

INVESTMENT OPPORTUNITY

PROJECT NAME	OPPORTUNITY SECTOR	
IT Service & Support Centers / call centers	<i>ICT</i>	
<p>Opportunity Background:</p> <ul style="list-style-type: none"> ● IT services market in Saudi Arabia is expected to nearly double to reach a value of US\$ 1.4 Bn in 2012 from US\$ 751 MM in 2007 ● Software and IT services spend by Telecom Service Providers (TSPs) in MEA region is expected to grow at a CAGR of 11.5% during 2005-2009, second highest growth rate globally ● Services to TSPs accounted for nearly 92% of the company's revenues in Q1-2008 ● Saudi Arabia ranks significantly higher than India in 'Ease of Doing Business' rankings (the company's primary operations are based in India) 		
<p>Value Proposition:</p> <ul style="list-style-type: none"> ● The opportunity involves setting up an IT services and support centre in KAEC, Saudi Arabia to provide IT solutions and support to telecom service providers in the Kingdom and Middle East region ● Based on the costs of other such facilities, we estimate this to require initial investment of US\$ 3.5 MM ● Such a facility would have a strength of nearly 200 employees ● The suggested location, KAEC, offers good access to both the Saudi and the GCC markets. The potential development of ICT cluster in the city, combined with similar clusters coming across the country, would provide significant revenues to the investor over the coming years ● Medina area is relatively low in labor and logistics costs to Jeddah, Riyadh, and Dammam. With the advanced communication technologies and solutions, there are no restrictions on the location such centers should be. 		
<p>Project/Investment Characteristics:</p>		
<p>Investment location: <i>KEC</i></p>	<p>Project Timeline:</p>	<p>Potential Job Creation: <i>100-200</i></p>
<p>Investment Size: <i>2 million USD</i></p>	<p>Estimated Turnover: <i>PBP= 1.5 Years (estimate)</i></p>	
COST OF DOING BUSINESS		
<p>Relatively low infrastructure – General low cost of doing business in Saudi</p>		
Target Investors criteria		
<p>ICT MNCs who are already providing remote service centers outside KSA like Oracle, Dell, and IBM. Other potential targets are those MNCs specialized in the field of support centers.</p>		
<p>Project Leader: Abdullah Taha</p>		<p>Status:</p>