



وزارة الاستثمار
Ministry of Investment

استثمر في السعودية
INVEST
SAUDI



Invest in Aseer



**Your Guide to Uncovering
Value Propositions in
Aseer Region**

| January, 2023



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Enablers of Aseer strategy



My primary goal is to be an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavor.

**Custodian of the Two Holy Mosques,
King Salman Bin Abdulaziz Al-Saud**



Our nation holds strong investment capabilities, which we will harness to stimulate our economy and diversify our revenues.

**His Royal Highness the Crown Prince,
Mohammed bin Salman bin Abdulaziz
Al-Saud**



HRH Prince Turki bin Talal bin Abdulaziz Al-Saud
Prince of Aseer region, and Chairman of Aseer Development Authority



The land of Aseer, and the people of Aseer, is an equation of “success and prosperity” for everyone who worked for it and in it.

Since the launch of the development project; “Saudi Vision 2030”, led by the Custodian of the Two Holy Mosques; King Salman bin Abdulaziz Al Saud, and under the constant guidance and follow-up of His Royal Highness, Prince Muhammad bin Salman bin Abdulaziz Al Saud; The Crown Prince, the Prime Minister, and the Kingdom are in constant quest to achieve the goals of this ambitious Saudi Vision, starting with diversifying the resources of the national economy, as well as developing and putting into action ambitious plans and strategies designed to boost economic growth across the Kingdom. Work to attract and promote investments in all regions of the Kingdom is among the most crucial of these strategies.

In order to build a strong foundation for achieving Saudi Vision 2030’s goals, in the years since Saudi Vision 2030’s inception, the Kingdom will pursue strategies such as a strong and developing economy, abundant energy resources, distinctive geographical features, a young population, and an integrated infrastructure. and so on. The Kingdom benefited from this advantage to solidify its position as an ideal destination for those looking to invest in a number of highly competitive sectors and take advantage of promising investment opportunities.

The Kingdom’s focus on diversifying the national economy, coupled with its ambitious economic growth plans and unprecedented government support such as the Ministry of investment, has positioned Saudi Arabia as an ideal choice for investment. Saudi Arabia’s economy has proven to be both resilient and one of the fastest globally to rebound from the effects of the “COVID-19” pandemic. In fact, the Kingdom is predicted by the IMF to see the most rapid economic growth in the world at 7.6 percent in 2022. In addition, As one of the overarching objectives of Saudi Vision 2030 is to grow and diversify the economy, Saudi Vision 2030 aims to make Saudi Arabia one of the top 15 economies globally. Doing so requires significant investment that is estimated to exceed USD 3.2 trillion through the National Investment Strategy, launched by HRH the Crown Prince a year ago.

Over the past few years, the Kingdom has undergone a major transformation not seen anywhere else in the world. We have developed leading information and communications technologies (ICT) infrastructure, introduced comprehensive eGovernment solutions, and embraced public-private partnerships to deliver our ambitious targets on a scale and at a speed that are unparalleled. We are continuing to transform to create further investment opportunities and increase our competitiveness across key and emerging sectors. We are doing this through developed rules and regulation such as Mining Regulations and strategic initiatives such as Saudi Vision 2030, the National Investment Strategy, National Transport and Logistics Strategy, National Industrial Strategy, the National Development Fund, and Global Supply Chain Resilience Initiative. These initiatives come with significant government support in helping to attract investment and enable growth. further investment opportunities and increase competitiveness across key and emerging sectors. We are doing this through strategic initiatives such as Saudi Vision 2030, the National Investment Strategy, and the National Development Fund, among others. These initiatives come with significant government support in helping attract investment and enable growth.

We understand that one of the key factors associated with successful investment decisions is site selection. The Ministry of Investment (MISA), through collaboration with key entities, has developed reports such as this one to showcase opportunities found in all regions across the Kingdom. Our 13 provinces have key differentiators and a unique value proposition in specific sectors. Throughout this report, we help shine a light on Aseer — an emerging tourism destination with premier natural assets.

HE Minister of Investment Eng. Khalid bin Abdulaziz Al-Falih

SPOTLIGHT ON THE KINGDOM

The Kingdom's Transformational Journey Through Saudi Vision 2030



Saudi Arabia's Nominal GDP was ~USD 834 billion in 2021, based on the efforts of Aseer region, the contribution of the tourism and agriculture sectors to the Kingdom's GDP is expected to increase. The Kingdom's growth perspectives are supported by a set of major Saudi Vision 2030 Realization Programs and initiatives.

These programs and initiatives include the Public Investment Fund Program, Pilgrim Experience Program, Quality of Life Program, National Industrial Development and Logistics Program, Housing Program, Privatization Program, and the Regional Headquarters program, among others.

These transformative investment programs are critical components of the Kingdom's strategy to achieve Saudi Vision 2030 targets, including:

- Raising the share of non-oil exports in non-oil GDP to 50%
- Positioning KSA within the top 15 economies worldwide
- More than double overall domestic investment component
- Increasing foreign direct investment (FDI) approximately twenty-fold

The country's determination to diversify its economy has fueled both local and foreign investment, while increasing the contribution of small and medium-sized (SME) enterprises to the national GDP. According to the Saudi central bank (SAMA), foreign direct investment inflows to the Kingdom increased significantly from USD 1.4 billion in 2017 to almost USD 19.3 billion in 2021. This is mainly due to increased competitiveness in key areas such as ease of doing business, road connectivity, cybersecurity, and education.

Ranked
#36

For the ease of starting a business as per the 2021 Global Innovation Index (out of 132 countries)

Ranked
#1

For road connectivity as per the 2019 Global competitiveness report by the World Economic Forum (out of 141 countries)

Ranked
#2

Overall in the 2020 Global Cyber Security Index by the United Nations International Telecommunication Union (out of 194 countries)

Ranked
#6

For total public expenditure on education as per the 2021 IMD World Competitiveness Yearbook (out of 64 countries)

Ranked
#9

For technical and vocational education training as per the 2021 Global Knowledge Index (out of 154 countries)

Ranked
#41

Overall in INSEAD's 2021 Global Talent Competitiveness Index (out of 134 countries)

Ranked
#3

Ranked 3rd for the ease of protecting minority investors per the 2021 Global Innovation Index (out of 132 countries)





Ranked
#47

Ranked 47th for the gross expenditure on research and development as per the 2021 Global Innovation Index (out of 132 countries)




A key area of focus for the Kingdom has been building top-tier digital infrastructure to enable its digital transformation strategy, through adopting and implementing state-of-the-art Information and Communications Technologies (ICT).

E-government programs enabling the digitalization and improvement of multiple services have been leveraged to support this goal. This was done by developing electronic platforms, channels, and applications to improve the end-user experience.

To foster new investment opportunities, facilitate investments for the private sector and encourage innovation, an extensive network of institutions offers attractive incentives to projects across sectors and regions. These include nearly **290 programs** such as:

-  **Employment support (covering a percentage of wages) offered by the Saudi Human Resources Development Fund (HRDF)**
-  **Project finance and working capital financing offered by the Saudi Industrial Development Fund (SIDF)**
-  **Tax credits on R&D investment and tax exemption on earnings from exports offered by the Zakat Tax and Customs Authority (ZATCA).**
-  **Customs exemption on raw material, machinery and equipment, and spare parts offered by the Ministry of Industry and Mineral Resources (MIMR).**

Key sectors have been identified for the country which include renewable energy, tourism, healthcare, financial services, industrial manufacturing, logistics, and mining. In line with Saudi Vision 2030, the Kingdom has set **ambitious goals across target sectors**, such as:

-  **Reaching net zero emissions by 2060**
-  **Doubling the number of Saudi heritage sites registered with UNESCO**
-  **Having three Saudi cities recognized in the top-ranked 100 cities worldwide**
-  **Increasing household spending on cultural and entertainment activities inside Saudi Arabia from current level of 2.9% to 6%**



Growing the Kingdom's global footprint through increase of exports is also a key priority. The Kingdom's strategic geographical location makes it a key contributor to international trade as it connects three continents: Africa, Asia, and Europe. Trade-intensive sectors that are ripe for exporting are being supported through various incentives and enablers that are being rolled out across the Kingdom.



Spotlight: The Saudi Green Initiative

The Saudi Green Initiative is an ambitious national initiative for the Kingdom of Saudi Arabia aiming to improve quality of life and protect future generations. Saudi Arabia is taking a leading role in global efforts, by committing to **protect at least 30% of global ocean** in Marine Protected areas, and Other Effective area-based Conservation Measures by 2030, contributing to UNFCCC climate action by guiding and supporting sports actors to achieve global climate change goals, and cutting global **methane emissions by 30%** by 2030.



Top Commitments include





-  Reducing Carbon emissions by more than **4%** related to global contributions by 2030
-  Planting **10 billion** trees across Saudi Arabia by 2030
-  Raising protected areas to more than **20%** of total land area by 2030
-  Increasing domestic generation capacity from renewable energy to **50%** by 2030

Image source: www.saudigreeninitiative.org

WHY INVEST IN ASEER

Aseer is a hidden gem – with rich heritage, unique tourism locations, and a fruitful natural landscape. Located on the Red Sea coast within the Sarawat Mountains (Saudi Arabia’s longest mountain range), Aseer is seeing large-scale government support aimed at transforming the region and enhancing growth across key subsectors – including adventure tourism and honey production.

With a unique topography including unspoiled wilderness and high mountain peaks, Aseer is set on becoming a haven for adventure seekers and a key tourism hub. Visitors will have the chance to enjoy outdoor activities along the region’s 125 kilometers-long coastline, desert dunes in Tathilth and Bisha, and over more than 4,000 traditional and culturally significant villages such as Rijal Almaa. Visitors will also benefit from growing luxurious and modern accommodations across the region. Combining the urban, cultural, and natural elements, notable opportunities are materializing in Aseer to support this emerging tourism destination.

Aseer regional strategy focuses on five distinct terrains: beaches, plateaus, mountains, hills, and deserts. The region plan is founded on three pillars: humanity, the economy, and the environment. To achieve its ambitious strategy, Aseer has various enablers, including expanding infrastructure, increasing human capital, building regional identity (quality of life), allocating funding to market the region establishment of a Destination Management Corporation to handle licensing, regulation, control of tourism infrastructure and attractions, and establishment of a regional development authority to oversee the actions of all parties involved in regional economic development.

The region’s natural wonders further support a fruitful agriculture sector. Aseer’s climate and location have produced an abundance of fertile lands ideal for honey production. The region is the 2nd highest honey producer in the Kingdom. The region’s mountainous landscape creates an exemplary location for the production of premium, high quality honey as Sidra and Al-Shoukah. With global honey production facing challenges including declining bee populations, Aseer’s honey production ecosystem has remained strong. Opportunities exist to build on existing assets and help establish Aseer’s high-quality honey worldwide.

Government support has been initiated to accelerate opportunities across the region.



Thriving tourism sector attracting 4 million visitors a year (2020) – with a goal of attracting **more than 10 million visitors** by 2030



One of the largest honey producers in the Kingdom responsible for **24%** of the honey produced in 2020



Rich culture and heritage – with Aseer home to more than 4,000 heritage villages



Strong ongoing government support for future growth of key sectors through leading initiatives such as the Aseer Development Authority Strategy and **Saudi Vision 2030**, among others



Scenic nature including **20 of the highest peaks** in Saudi Arabia and a coastline extending over 125 kilometers

ASEER AT A GLANCE



Population

Education

Healthcare

Employment

Infrastructure

Economic Performance

Business Enablers

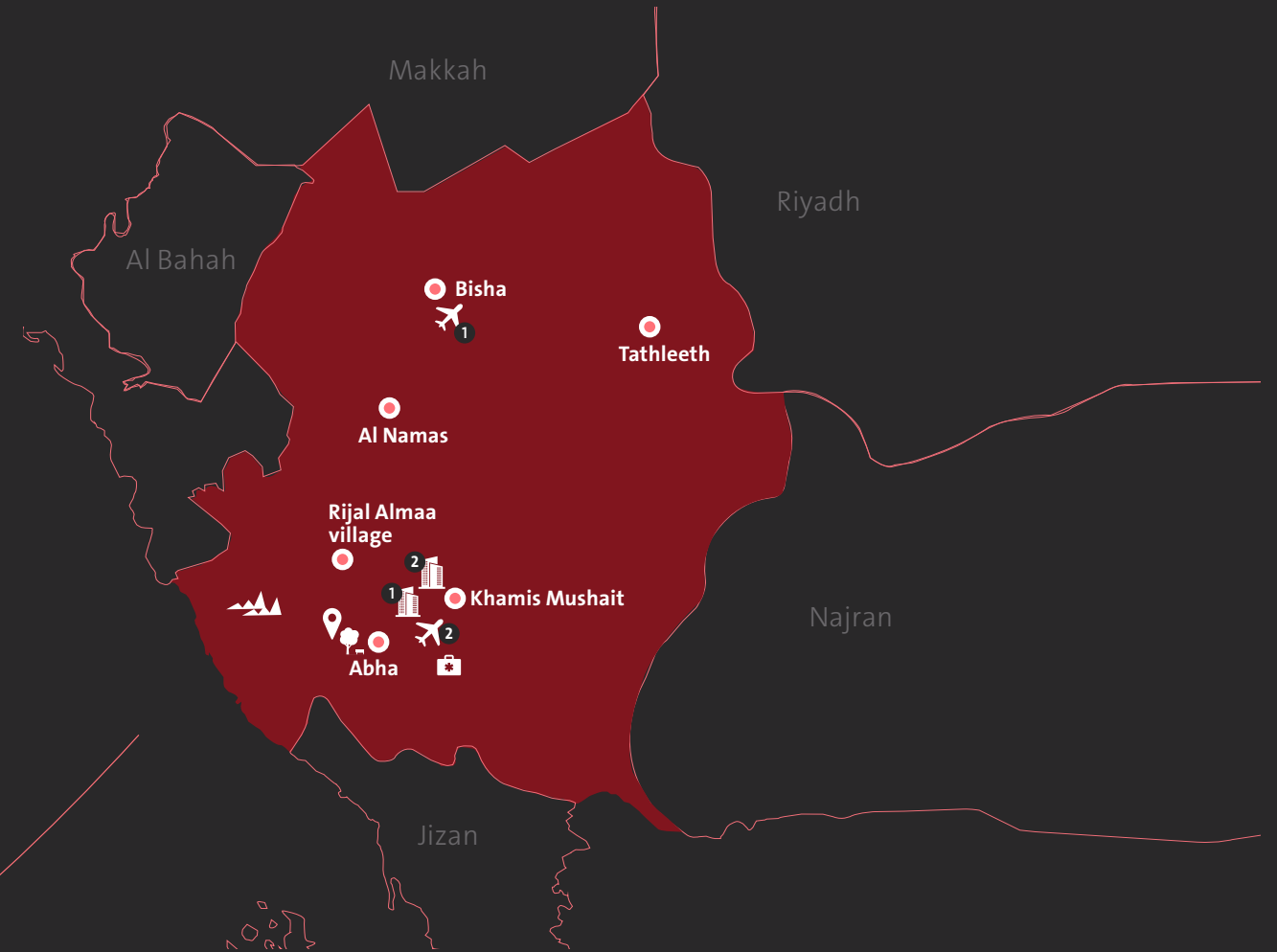
Located in south-west Saudi Arabia, Aseer Region covers a total of 81,000 square kilometers. Aseer's neighboring regions include Riyadh, Najran, Makkah, Al-Baha, and Jazan. The region has a pleasant climate all year round, with an average temperature range a minimum of 10°C and a maximum of 36°C.

Aseer is known for its natural resources and distinct landscape – including a unique mountain range (home to Al Soudah, the highest peak in Saudi Arabia), the Tihama plains, and scenic hills. Aseer is divided into seventeen governorates that includes: Abha, Khamis Mushait, Bisha, Al Namas, Muhayil, and more.

The region's key cities include Abha (the capital), Khamis Mushait and Bisha. Abha is the largest city within the region, with well-known scenic green mountains. Khamis Mushait is well-known as the region's business center and industrial area hosting the only industrial city within Aseer. Bisha is located North and the home of the 2nd largest dam in the Middle East – King Fahd Dam.



SAUDI ARABIA ASEER REGION



Legend:

- Main cities - Bisha, Abha, Khamis Mushait
- ✈ Airports - 1 Bisha Airport 1 Abha Airport
- 🏥 Medical City - King Faisal Medical City
- 🏭 Industrial cities / clusters - 1 Aseer 1st Industrial City 2 Aseer 2nd Industrial City
- 📍 Entertainment and tourism sites - Al-soudah Mountain
- ⛰ Sarawat mountains (including Al Soudah mountains) 🌳 Aseer national park

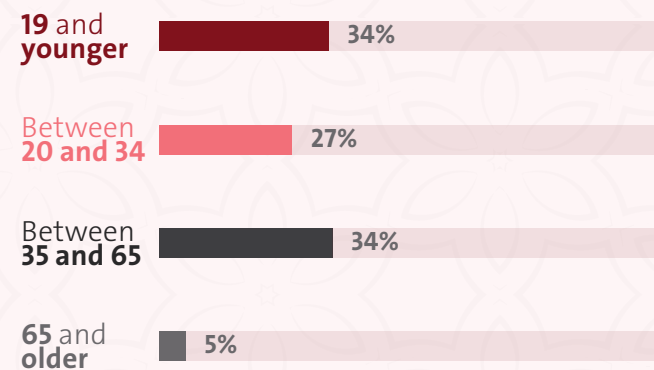


Population

Aseer has a population of 2,354,320 (2020), with over 61% of individuals under the age of 35 (2019). Over the last few years, Aseer has experienced strong population growth and an increase in the local talent pool.



Population age groups (2019)



the traditional "futa" attire

Education

Aseer's education system helps ensure required skill sets are present. The region's talent pool is comprised of a young and skilled population. Aseer has 25 technical and vocational training and STEM (science, technology, engineering and mathematics) related programs, which aim to provide hands-on experience to the population.

Number of technical and vocational training units (2019):



Number of schools (2021):



International
32

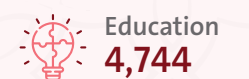
Private
124

Public
2,343

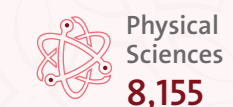
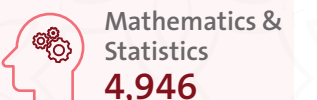
Ratio of students per the number of teachers and schools (2021)



Number of students in university (largest program category) (2019):



Number of university students in STEM-related programs (2019):



Education (cont.)

The region's higher education system in Aseer relies on two renowned universities:



The total number of enrolled students



Previous year graduates



Key areas of focus



King Khalid University

62,198
(2019)

11,393
(2019)

Medicine, information technology, religion, and general administration studies, etc.

Founded in 1998, King Khalid university is the largest university in Aseer. Over time, the university has won numerous awards, including the Quality-of-Life Award and the Abha Award for Research and Scientific Studies, solidifying its position as a leading university in the Kingdom. The University demonstrates a strong repertoire of capabilities, with multiple research centers covering advanced materials, social and environmental studies, tourism, and consulting studies.



Bisha University

16,987
(2019)

3,499
(2019)

Business, education, medicine, arts, computing and information technology, etc.

The University of Bisha was established in 2014. The institute aims to create a competitive and cognitive community, based on an improved educational environment, scientific research, and effective social activities and partnerships.



Healthcare

Supported by key initiatives under Saudi Vision 2030, the Kingdom is undergoing notable transformation – particularly in healthcare. This includes plans to expand Aseer's capabilities and define best practices to develop the healthcare sector within the region. Some of these initiatives is the introduction of the King Faisal Medical City, which is projected to be a world-class health institution that will better serve the needs of Aseer and the neighboring regions of Najran, Jazan and Al Baha. In 2021, constructions started for Rijal Almaa, Khamis Mushait, Dhahran Al-Janoub, and Abha hospitals with a total capacity of 1,100 beds.



316
Number of healthcare centers (2019)



Hospitals and beds per population (2019)



Hospitals
1.82/
100,000



12
Number of private sector hospitals (2020)



Beds
210.2/
100,000

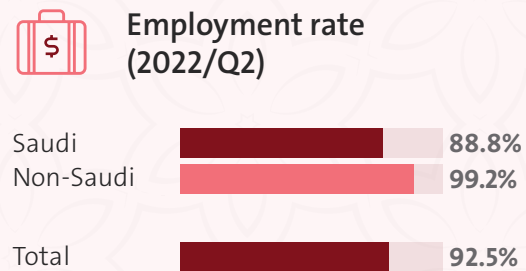


28
Number of public sector hospitals – Ministry of Health (2020)



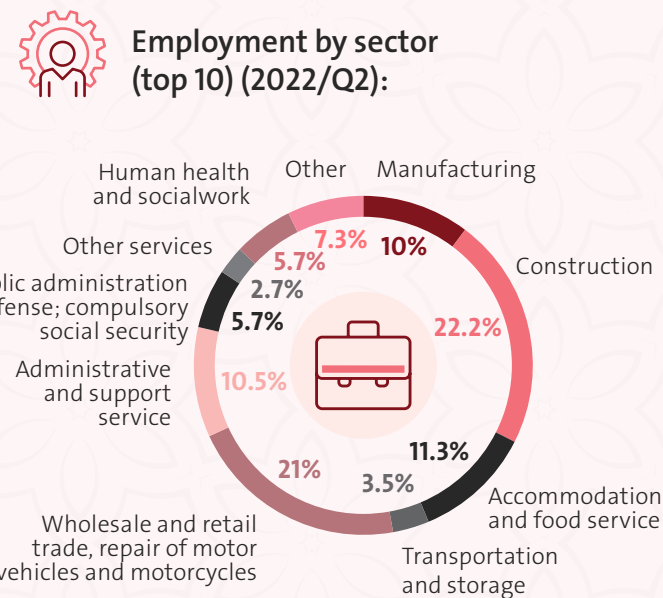
Employment

According to Saudi Labor Law, the legal working age in the Kingdom is 15 years. Top sectors of employment in Aseer include: construction, wholesale and retail trade and manufacturing.



Average monthly wage (salary) of Aseer (2019):

Male: 1,804.27 USD
Female: 1,954.40 USD



Infrastructure

Aseer's infrastructure includes a network of roads and 2 airports that support the movement of goods and people across the region, country and to international markets.

Residents of Aseer benefit from easy access to key economic regions in the Kingdom such as Riyadh City and Jeddah, accessible by affordable domestic flights of less than 2 hours. Aseer's connectivity to Riyadh City allows residents to tap into the city's international connectivity, including over 87,000 international flights per year.

Initiatives are currently underway to extend Aseer's existing airport infrastructure and the construction of the new airport to be able to accommodate 10 million visitors by 2030.

Major airport

Abha international Airport (pre-pandemic)

Total flights	Passengers	International flights (2019)
35,027	4,368,153	3,452

An international airport offering flights to 9 destinations in one international and 8 domestic flights including: Cairo (CAI), Riyadh (RUH), Jeddah (JED), Dammam (DMM), Al-Madinah (MED), Taif (TIF), Sharurah (SHW), Tabuk (TUU), Hafr Al-Batin (AQI)



Bisha Domestic Airport (pre-pandemic)

Total flights	Passengers(2019)
3,946	476,076

The airport offers 5 domestic flights to Riyadh (RUH), Jeddah (JED), Dammam (DMM), Al-Madinah (MED), and Jazan (GIZ)



Infrastructure (cont.)

Industrial and economic cities



Number of industrial cities administered by Saudi Authority for Industrial Cities and Technology Zones (MODON)

1

Further details on some of the key industrial cities include:



Annual rental rates for industrial land



Leasing prices for Ready- built factories



Targeted industries

Aseer 1st industrial city

USD 0.8/ square meter

USD 40,000 for 1,500 square meters

Food products, rubbers and plastic product, chemical and chemicals products, fabricated metals products and other non-metallic products



Real estate average prices (latest available as of 2022)



Agricultural land
USD 49 / square meters



Commercial land
USD 192 / square meters

Number of real estate deals (2020)



Agricultural
559



Commercial
2,158

Further information on real estate prices in Aseer and across the Kingdom can be found via the [Real Estate Indicators database \(https://en.rei.sa/\)](https://en.rei.sa/)

Economic Performance

Aseer is anticipated to continue experiencing economic growth, supported by ongoing government development programs and projects. This includes the Agricultural Development Fund, Tourism Development Fund, as well as the Aseer regional strategy, among others. Each fund includes a focus on a specific sector and has key annual targets geared towards increasing economic and sector growth.

Average household monthly income (2018): USD 2,704



Number of active foreign investment licenses (2015-2021)

69



Number of commercial registers (2021):

153,342



Volume of Point of Sales Transaction in Abha city (2021):

USD 1.91 Billion



Inflation rate (Abha) (Q3 2022):

2.6%



Business Enablers

Aseer has the presence of business enablers that provide residents and businesses within the region with essential elements to live and work successfully in the region. Opportunities exist for further investment within these enablers to support going and rapid growth within Aseer's key and emerging sectors.



Information and Communications Technology (ICT)

The Kingdom's ICT sector strategy aims to grow the sector's contribution to GDP, support the localization of the sector and attract foreign investment. In alignment with the sector strategy, Aseer has the required foundations and expected to further develop to support resident and business ICT needs, with further improvements underway as part of Saudi Vision 2030. The region is currently working on assessing the available opportunities to enhance the internet speed, wireless coverage and elevate the network services to include more 5G network around Aseer and encourage investments within the sector.

With many rural areas, Aseer is one of the targeted regions for the Ministry of Communication and Information Technology to improve the quality of internet services around the Kingdom's villages.

The performance of the telecommunications sector in Aseer increased due to effective coordination between the Aseer Development Authority, and the information and communications technology department. The internet speed in the Aseer increased by **830%**, from **12.8 MB** in 2018 to **120.4 MB** in 2020. The region's tower count climbed by about **40%**, reaching 2,700 towers in 2020 compared to 1,930 in 2018. The number of towers providing 5G services increased from **142** in 2019 to **515** in 2020—an increase of **263%**. Aseer became the first region in the Kingdom to activate local roaming, bringing the coverage rate for all companies to **98%**.

In addition, the enabler is supported by private and public sector providers including Mobily, Zain, STC, and all three have a strong presence in Aseer. **The 5G network has increased** its coverage and speed through the kingdom covering a total of **84 governorates by Q4 2021** with an average download speed of 368.96 Mbps.

- Percentage of household ICT access (2021)
 - Household cell phone access **99.63%**
 - Household internet access **93.59%**
- Internet penetration: **92%**



The National Development Fund

Established in 2017, the Fund's mandate is to advance the performance of development funds and banks to fulfill the Kingdom's aspirations for economic diversification and realizing Saudi Vision 2030 objectives. The National Development Fund will inject more than USD 152 billion into Saudi Arabia's real GDP growth by 2030. NDF also aims to expand non-oil GDP by more than thrice to reach USD 161 billion by 2030, as well as create a large number of job opportunities in the Kingdom.



Key funds related to Aseer's key sectors (not limited to):



The Tourism Development Fund (TDF) – With **USD 4 billion** in capital, TDF aims to facilitate local and international investors' access to high-potential tourism investments across key destinations in the Kingdom. TDF offers financial assistance such as short-term loans, mid-term loans, long-term loans, common and strategic equity, private equity, etc.



The Cultural Development Fund (CDF) – The fund will support the **16 cultural sectors identified** in the national strategy for culture through development programs and various financing mechanisms aimed at empowering the cultural sector. This includes supports such as content industry and development, education and training, infrastructure support, etc.



The Agricultural Development Fund (ADF) – The Fund was established to develop the agricultural sector and improve its efficiency in all regions of the Kingdom. Contributing to the enchantment of food security and safety while maintain the natural resources available. The fund also seeks to support the development of rural areas and help establish competitive advantages that can further support the kingdom and Saudi Vision 2030. The Fund has provided USD 51.5 million in loans in 2021 to 1,118 projects in Aseer.

KEY COMPETITIVE SECTORS

Culture and Heritage Tourism



Culture and Heritage Tourism

Aseer is a region with rich heritage and unique tourism locations. The region is home to Al Soudah (the highest mountain peak in Saudi Arabia – raising more than 3,000 meters above sea level), over 180 kilometers of coastline, beach destinations, and islands. The region’s unique assets include over 4,000 traditional villages which allow visitors to experience captivating historical sites with distinct architecture – including the renowned Rijal Almaa village.

Due to its pleasant climate through the year (with average temperatures 10°C cooler than the rest of Saudi Arabia), and scenic landscape, Aseer has become a growing tourism destination in the Kingdom. This growth has led to the development of touristic attractions such as public gardens, panoramic views restaurants, and cafes.

The region witnessed 4 million visitors in 2020, With government hospitality and entertainment investments of USD 13.3 billion, the region is targeting an **increase of visitors from approximately 4 to more than 10 million** by 2030. Key initiatives, such as the Al Soudh and Abha Downtown mega projects are also currently underway to develop indoor and outdoor entertainment options and activities, along with world-class accommodations.

As of 2021, the region has a total of **382 accommodation facilities, 277 apartments, 45 hotels and 60 other accommodations** targeting mid-class Saudi families. Initiatives are currently underway to support further development of accommodation across the region, such as the Al Soudah Development Company supports and services. This includes growing the number of hotel rooms and furnished apartments from **14,000 in 2015 to 37,000 by 2030**. With high potential growth, investments opportunities exist to further develop luxury accommodations for local and international tourists.

establishing the Saudi Tourism Authority to promote the Kingdom, and the new eVisa system focused on supporting the Kingdom in becoming a global tourism destination. Additionally, the Ministry of Culture is working on a museums reform strategy which is expected to contribute 3% of the cultural sector GDP and **create 100,000 jobs**.

Tourists can now obtain a multiple-entry visa valid for a year that will allow them to visit the Kingdom for up to 90 days.

The number of rooms and furnished apartments in the region are expected to increase to **37,000 by 2030**

Aseer is expecting to increase visitors to **more than 10 million by 2030**

All GCC nationals enjoy visa exemptions for Saudi Arabia

Key initiatives such as the Tourism and Cultural Development Funds support sector growth by providing financing options for activities related to tourism and cultural activities.

\$13.3 billion for tourism initiatives for the region aimed to transform it to a year-round destination.

Aseer’s tourism sector presents notable opportunities to unlock future growth and establish the region as a key global destination. With existing national and regional efforts to continue to grow visitors to the Kingdom, Aseer has the potential to see a notable increase in visitors over the coming years.

Investment in infrastructure, accommodation, food and beverage, entertainment and leisure and retail sector has been proposed at an investment value of USD 396 million to further boost tourism in Aseer region, specifically in Abha city, AlGahma, and Tanomah clusters. The region aims to develop supporting touristic assets while preserving the city’s authenticity and integrity of historical remains.



EMERGING SUB-SECTORS

Adventure Tourism

Honey Production

In addition to well-established key sectors, Aseer is home to emerging areas which have demonstrated notable potential for future growth and opportunity.

Supported by strategic government initiatives and an existing tourism sector, adventure tourism across the region is on the rise. Additionally, the region's desirable agricultural lands provide opportunities to grow the region's specialized honey sector. With anticipated growth over the coming years, investors have an opportunity to 'get in on the ground floor' of these emerging sub-sectors.



Image source: www.vision2030.gov.sa
Shada Palace



Adventure Tourism

Located on the Red Sea coast within Saudi Arabia's Sarawat Mountain range, Aseer has some of the Kingdom's most distinct landscapes – with picturesque mountains, seacoast, and desert. The region's unique topography creates a haven for adventure seekers and a welcome escape from city life. Ongoing initiatives have helped lay the groundwork for the development of a world-class tourism sector and present notable opportunities for growth.

Aseer is considered the greenest area in Saudi Arabia and the forests of Aseer constitutes of 80% of the Kingdom's forest. The region's mountain range includes **20 of the highest peaks in the Kingdom** – including Al Soudah (the highest peak in Saudi Arabia raising over 3,000 meters above sea level) and Aseer National Park (the first park to be opened in the Kingdom spreading over 4,500 square kilometers and more than 60 campsites and hiking trails and walkway around the mountain peak. With many adventurous activities around the area, further development are going through the region to highlight notable areas and provide a smooth and easy experience. The mountains of Aseer are a key draw to the region and with the support of national initiatives are expected to attract around 3 million visitors by 2030.

Descending from the mountains, the region's Red Sea coastline covers a **total area of over 125 kilometers**. Aseer's preserved islands and sandy beaches are further expected to attract 600 thousand visitors by 2030. The region's coastline attractions notably Kudumbul Island – offer sea adventurers unparalleled opportunities including scenic drives along the coastline, sandy dunes and desert activities access through Bisha and Tathleeth.

Aseer is home to Al Soudah – the highest mountain peak in Saudi Arabia with a height of 3,000 meters above sea level.

The region opened the first official national park in Saudi Arabia – Aseer National Park – with over 60 campsites and 300 birds species.

Aseer's mountain, desert, coastal and island destinations are expected to attract more than 4 million visitors by 2030.

Adventure tourism is the third largest tourism sub-sector after sun and sea, and cultural tourism – and was anticipated to grow at a CAGR of 14% between 2017 to 2030 to **USD 301 billion** of the global market. With natural wonders and large-scale government support to build key infrastructure and grow the ecosystem, the Kingdom's is well-positioned to compete to become a targeted destination for adventure enthusiasts. With increased global focus on sustainability and environmental protection, Aseer's environmentally friendly experiences, low pollution levels, and protected mountain areas further present an opportunity for the region to tap into this growing trend.

National interest in Aseer's tourism sector is also set to increase over the coming years, with 45% of Saudis expressing an interest in engaging in outdoor travel activities. Aseer has the right natural assets to elevate the sector. Thus, several initiatives were initiated for the developments in the infrastructure to tie the coast and desert through the mountains and increase the capacity of air transportation to support future growth of the sector.

Global adventure tourism is expected to grow at a CAGR of 14% from 2017 – 2030.



Key Projects and Initiatives

Aseer Development Authority Initiatives

Government initiatives led by the Aseer Development Authority and key stakeholders are ongoing across the region to develop the tourism sector. Key initiatives include:

- Unlocking the mountains, bringing to life the Bisha desert and creating Aseer's coast shoreline by promoting available investments in hospitality, retail, entertainment, and recreation areas.
- Developing standards for issuing tourism licenses and standards across the area.
- Establishing a tourism vocational program to develop programs addressing the current skillset gaps.

Abha Airport Expansion

Abha airport is **Aseer's largest regional airport**. In line with Saudi Vision 2030 and aimed at supporting the ease of connectivity, plans are underway to expand the airport's existing capacity. The focus of the airport expansion is to further connect Aseer with the global market, promote basic infrastructure and upgrade services being provided to the passengers.

Al Soudah Development Company

Owned by the Kingdom's Public Investment Fund, the Development Company seeks to drive the development of Soudah and parts of Rijal Alma'a Governorate in the Aseer region and create a luxury mountain destination. A Soudah Development will invest in development of **2,700 hotel rooms, 1,300 residential units, and 30 unique commercial and entertainment attractions** in Al Soudah and Rijal Alma'a.

The development was established with investments of approximately USD 1 billion and is expected to create **8,000 direct and indirect jobs** by 2030 with thousands of temporary jobs during peak periods. The development is expected to advance the entertainment, residential and commercial sectors, while increasing access to its unique culture, national treasures, and heritage sites.

Key objectives of the project include:

- Preserving Al Soudah environmental integrity and protecting its natural resources
- Attracting 2 million visitors by 2030
- Empowering local small and medium-sized enterprises (SMEs)
- Achieving a cumulative increase of USD 7.7 billion in GDP by 2030

Honey Production

Aseer's natural landscape and fertile lands have positioned the region's agriculture sector for ongoing growth and future opportunity.

Aseer's desirable weather and rainfall contributed to the production of more than 20 products including wheat, dates, coffee, vegetables, and fruits.

The region is known for abundant agriculture and vegetation – accounting for **24.5% or 69,466 land holdings** of total holdings in the Kingdom. This agriculture wealth is supported by high annual rainfall percentages which create an agreeable climate that is cooler yet more humid than neighboring jurisdictions. With the use of modern methods and techniques, the sector has grown significantly in recent years. The region is also well known for its honey production, with growing opportunities to further develop this sub-sector.

The region's agriculture sector growth can in large part be attributed to ongoing government input and support, which has resulted in extraordinary developments in the production of key basic foods. For example, the Kingdom's Agricultural Development Fund (ADF) awarded 1,118 loans totaling **USD 51.5 million** in 2021. 1,072 of the approved loans (totaling USD 26 million) were short-term credit service loans. An additional 46 loans were granted as long-term credit service loans with a total of **USD 25 million**.

Aseer's agriculture sector is further supported by notable efforts to support the sector through ADF and Ministry of Environment Water & Agriculture (MEWA) strategy which sets out to support Saudi Vision 2030 through targeting the self-sufficiency of agricultural products in alignment with food security requirements, raising the efficiency of agricultural services and activating the role of the private sector.

The Agriculture Development Fund was established to develop the agriculture sector and improve sector efficiency by providing loans.

According to the Agriculture Development Fund Aseer ranked 1st in terms of granted loans for agriculture development and investments projects from the Agriculture Development Fund in 2020

Aseer is ranked 1st in terms of Agriculture lands holdings, accounting for 24.5% or 69,466 of total holdings in the Kingdom

Specifically, Aseer is widely recognized for its year-round production of organic honey, including high-quality Sidra and Al Shouka honey. The region boasts pleasant summer weather, as well as an abundance of trees and flowery shrubs that attract a variety of bee species and produce high-quality honey. Sidra and Al Shouka honey are considered to be one of the highest quality honeys in the Kingdom, and is mostly produced by local beekeepers.

Aseer is one of the Kingdom's top honey producers. In line with the Kingdom's ambitions to ensure for national food security, the region has an opportunity to capitalize on its existing honey production to further grow the local honey sector and supporting ecosystem.

Aseer is ranked 2nd in terms of total honey produced in the Kingdom (2020)

The region accounts for 24% or 778,164 Kilograms of the total honey produced in the Kingdom

Consumers are increasingly seeking healthier and higher quality food products. This has been one of the factors contributing to the higher demand of organic products including honey. Organic honey is pure, safe, secure, of high quality, and provides healthy nutrients. Aseer is well-known for its organic Sidr honey – one of the finest honey types in the Middle East, extracted from the flowers of the Sidr tree that grow abundantly in Aseer's mountainous areas. Despite challenges faced by global honey production caused by declining bee populations, the Kingdom saw a significant increase in honey production increasing of 27% from 2,536,100 to 3,233,975 kilograms between 2018 and 2020. With a unique and high-quality product, and ability to withstand challenges faced by other global jurisdictions, the production of honey in Aseer presents notable opportunities for future growth.

Total honey production in the Kingdom reached 3,233,975 kilograms in 2020

Aseer has more than 7,000 beekeepers

Average Honey consumption in the Kingdom is estimated to be around 320 grams per person in 2020, which is equivalent to twice the global average.



The region represents opportunities to further expand Aseer's honey production, while also showing strong growth potential in the development of activities such as packaging and selling the produced honey.

Honey Value Chain

Honey					
Building an apiary	Honey Harvest	Extracting	Filtration	Packaging	Selling Honey
<ul style="list-style-type: none"> Bee sticks and modern bee cells is needed to start an apiary 	<ul style="list-style-type: none"> Harvesting Honey Begins when the tress nectar has run out (end of the season) 	<ul style="list-style-type: none"> Honey extracted with centrifuge using different sorting types (Electric extractor, Hand extractor, Solar-Powered extractor, Ruining on the car's electric battery to extract) 	<ul style="list-style-type: none"> First filtration Final filtration 	<ul style="list-style-type: none"> Packaging and labeling of the honey 	<ul style="list-style-type: none"> Aseer Honey festivals Honey Market



Key Projects and Initiatives

Honey Production and Bee Keeping Programs

01

The Sustainable Agricultural Rural Development Program (Reef Program)

Reef is a government program focused on meeting the Kingdom's food security goals. The program supports small farmers and families by providing financial assistance to ensure sustainability and increase production efficiency. Honey is a key commodity supported by the program.

02

King Khalid University and Aramco Beekeeping Program

The Bee Research Unit at King Khalid University has launched a training program named Beekeeping and Bee Products. The training program is a collaboration with Saudi Aramco and the Beekeepers Cooperative Society in Rijal Almaa.

The program aims to train and qualify trainees in bee keeping through lectures by renowned subject matter expert professors and practical training. The program is supported by leading infrastructure including King Khalid University's Bee Research and Honey Production Unit practical research apiary as well as four labs for analyzing honey and bee products, diagnosing bee diseases, raising queen bees, and producing bee venom.

03

Mark of Excellence Project

Through the Bee Research and Honey Production Unit at King Khalid University, the Mark of Excellence project aims to professionally market the Kingdom's honey and ensure the quality of produced honey in the region.

Aseer is home to rare and high-quality varieties. The project is focused on determining honey standards in Aseer aims to create a map of honey plants in the region and atlas of pollen grains for honey plants, and determine the plant origins of honeybees. The project also aims to determine the chemical and physical specifications of wax marking bees in the region.

04

The Development of Production, Manufacturing, and Marketing of Promising Crops Initiative

As part of the Agriculture Strategy for 2030, the initiative supports beekeepers and honey production by:

- Expanding queen bee breeding and local parcel production
- Improving infrastructure and logistics for beekeepers
- Developing, and publishing modern technologies for honey production and classification, and
- Providing financial and in-kind support to beekeepers in the field of production Marketing.

KEY PROJECTS

King Faisal Medical City

Aseer Second Industrial city

ROSHN Project

Transportation Development



King Faisal Medical City

Once complete, the King Faisal Medical City is anticipated to be a world-class medical district in Aseer.

The initiative, a partnership between the Ministry of Health and the National Center for Privatization, will provide specialized healthcare services and add an additional 1,024 hospital beds across the region. As part of the privatization efforts of the Kingdom, the Ministry of Health is tendering the project under a public private partnership (PPP) model and enlisting the construction, design, and operation to the private sector. The project is expected to be on three phases and ending in 2030.



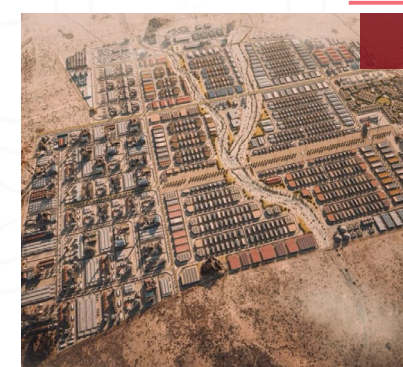
Image source: www.mckeen.sa



Aseer second Industrial city

With the Kingdom focused on economic diversification and becoming an industrial powerhouse.

Aseer is focused on increasing industrial sector activities in the region. To support this endeavor, Aseer is planning the establishment of a 2nd industrial city in the region – a 19.2 million square meter project initiated by the Aseer Development Authority in collaboration with the Ministry of Industry Mineral Resources, and Saudi Authority for Industrial Cities and Technology Zones (MODON). The project intends to promote and attract investment to the industrial zone, utilizing its resources to contribute to the national economy's development, in keeping with Saudi Vision 2030 to achieve comprehensive development and provide possibilities.



ROSHN Project

Aseer is one of the regions where one of PIF's flagship projects is ROSHN is to be build.

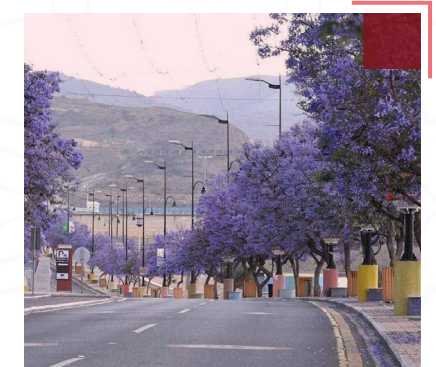
Aims to increase home ownership in Saudi Arabia, hundreds of thousands of residential units will be built by ROSHN different regions including Riyadh, Makkah, and the Eastern Region. ROSHN will provide true community living by developing a mixed-used real estate properties including retail, entertainment, and workspace. The project is expected to build over 395,000 residential units across the designated regions serving more than 2 million people across the Kingdom.



Transportation Development

There are two ongoing projects: one to provide faster and safer access to different areas within Aseer as the coastline, from Aseer to other provinces, and to facilitate access to major markets.

An example of projects is to build a road connection between Aseer and Taif, and another to build a road connection between Aseer and Riyadh.



ENABLERS OF ASEER STRATEGY

01 Housing

The Public Investment Fund projects are considered a strategic enabler factor for Aseer region, such as ROSHN project which aims to increase the percentage of individuals' home ownership, Al-Soudah Project, Abha Downtown project, and Salwan project.

02 Water system

The water system is regarded as one of the strategic capabilities of Aseer Due to the presence of numerous massive projects, including the project to build a conveying line between Wadi Ibn Hashbal and Bisha governorate, the project to repair and clean the King Fahd Dam and other dams, the project to take advantage of regenerated water, the project to maximize the use of groundwater wells in the Al-Wajid Center, and a project to raise the per capita water supply.

03 Water Filtration

Follow-up to end the region's water deficit by constructing multiple projects for desalinated water transportation networks. Aseer Region Development Authority collaborated with the appropriate authorities, and 15 projects were approved to increase the region's drinking water coverage rate to 46%.

04 Healthcare

The King Faisal Medical City project, which aims to serve the regions of the south of the Kingdom, namely Aseer region, Jazan region, Najran region, and Al-Baha region, is one of the most significant health projects in Aseer and is regarded as one of the most important enablers of the strategy for Aseer region.

05 University city

King Khalid University is one of the strategic enablers of Aseer region, as it ranked 6th among all universities in the Kingdom, and 13th among all universities in the Middle East for 2022.

06 ICT

The communications and information technology sector is considered one of the strategic potentials of Aseer region due to the presence of many projects, the most important of which are the project to activate the local roaming service, the project to add 1200 new telecom towers in the region, the project to add 500 towers with 5G service, the project to improve internet speed, and the project to resolve citizen complaints about telecommunications services in the region, as well as one to upgrade communication networks across the entire region.

07 Abha International Airport

One of the most significant potentials of Aseer region development strategy is the current Abha International Airport development project and the new Abha International Airport construction project.

08 Second Industrial City

The project to develop the second industrial city in the Hafeer Center in Khamis Mushait Governorate, with an estimated area of 19.2 million square meters, is considered one of the most important Enablers of Aseer region development strategy, which aims to meet local and international demand, provide new job opportunities, and attract industries.

09 Power grid reliability

As the number of existing and approved projects to increase the reliability of the electricity network has reached about 27 projects, including the construction project of the Khamis Mushait housing station with 380 kV and the project to increase the reliability of the electrification system, these projects are regarded as one of the most significant enablers of Aseer region development strategy, which aims to reduce the number of power outages. establishing a connection between the Al-Fara'a station and the Wadi Bin Hashbel station construction project, as well as the project to secure backup generators for all government agencies.

10 Road's infrastructure

There are two transportation and logistics projects that are considered to be one of the most critical enablers of the region's development strategy.



INTERESTED IN INVESTING IN ASEER?

The Kingdom's Ministry of Investment (MISA) is your gateway to tapping into unique and fruitful investment opportunities in Aseer.

MISA aims to facilitate and support new and current investors in their journey of venturing into a land of countless opportunities. MISA is eager to provide you with the necessary components to successfully invest within the Kingdom. This includes sharing relevant market and economic information, site research, and real-estate values to help familiarize investors with the Saudi Arabian ecosystem. Investors also have access to MISA's well-established infrastructure and connectivity.

Not only does MISA's connectivity range from trade associations, all sector companies, relevant universities, and much more, but the Ministry is responsible for issuing and regulating investment licenses.



The range of MISA's support is uncanny; whether it is providing and advising on available incentives or ongoing support for operational issues, MISA will serve as your guide to opportunities in Aseer.



More detail can be found in investsaudi.sa and [Investor Journey](#).

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Investor Journey



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For more information about investment opportunities, please [click here](#) or [scan the QR code](#)



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Existing opportunities in Aseer region include:

- **Culture and Heritage Tourism**
 - Culinary Regional Culinary Tours
- **Adventure Tourism**
 - Aseer Adventure Park
 - Beachfront Family Resort
 - Mountain Retreat Resort



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Reach out to the Ministry of Investment to learn more and begin your investment journey in Aseer today

For questions and to learn more about opportunities in Aseer, please contact: regions@misa.gov.sa

For questions about the tourism and agriculture, please contact Invest Saudi: InvestorCare@misa.gov.sa

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