

# iktva

In-Kingdom Total Value Add

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# Vision 2030



“A thriving economy provides opportunity for all... we will develop our investment tools to unlock our promising economic sectors, diversify our economy and create job opportunities.”

**HRH Crown Prince Mohammed bin Salman**

**iktva is a key strategic program to support vision 2030 realization**

# Vision 2030: Driving Local Content Strategy



Goal	2030 Target
Oil & Gas Sector Localization	75%
Private Sector Participation	65%
SME Contribution	35%
Increase Non-Oil Exports	50%
Foreign Direct Investments	5.7%

## iktva Supports Vision 2030 Objectives



# Localization Evolution

## iktva

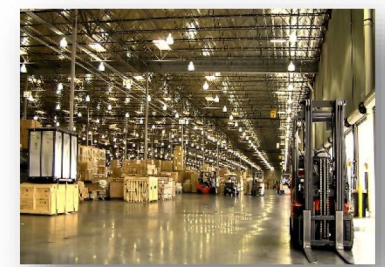
### Manufacturing & Engineering

- Assembly and packaging
- Engineering capabilities



### Service Suppliers

- Spare parts inventory
- Local service facility



### Traders

- Shipping & customs clearance
- Expediting services

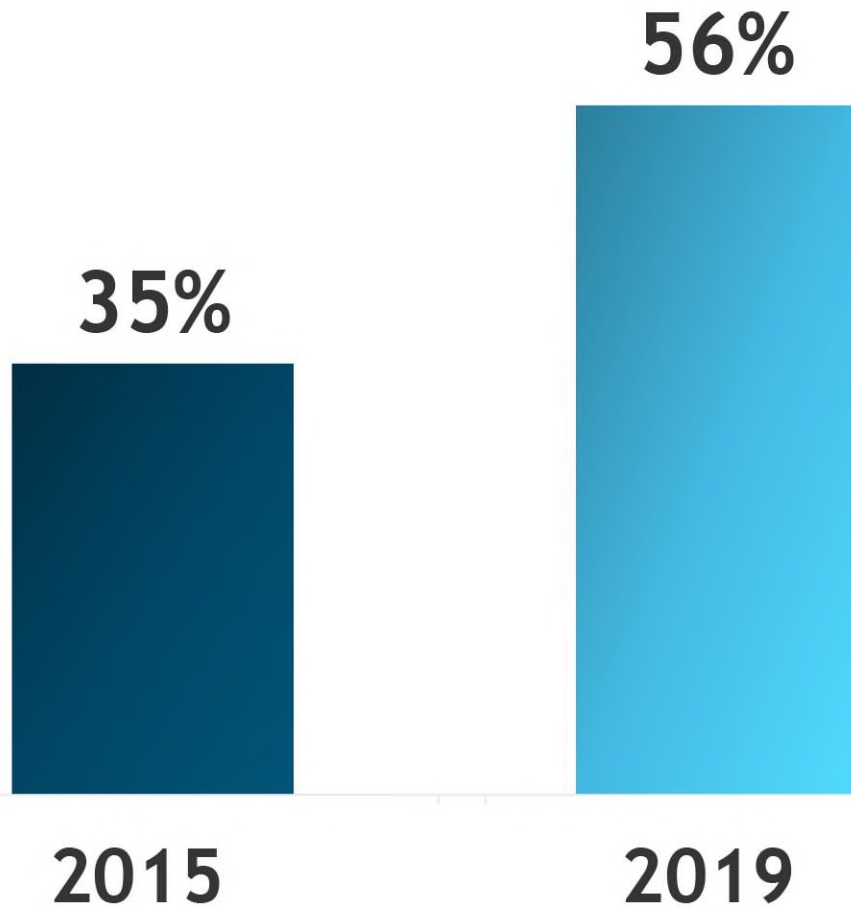


**70% Increase**  
Local Content Exports



# Developing a Competitive Local Supply Chain

## iktva Score Continuously Improved



## Competitive Local Supply Chain

- Strong Local market **Growth** potential
- **Tripled** procurement of local goods and services
- **Doubled** local workforce hiring & training
- Increased procurement from local SMEs by **13 times**
- **Tripled** spend on research & development
- Increased suppliers' exports by **50%**

# Investment Opportunities for SMEs



SMEs

Eco-System

Local Workforce

170 Investment Opportunities

\$14B Market Size

**\$2.0 B**  
Oilfield  
Equipment

**\$1.6 B**  
Nonmetallic

**\$1.0 B**  
Chemical

**\$1.5 B**  
IR 4.0

**\$0.9 B**  
Environment  
& Safety

**\$2.2 B**  
Metal  
Ecosystem

**\$2.4 B**  
Electrical  
Equipment

**\$1.4B**  
Instruments

**\$1.0 B**  
Offshore

# SMEs Investments Attracted to the Kingdom



SMEs

Eco-System

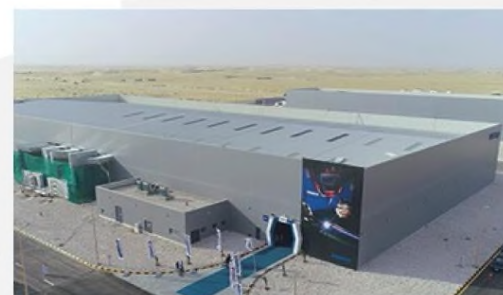
Local Workforce

**25** Countries Represented

**10** Industrial Sectors

**75** Investments Established

**60** Under Construction



## Completed Investments



**468 Investments Attracted**

**\$6.5B of SME Investments**

# Support Provided to SMEs



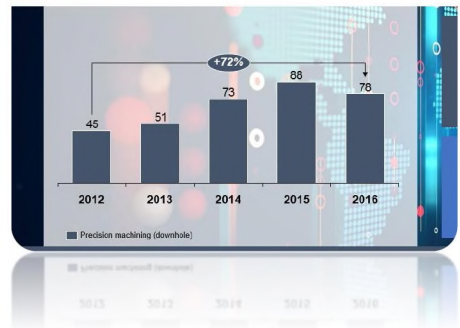
SMEs

Eco-System

Local Workforce

## Supporting SMEs with a range of value added services

Downhole precision machining market size evolution (US\$)



Market Demand Forecast

**Materials System Specification**  
 12-SAMSS-027 10 December 2017  
 Fiber-Reinforced Polymer Bar Materials for Concrete Reinforcement  
 Document Responsibility: Non-metallic Standards Committee

Technical Qualification

**دسر**  
DUSSUR

**SIDF**

أرامكو السعودية  
saudi aramco  
entrepreneurship

Access to Funding

**INVEST SAUDI**

**spark**  
مدينة الملك سلمان للطاقة  
King Salman Energy Park

**مدن**  
MODON

Licensing & Industrial Lands

# Ecosystem- Industrial Value Parks

SMEs

Eco-System

Local Workforce

Industry clusters from base materials to finished goods

Attractive rental rates

Access to skilled labor and feedstock

Logistics advantage: road, rail and ports

Export hubs



# Local Workforce Development



SMEs | Eco-System | Local Workforce

**Skilled Workforce**

**Training Programs**

**Pipeline of Talent**

**Job Market Growth**



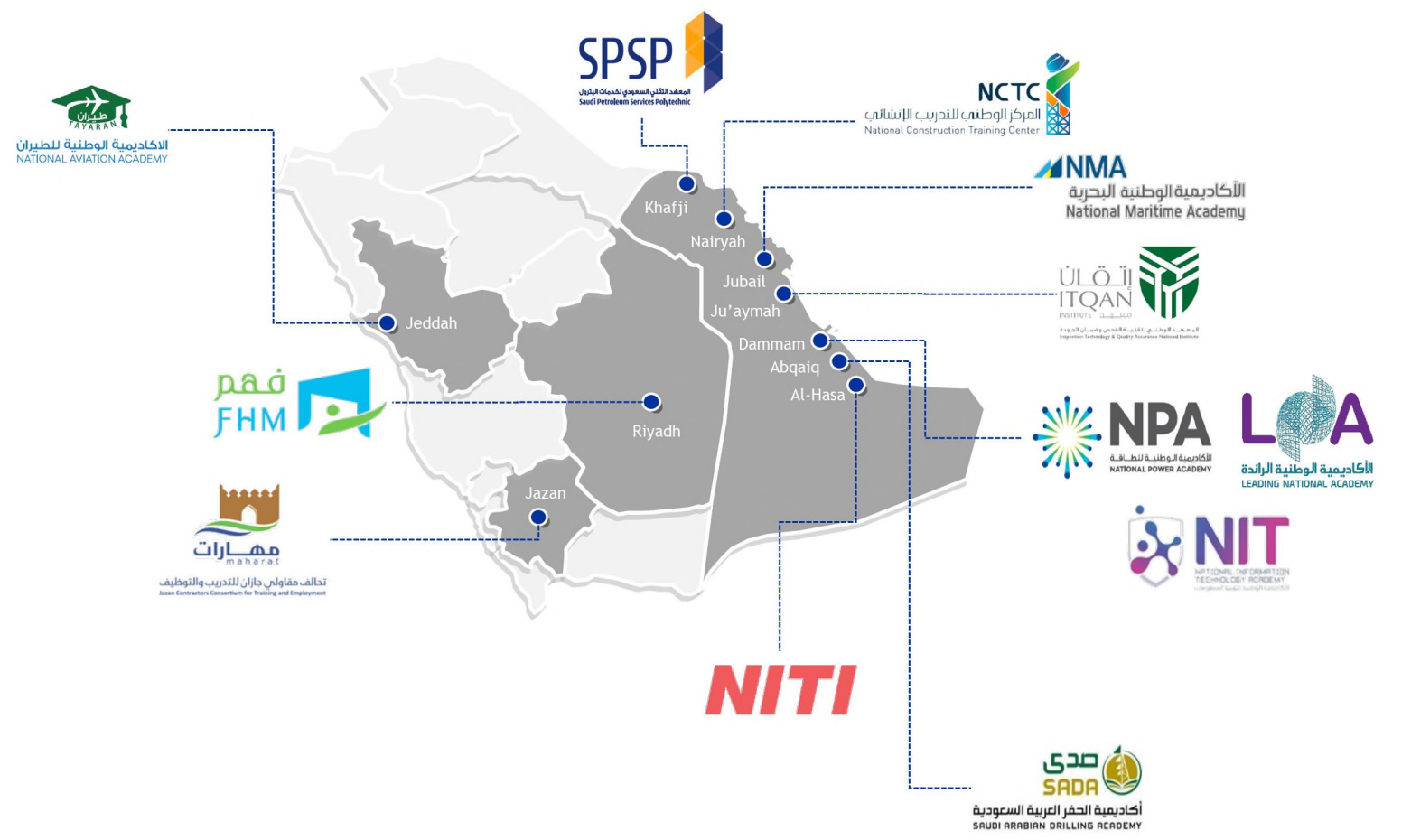
**Established**

**19**



**Graduated**

**22K Trainees**

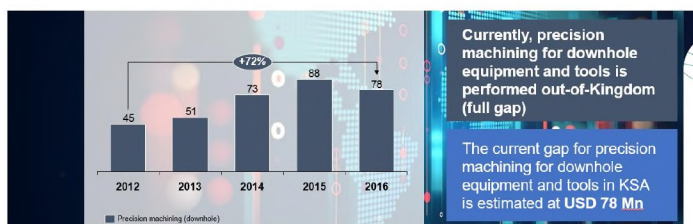


# You Can Access +170 Opportunities at iktva.sa

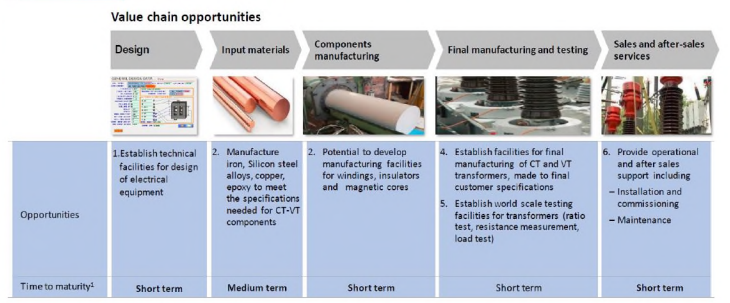


Overall demand for precision machining for downhole tools in KSA has been growing and is estimated at USD 78 Mn in 2016

KSA downhole precision machining market size evolution (USD Mn)



Value chain gaps translate into opportunities that can be localized within KSA



## Key opportunities for localization – Reinforced Plastics

	Raw materials	Finished products	Installation and after sales
Opportunity	<ul style="list-style-type: none"> <li>Establish local manufacturing of PTFE, Glass fiber and epoxy resins</li> </ul>	<ul style="list-style-type: none"> <li>Establish local manufacturing of umbilical, subsea flex, valves, marine hose, gratings and flat collars for immediate use</li> <li>Establish manufacturing of pipes for use after 2020</li> </ul>	<ul style="list-style-type: none"> <li>Provide services including maintenance, R&amp;D, customer support, prototyping and lining</li> </ul>
Rationale	<ul style="list-style-type: none"> <li>Significant imports of glass fiber (&gt;80 ktpa) and PTFE (&gt;20 ktpa) into KSA</li> <li>Significant imports (&gt;15 ktpa) and limited presence of epoxy resin manufacturers in KSA (only one certified player)</li> </ul>	<ul style="list-style-type: none"> <li>Imports of most non metallic products except pipes</li> <li>Planned pipes manufacturing expected to be insufficient post 2020, as market is expected to grow at &gt;7% CAGR</li> </ul>	<ul style="list-style-type: none"> <li>No credible player offering these services for non metallics in KSA</li> <li>Limited presence of these services highlighted as major gap by tier 1 suppliers</li> </ul>

Future Demand Data Locally and Regionally

Opportunities Across the Full Value Chain

[www.iktva.sa](http://www.iktva.sa)

Investment Opportunities

أرامكو السعودية  
saudi aramco

