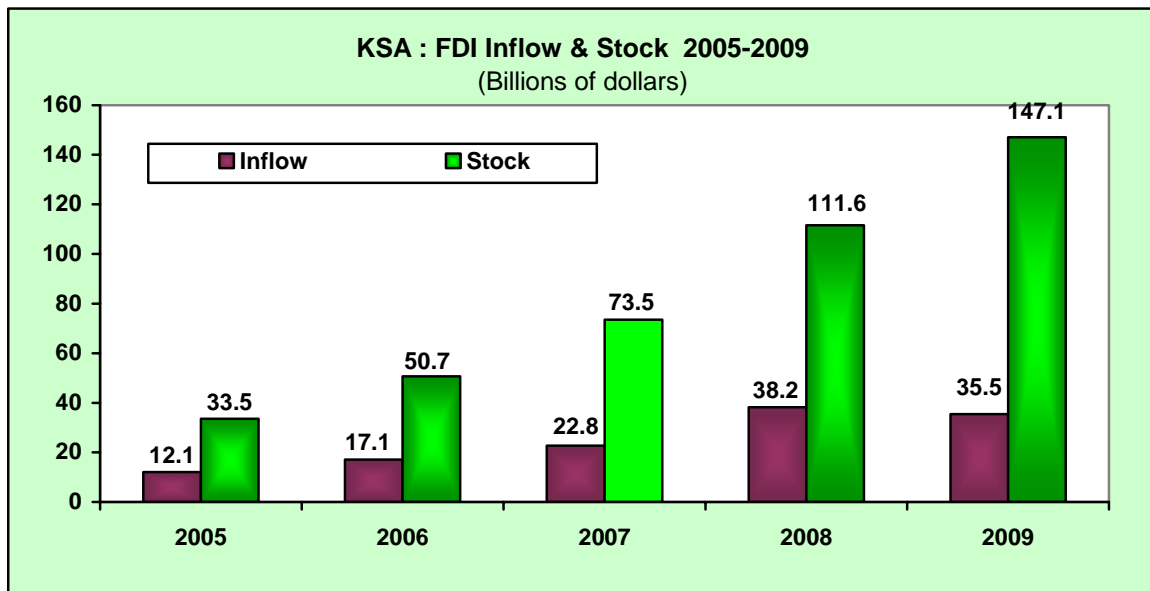
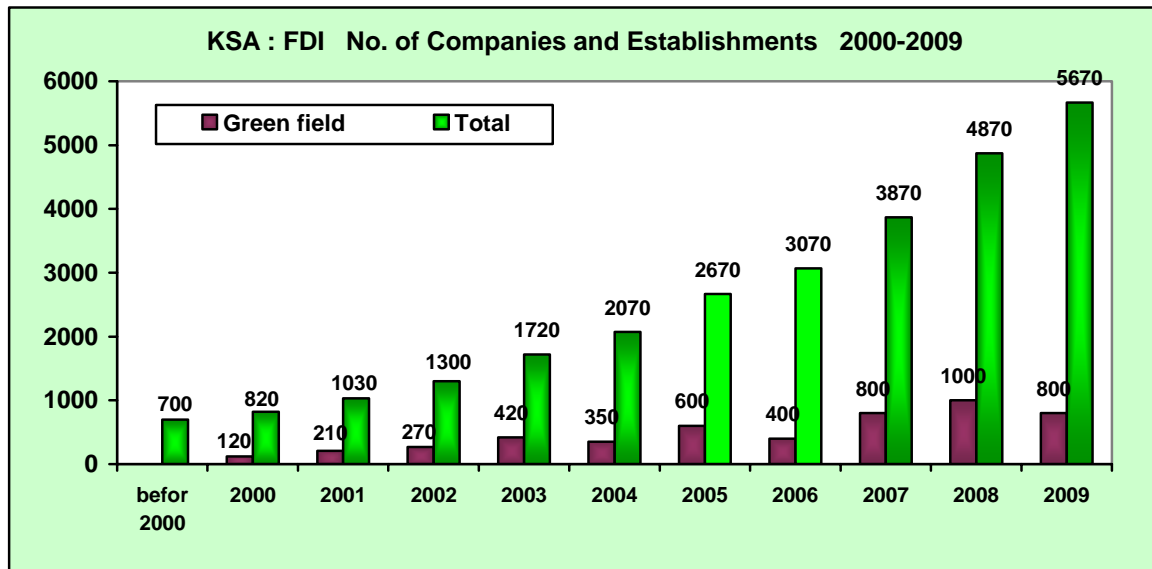


Annual Report of FDI
INTO SAUDI ARABIA
2010

Saudi Arabia succeeded to attract more FDI investments during 2009. Total FDI inflows amounted to US\$ 35.5 billion. The inflows were lower by 7 per cent than the total FDI inflows of US\$ 38.1 billion attracted during 2008. Net FDI inflows contributed to raising the internal FDI stock value to US\$ 147.1 billion by the end of year 2009. These levels of FDI inflows, although high, are yet below the aspirations of Saudi Arabian General Investment Authority (SAGIA), taking into considerations the great potentials of the Saudi economy, and its grid of developed infrastructure, and investor-friendly laws. It is worth mentioning that reports from United Nations Conference for Trade and Development (UNCTAD) have shown that the Kingdom of Saudi Arabia has the potential to attract more FDI than current levels. Anyway, recent statistics show that the discrepancy between the potential to attract FDI and actual FDI inflows is closing and a significant decrease in the gap occurred during the last two years of 2008 and 2009. SAGIA aims at doubling the levels of FDI annual inflows so that levels of FDI inflows match the potential of the Kingdom.





FDI inflows to the Kingdom in 2009 distribute over a wide range of economic sectors, most important of which are:

- Manufacture of refined petroleum products
- Manufacture of chemicals & chemical products
- Investments in real estate and infrastructure
- Building contracts
- Financial services (Banking and insurance)
- Quarrying, mining, oil and gas explorations
- Transportation, Telecommunications and Information Technology

Analysis of FDI inflows to the Kingdom, reveals that sources of largest FDI inflows during 2009 were USA with FDI inflow amounting to US\$ 5.8 Billion, followed by Kuwait with US\$ 4.3 billion, UAE with investments value of US\$ 3.8 billion, France US\$ 2.6 billion, and Japan US\$ 2.0 billion.

Impact of Foreign & Joint Investments (2005 - 2009)























	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009*</u>
Total Foreign & Joint Investments (Billion US\$)	74	125	173	235	300
Foreign Direct Investment Stock (Billion US\$)	34	51	73	112	147
% of Foreign Investment to Total Investments	45%	40%	42%	48%	49%
FDI Inflow (Billion US\$)	12	17	23	38	36
Total Labor in FDI Projects (000)	225	254	299	335	375
Saudi Labor in FDI Projects (000)	61	70	84	97	101
		9	14	13	4
(Saudi Labor / Total Labor) in FDI Projects	27.1%	27.6%	28%	29%	27%
(Saudi Labor / Total Labor) in Privat Sector	11.6%	12.5%	12.9%	13.3%	9.9%
Total Salaries & Wages (Billion US\$)	3.9	4.5	5.5	6.5	7.8
Total Sales (Billion US\$)	57	68	84	92	105
Local Purchases (Billion US\$)	34	39	41	49	60
Export Value (Billion US\$)	21	30	36	39	29
Export of FDI Projects / Total Non Oil Export	58%	73%	69%	66%	58%
Added Value (Billion US\$)	11.5	13.9	20	23.2	26.9

* Estimated.
















- Source : Saudi Arabian General Investment Authority (SAGIA) 28/5/2010

Actual Inflows & Stocks of Foreign Direct Investments in KSA by Country 2009
(Millions of dollars)



	FDI Inflows					Total FDI Stocks 2009
	2006	2007	2008	2009		
Total FDI Inflows to KSA	17,140	22,821	38,151	35,514		147,144
FDI from North & South America	1,589	4,030	5,396	6,048		26,712
- USA	1,594	3,978	5,228	5,830		25,863
- Canada	2	37	164	216		840
- Others	- 7	15	4	2		10
FDI from Europe	5,734	4,626	9,100	8,417		33,759
- France	2,053	1,136	3,022	2,558		10,350
- Netherlands	820	904	1,363	1,344		6,911
- United Kingdom	636	444	998	886		3,175
- Germany	2	270	922	1,043		3,018
- Italy	550	435	771	869		2,861
- Russia	1,099	550	1,106	516		2,685
- Spain	558	557	445	413		1,557
- Switzerland	0	102	160	261		1,098
- Sweden	0	77	44	90		522
- Cyprus	13	3	83	165		303
- Finland	0	78	14	54		267
- Belgium	0	5	4	70		249
- Norway	0	26	38	38		191
- Luxembourg	0	1	32	28		156
- Austria	2	5	15	28		145
- Denmark	0	17	17	24		141
- Others	2	15	65	29		129
FDI from Asia	7,032	9,886	20,055	16,495		73,675
- UAE	- 19	2,381	5,595	3,787		18,499
- Japan	3,512	1,068	3,246	2,044		15,004
- Kuwait	267	2,370	4,638	4,299		13,504
- China	1,100	1,428	1,323	1,665		5,402
- Bahrain	789	593	1,681	1,095		4,898
- Jordan	557	384	841	818		4,263
- Malaysia	720	954	589	471		2,650
- Lebanon	7	189	215	414		1,839
- Syria	17	95	379	312		1,373
- Pakistan	52	109	219	221		1,040
































National Competitiveness Center NCC

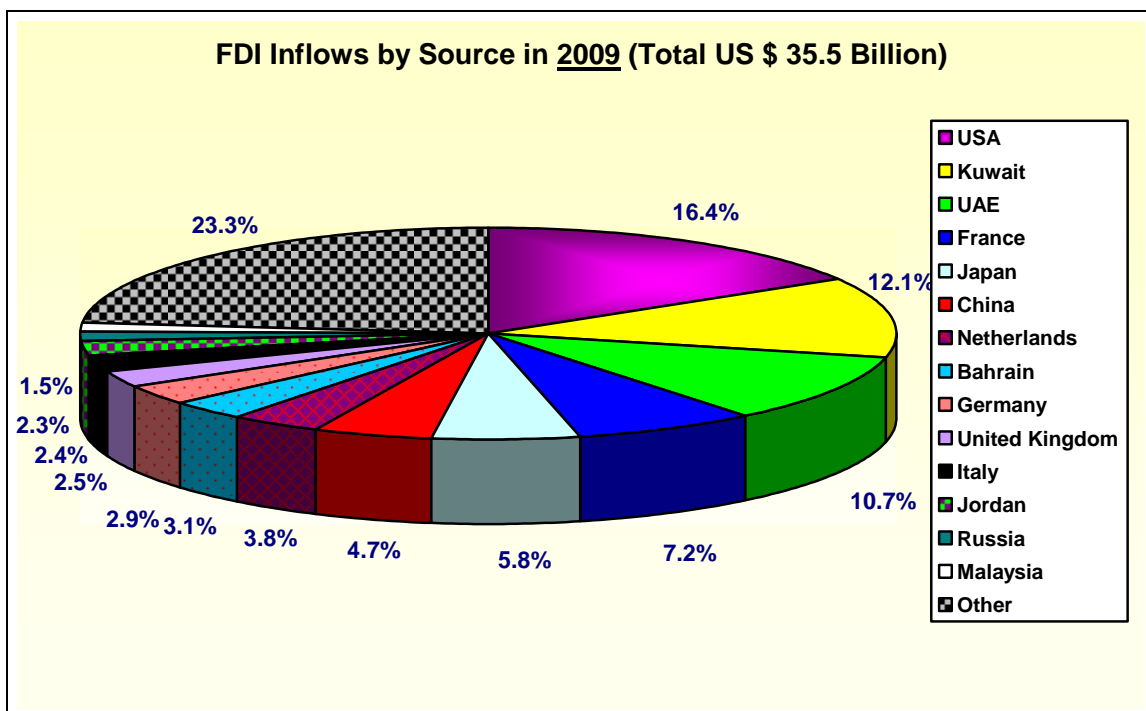
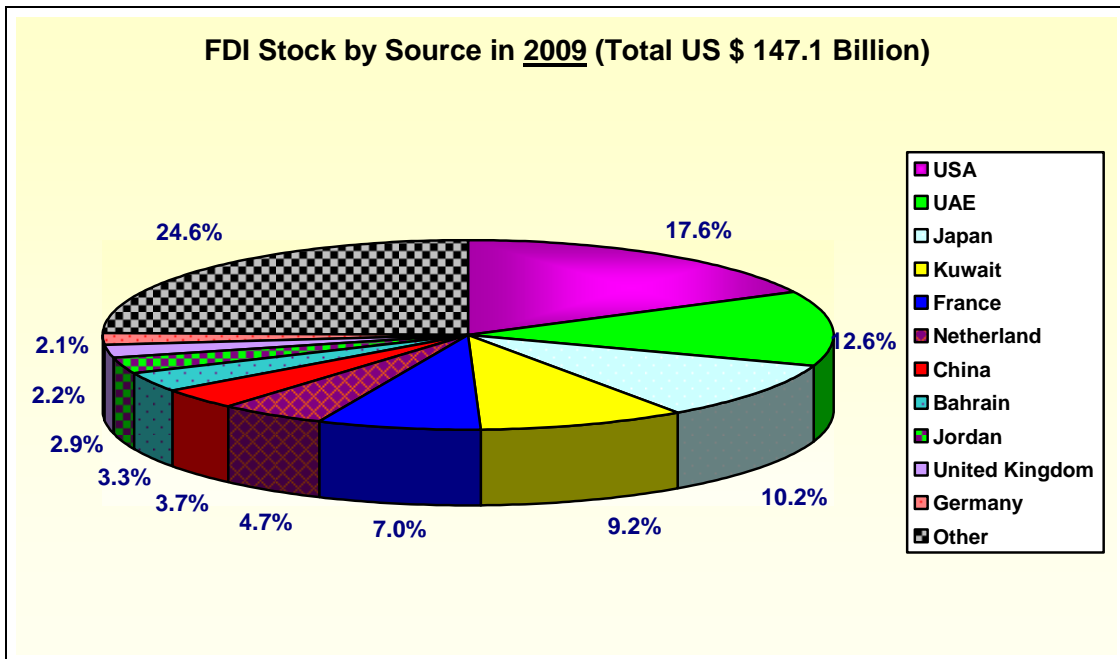
	FDI Inflows					Total FDI Stocks 2009
	2006	2007	2008	2009		
- Palestine	11	69	200	197		845
- Yemen	7	36	216	177		797
- Turkey	1	9	189	280		688
- Korea	0	35	162	174		569
- Taiwan	0	95	46	91		547
- Singapore	2	6	159	171		518
- India	4	26	182	116		482
- Qatar	0	21	50	64		306
- Oman	1	4	37	33		143
- Iran	3	5	9	10		47
- Others	1	8	81	56		260
<u>FDI from Africa</u>	11	114	525	443		1,768
- Egypt	10	80	458	391		1,535
- Sudan	1	10	21	20		87
- South Africa	0	21	20	13		61
- Others	0	3	27	19		85
<u>FDI from Australia</u>	8	25	145	172		643
- Australia	8	21	147	168		626
- New Zealand	0	4	- 3	3		17
<u>Other Projects</u>	2,766	4,140	2,930	3,938		10,585

Top 30 Countries Investing in KSA 2009

(Millions of dollars)



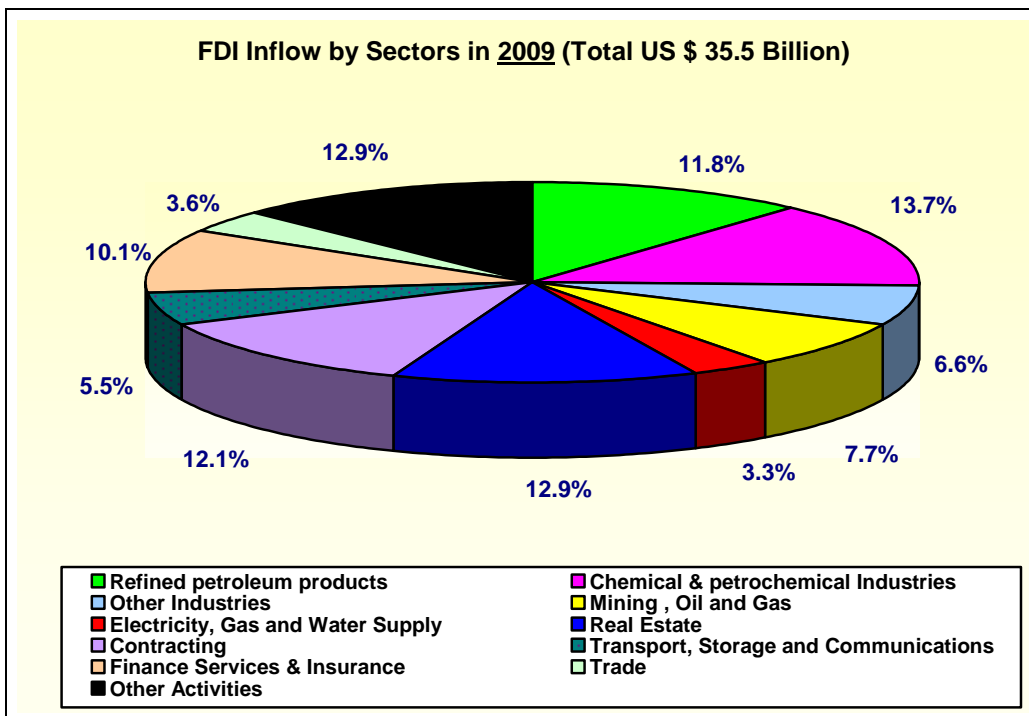
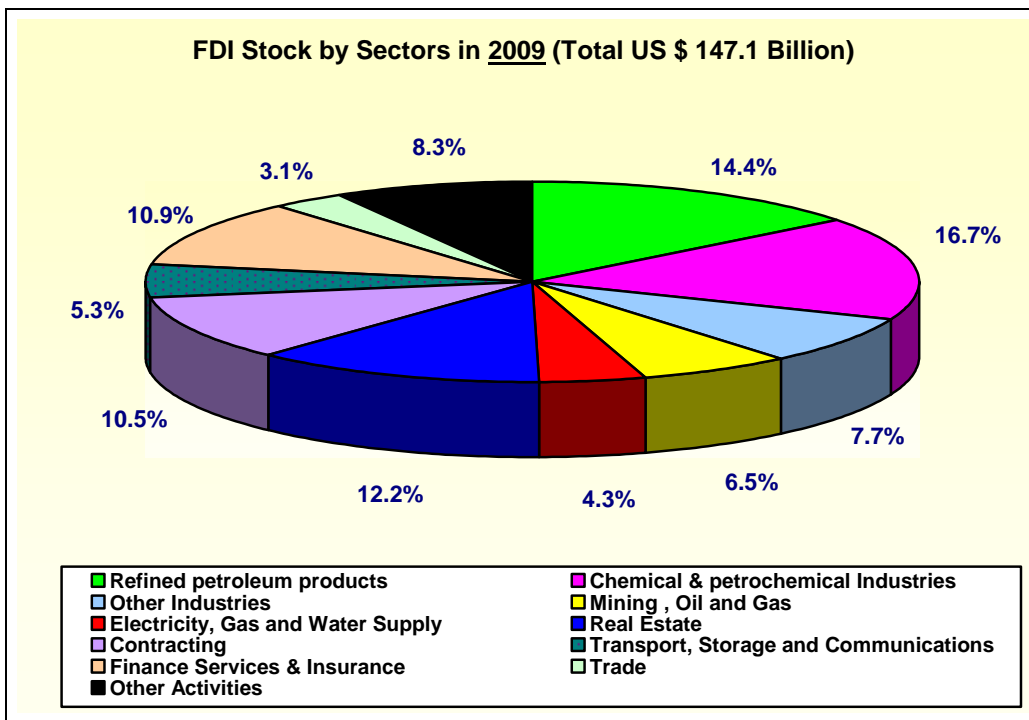
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- India	4	26	182	116		482



Actual Inflows & Stocks of Foreign Direct Investments in KSA by Sector 2009
(Millions of dollars)



	FDI Inflows			Total FDI Stocks 2009
	2007	2008	2009	
Total FDI Inflows to KSA	22,821	38,151	35,514	147,144
1 Agriculture and Fishing	24	35	42	196
2 Mining , Extraction of Oil & Gas Services	2,724	2,866	2,758	9,557
3 Industry :	9,659	12,014	11,683	57,189
Manufacture of food products & beverages	151	335	273	1,503
Manufacture of textiles	6	30	35	166
Manufacture of wearing apparel	10	24	20	91
Tanning and dressing of leather ;handbags, footwear,...	8	30	24	119
Manufacture of wood & wood products ,except furniture	11	55	39	235
Manufacture of paper & paper products	76	56	104	583
Publishing, printing & reproduction of recorded media	3	7	12	59
Manufacture of coke & refined petroleum products	3,573	4,516	4,279	21,189
Manufacture of chemicals & chemical products	3,998	4,880	4,999	24,581
Manufacture of rubber & plastics products	93	179	202	928
Manufacture of other non-metallic mineral products	231	344	370	1,631
Manufacture of basic metals	949	668	349	1,795
Manufacture of fabricated metal products	314	520	510	2,161
Manufacture of machinery & equipment	97	107	154	652
Manufacture of office, accounting & computing mach.	1	2	2	9
Manufacture of electrical machinery & apparatus n.e.c	70	99	113	514
Manufacture of radio, television & communication equip	16	4	26	97
Manufacture of medical, precision & optical instruments	1	14	13	63
Manufacture of motor vehicles, trailers & semi-trailers	11	58	58	335
Manufacture of furniture & jewellery and related articles	33	71	90	416
Recycling of metal & non-metal waste and scrap	6	16	13	57
4 Electricity, Gas and Water Supply	1,371	2,032	1,205	6,402
5 Contracting	1,552	3,634	4,444	15,378
6 Trade	960	1,021	1,307	4,536
7 Hotels and Restaurants	34	267	172	784
8 Transport, Storage and Communications	1,169	2,866	1,987	7,787
9 Finance Services & Insurance	1,550	4,139	3,740	16,144
10 Real Estate	2,707	6,996	4,658	18,050
11 Other Activities	1,070	2,281	3,520	11,246



FDI Stock by Sectors in 2009 (Total US \$ 147.1 Billion)

Major Projects and Companies / Foreign Investors Nationality

