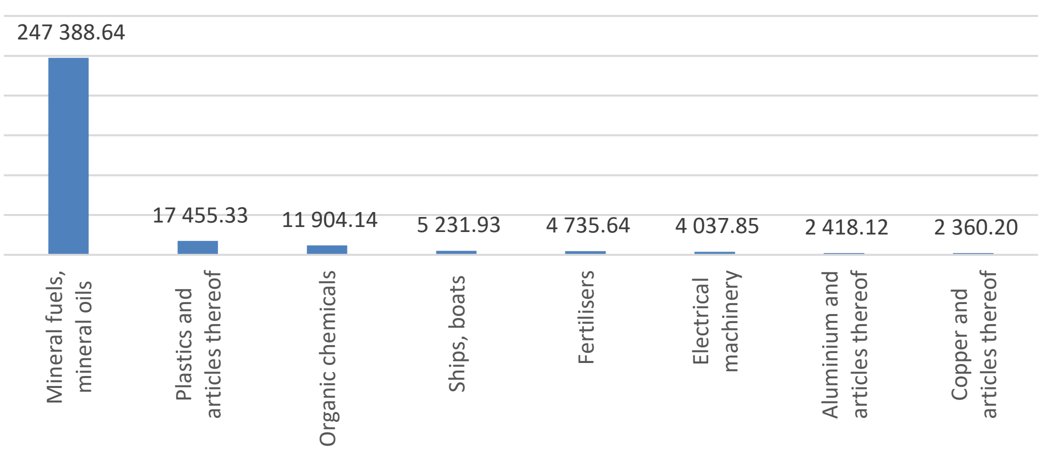
06 **Mining:** As a key pillar of Vision 2030, the mining and metals sector represents one of the most attractive opportunities for investors in Saudi Arabia with its huge natural resource base, undersupplied local market, unprecedented effort to boost industrial production and proximity to MENA export markets.

07 **Logistics:** One of the fastest growing aviation industries in the world ($34 Bn, with 99 million passengers passing through the Kingdom's airports). A dominant shipping industry on one of the busiest trade routes; a global logistics hub (USD 18 bn, 55% share of total GCC market). Contract logistics market size of USD 1.01 billion in 2019, expanding at a CAGR of 3% 2018-2024.

08 **Tourism:** Tourism is one of the country's high growth potential sectors (largest destination in the MENA region; 1/5 of the region's travel and tourism GDP). With investments expected to reach more than USD 54 billion over the next 10 years, Saudi Arabia plans to attract more than 100 million local and international visitors per year and become a leading international tourism hub by 2030.

International Trade

Main Products Exported by Saudi Arabia in 2023 - Million USD



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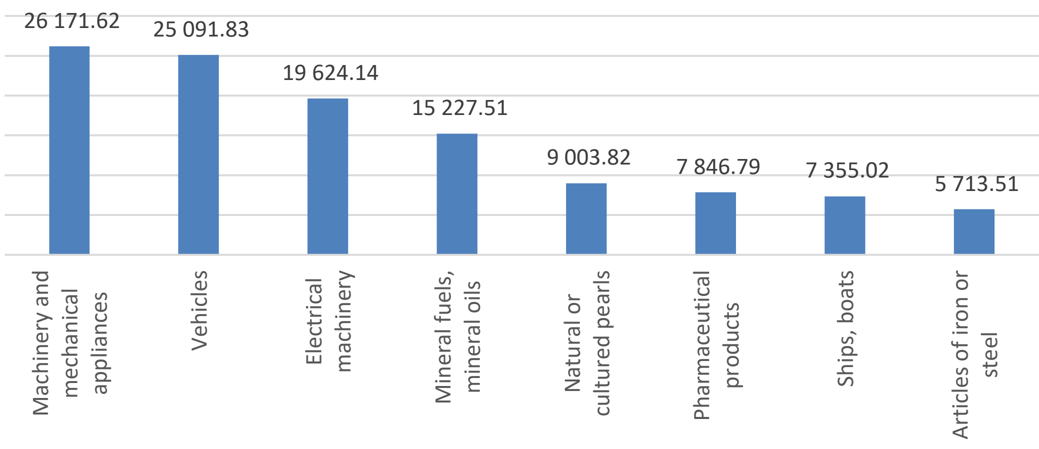
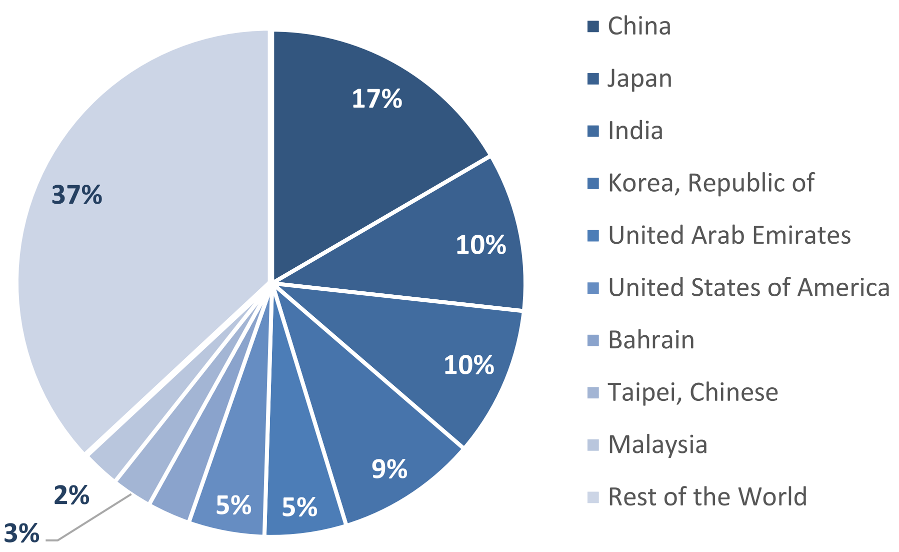
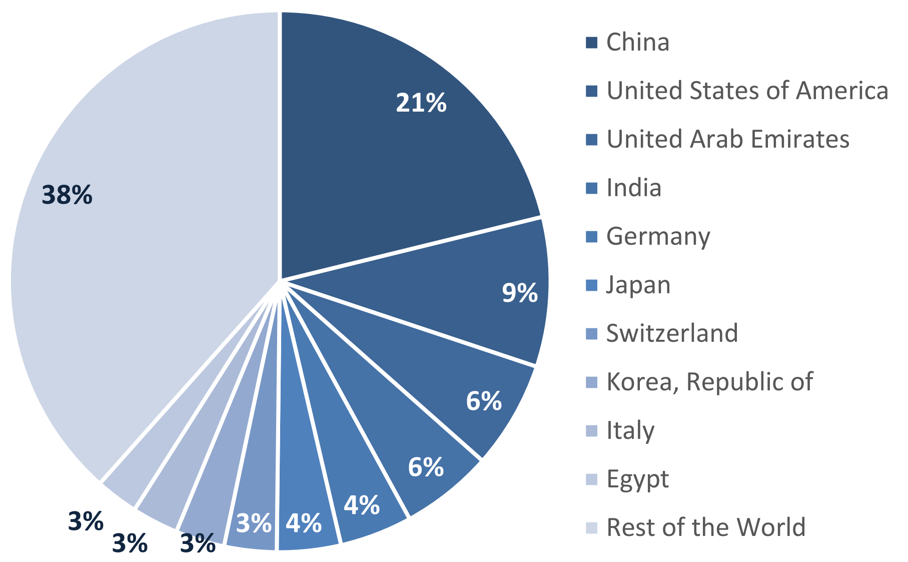


Main customers of Saudi Arabia in 2023



Top Suppliers to Saudi Arabia in 2023



Intra-OIC Trade

Share of OIC in Saudi Arabia's Exports

Share of OIC in Saudi Arabia's Imports

Top 10 Customers, OCI Members in 2023

1. United Arab Emirates
2. Bahreïn
3. Malaysia
4. Egypt
5. Oman
6. Pakistan
7. Türkiye
8. Indonesia
9. Jordan
10. Kuwait

Top 10 Suppliers, OIC Members in 2023

1. United Arab Emirates
2. Egypt
3. Oman
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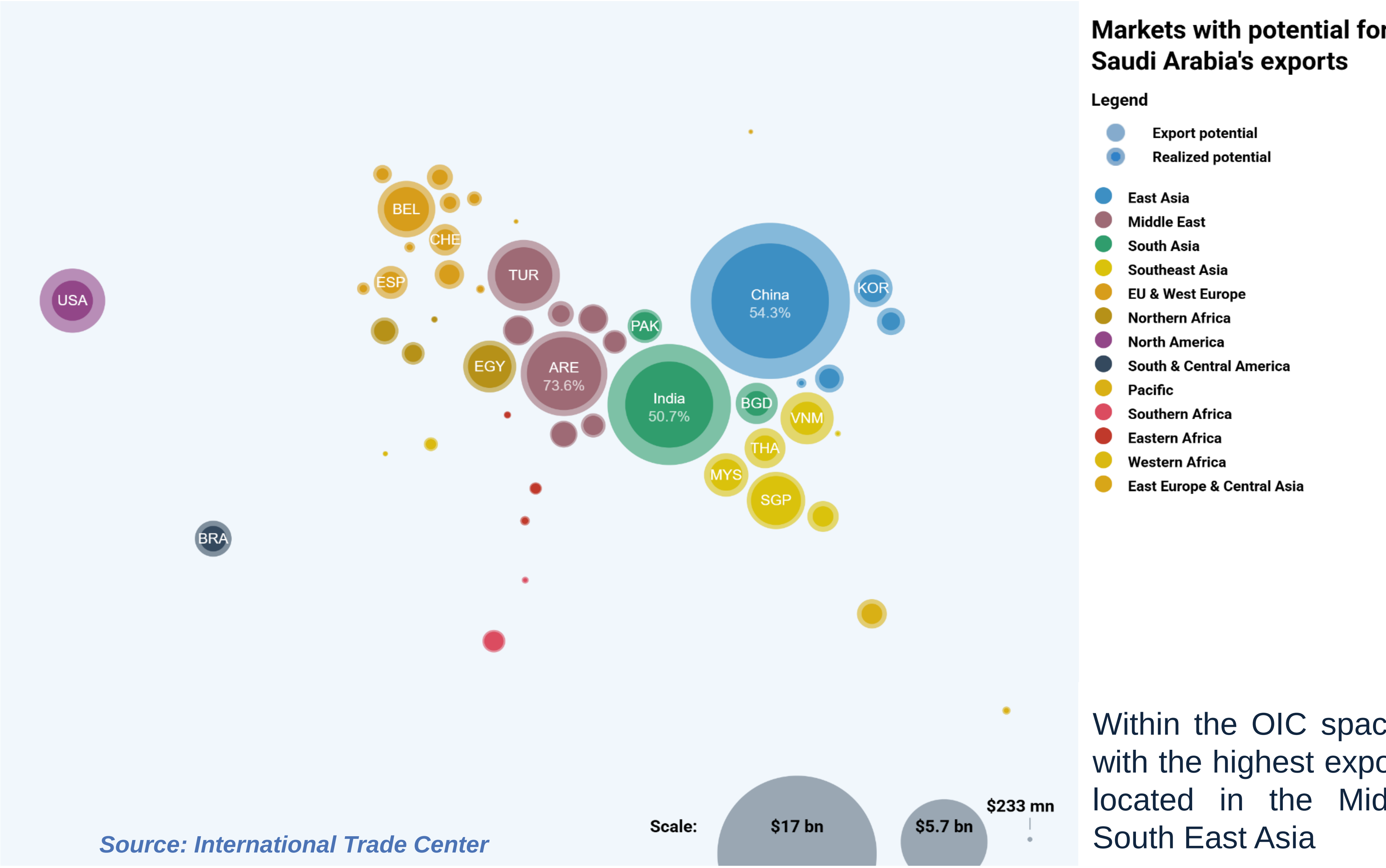
5. Indonesia
6. Türkiye
7. Malaysia
8. Jordan
9. Sudan
10. Pakistan

Export potential of Saudi Arabia by country of destination

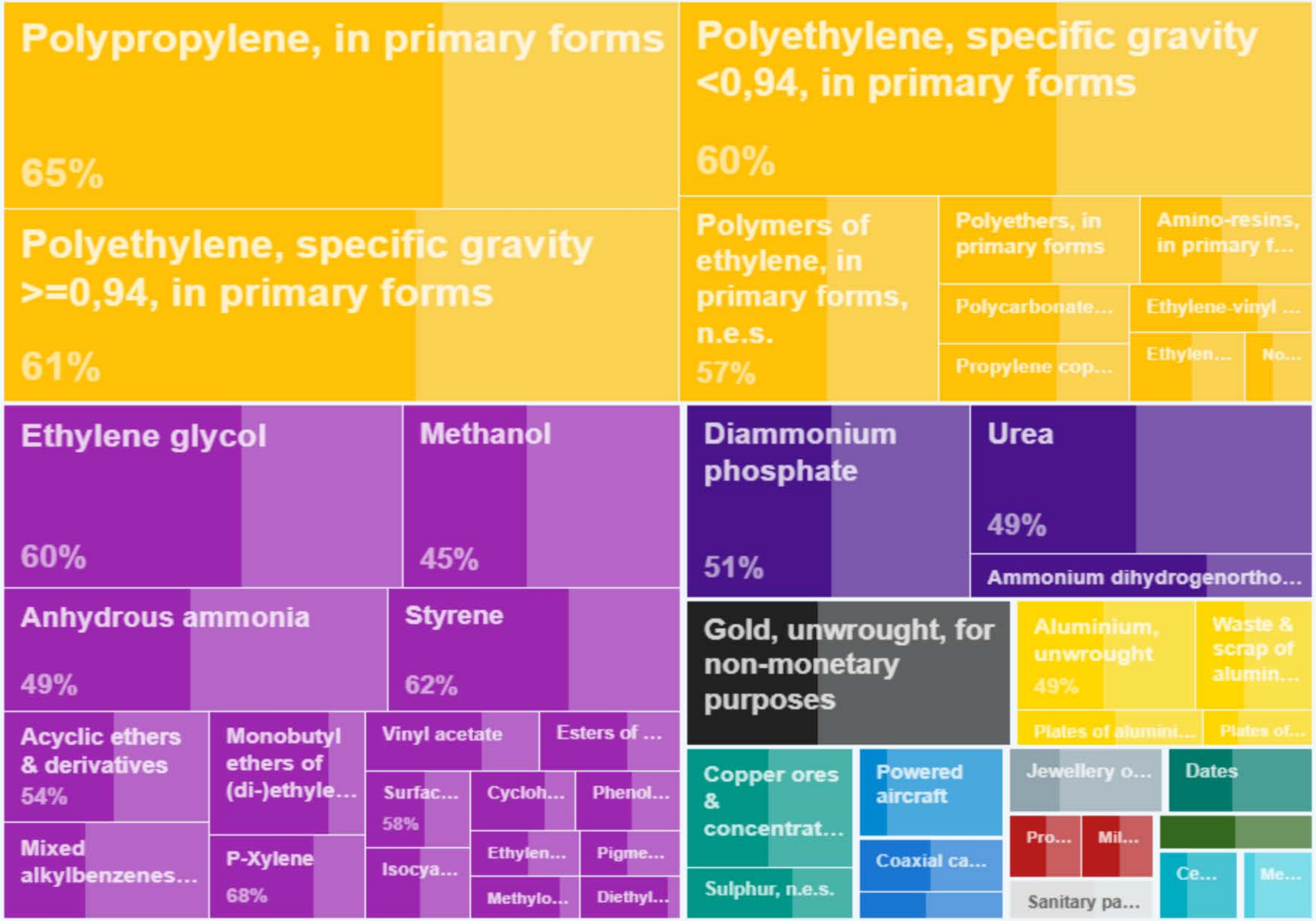


Source: International Trade Center

Within the OIC space, the markets with the highest export potential are located in the Middle East and South East Asia

Saudi Arabia's Export Potential by Product

Source: International Trade Center



Saudi Arabia's products with potential

Legend

- Export potential
- Realized potential

- Plastics & rubber
- Chemicals
- Fertilisers
- Precious metals
- Metals (except ferrous & precious)
- Mineral resources
- Aircrafts, spacecrafts & parts
- Machinery, electricity
- Jewellery & precious metal articles
- Fruits
- Dairy products
- Paper products
- Sugar
- Mineral products
- Pharmaceutical components

The products with greatest export potential from Saudi Arabia are Polypropylene and Polyethylene.

Market Access

Customs Duties and Taxes

Average rate: 6.2%
Average rate of agricultural products: 9.6%
Average rate of non-agricultural products: 5.7%

Trade agreements

Member of WTO;
Member of the Gulf Cooperation Council (GCC)
Regional Trade Agreements:
- EFTA - Gulf Cooperation Council (GCC)
- Gulf Cooperation Council (GCC) - Singapore
- Pan Arab Free Trade Area (PAFTA)

Fairs and Exhibitions

For more information, visit the website:
https://www.eventseye.com/fairs/c0_salons_arabie-saoudite.html

Public markets

Tenders from the Kingdom of Saudi Arabia are published on the website: https://www.sauditenders.com

Investing in Saudi Arabia

Why Saudi Arabia

Giga and mega breakthrough projects (Vision 2030); Ambitious reform process (first place among global corporate reformers); Strategic global location; Attractive real estate solutions; Young and qualified workforce; Well-being (stability, health, leisure); Leading financial sector (resilient banking system and broad asset base)

Special Economic Zones

Saudi Arabia plans to create four to five special economic zones that will encourage capital owners to invest in a variety of sectors, including manufacturing, biotechnology and cloud computing.
A logistics zone at Riyadh airport
A special economic zone in the King Abdullah financial district
A zone, containing logistics factories, will be established in King Abdullah Economic City.

Implemented Measures

loan program for public/private investment projects
Political and commercial risk insurance for investments and export credit guarantees
Financing arrangements for trade transactions of Arab-origin goods/energy and utilities empowerment
Tax credit and exemption (50% tax credit on payroll and training costs for Saudi national workers for 10 years)
Employment support program / Special economic zones
Financial incentives for R&D / Loans to SMEs.

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009661-4050000-2006

Ministry of Investment

https://www.misa.gov.sa/ar/about/

Ministry of Commerce

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