



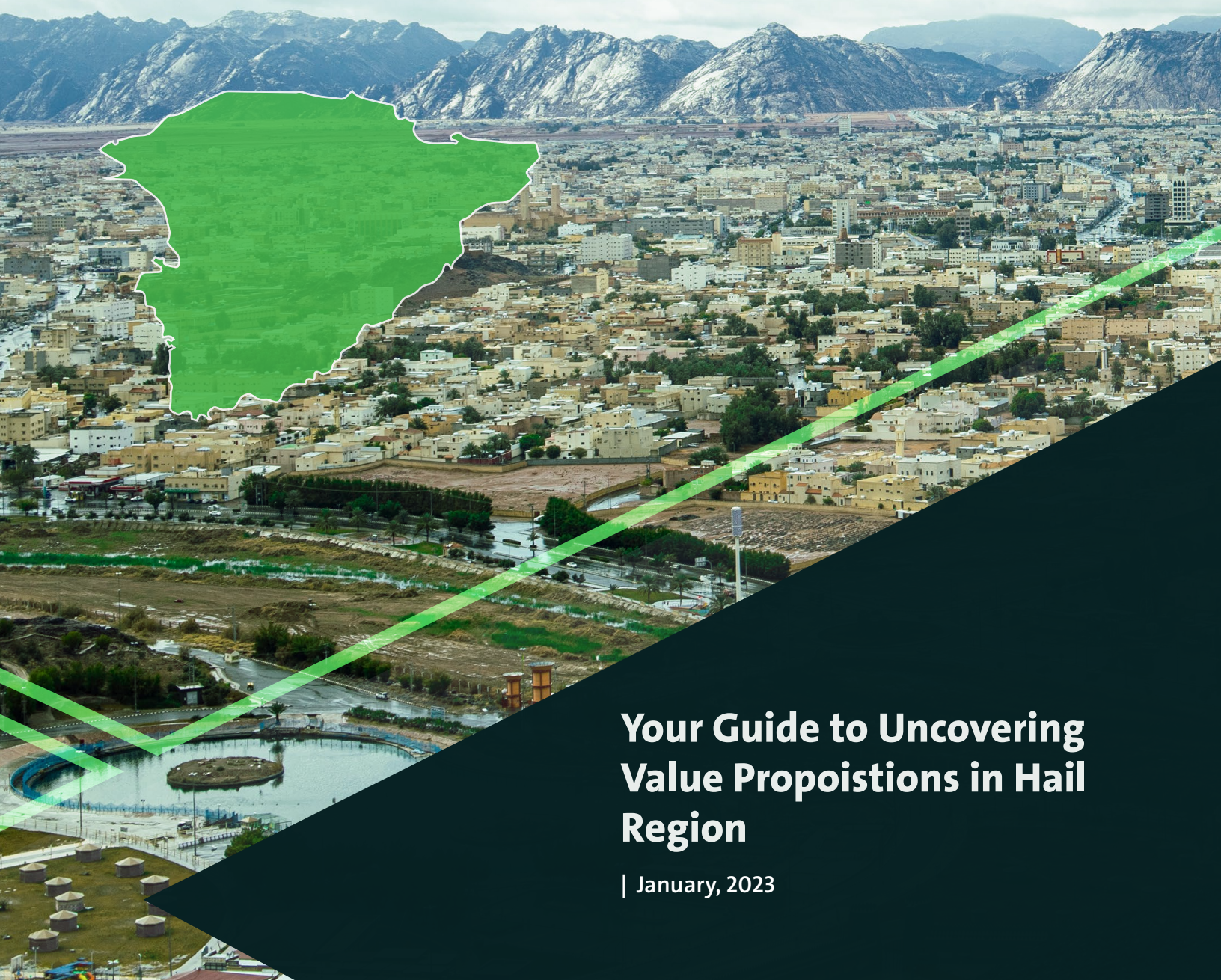
وزارة الاستثمار
Ministry of Investment

استثمر في السعودية

INVEST
SAUDI



Invest In Hail



**Your Guide to Uncovering
Value Propoitions in Hail
Region**

| January, 2023



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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 Abdulaziz bin Saad bin Abdulaziz Al Saud
Prince of Hail region

With the grace of God and with the continuous effort of the wise leadership working continuously to achieving the goals of Saudi Vision 2030, the national economy is witnessing its golden age. The Hail Province plays a major role in ensuring food security in the Kingdom, as well as harboring some of the best cultural sites, including two UNESCO world heritage sites in addition its abundant mineral resources.

Hail's strategic location makes it an attractive environment for logistics services. Therefore, we aim to encourage all regional investors allowing them to benefit from these promising opportunities, and Hail will always welcome all investors.

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 Hail -- a region poised to play a critical role in increasing the Kingdom's food security and in further expanding its vibrant tourism sector.

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 Hail region, the contribution of the Tourism, and Agriculture 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 (ICTs).

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 and ensure the Kingdom can effectively support businesses and their new ways of working.

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 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 the increase in 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 the global ocean** in marine protected areas, and other effective area-based conservation measures by 2030, contributing to the United Nations Framework Convention on Climate Change (UNFCCC) climate action by guiding and supporting actors to achieve global **methane emissions by 30%** by 2030.



Top Commitments include

- Reducing Carbon emissions by more than **4%** of global contributions by 2030
- Planting **10 billion** trees across Saudi Arabia by 2030
- Raise 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 HAIL

Hail is poised to play a significant role in helping the Kingdom undertake key transformational objectives – including increasing food security and growing the tourism sector. The region’s strategic location within the Kingdom has positioned Hail as an important trade hub, comprised of historical routes going from east to west and north to south.

The region’s location has further provided Hail with a central place in the Arabian Peninsula’s development.

With Hail’s water availability, suitable soil, and appropriate climate, the region features abundant agricultural resources. The region is a key producer of a variety of agricultural products, such as fruits and vegetables, grains, barley, and livestock. Hail is home to close to 15,000 agriculture holdings, while its fertile lands and agricultural know-how

are enabling modern agricultural farms and new hydroponics facilities. Various initiatives are also being developed to expand the region’s food processing capacities and integrate the food value chain. To integrate this production to the national market, there is a well-developed road network of 1,258 kilometers connecting agricultural sites with cities, and surrounding regions. Additionally, Hail serves as a central rail link connecting Riyadh to Jordan, further bolstering the connectivity of the region.

Hail also boasts a rich cultural heritage and significant archeological sites, as well as a breathtaking topography including a mix of caves, mountains, plains, and volcanoes. These unique attributes have contributed to making the region one of the fastest-growing tourism destinations in the Kingdom, with tourist trips to the region more than doubling from 2016 to 2020. The region is building on this momentum and expanding its accommodation and entertainment offerings, with key projects including the Hail Season Cultural Festival and the Hail International Rally, along with major hotel and museum developments.



2nd largest producer of open-field potatoes and 3rd largest producer of **grains, grapes, and olives** in the Kingdom (2018)



The number of **tourist trips** to the region **more than doubled** in the past 5 years



4th largest sheep breeding and **5th largest poultry farming** across the Kingdom (2018)



Home to **2 UNESCO world heritage sites** and **unique natural assets**



14,763 agriculture holdings – comprising **5.2%** of the Kingdom’s total (2017)



USD 290 million in total tourist expenditure spent in the region in **2020**

HAIL AT A GLANCE

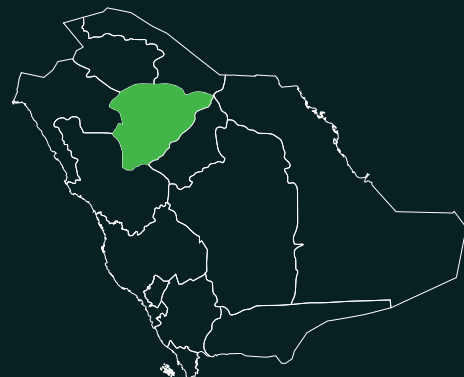


- Population ▶
- Education ▶
- Healthcare ▶
- Innovation ▶
- Employment ▶
- Infrastructure ▶
- Economic Performance ▶
- Business Enablers ▶

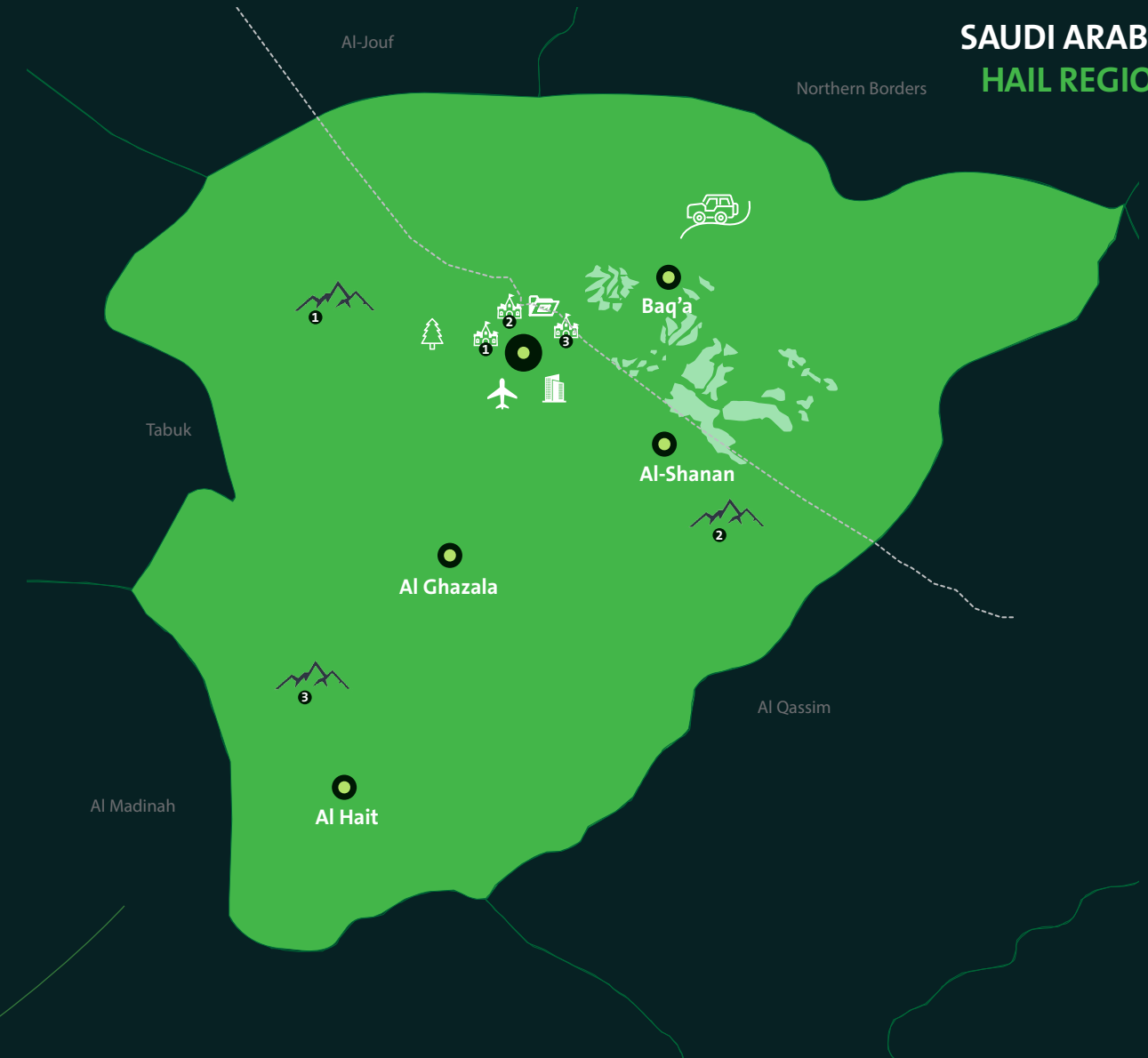
Hail holds a central position within the north of Saudi Arabia and is surrounded by the regions of Al Jouf, Northern Border, Qassim, Madinah, and Tabuk. The region is an agricultural hub with a total surface area of around 120,000 square kilometers. Located 915 meters above sea level, Hail enjoys mild weather, with temperatures ranging from a minimum of 6°C to a maximum of 40°C throughout the year.

Hail has diverse ecosystems—from the Al-Nufud Desert, to groundwater, fertile soils and pastoral lands which favor agriculture and livestock production. The topography of the region is a mixture of plains, which make up 48% of the area, deserts, which make up 35%, mountains, which make up 16%, and numerous caves and volcanoes. Hail comprises of 8 governorates, namely Baq'a, Al-Ghazala, Al-Shanan, Al-Shamli, Mawqaaq, Simira, Al-Hait, Al-Sulaymi and the principality of Hail.

Baq'a is widely known for its agricultural land, with significant production of grains and fruits. Baq'a is also famous for its sweet palm, from which it produces some of the finest types of dates. Al-Shanan Governorate features picturesque terrains of mountains, valleys, plains, volcanic craters, and many historical monuments. Al Ghazala is recognized for its historical villages that go back more than 300 years.



SAUDI ARABIA HAIL REGION



Legend:

- Main cities - Baq'a, Al-Shanan, Al Ghazala and Al Hait
- Airports - Hail Airport
- Industrial cities / clusters - Hail Industrial City
- Castles - 1 The historical city of Jubbah 2 Al Qishlah Castle 3 Barzan Palace
- Heritage sites - 1 A'arif Fort 2 The ancient city of Vid 3 Shuwaymis archaeological site
- Hail Rally
- Library
- Agriculture land
- Railways

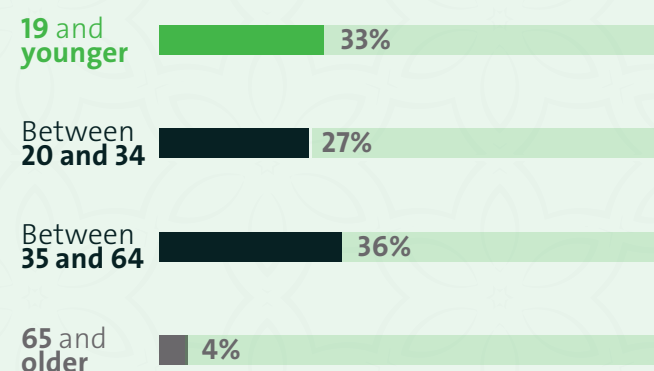


Population

Hail region has a population of 746,046 (2020), with nearly 60% of individuals under the age of 35 (2019).



Population age groups (2019)



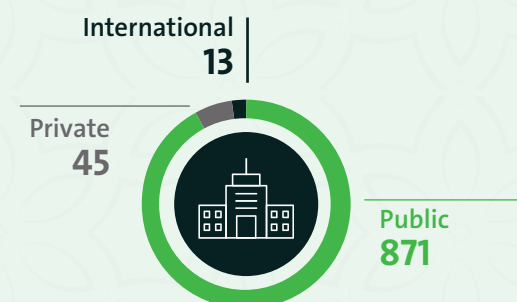
Education

Hail's education system offers a variety of educational programs to ensure the necessary skill sets are present across the region and support key sectors with a young talented population. The region's talent pool is further supported by vocational schools and STEM (science, technology, engineering, and mathematics) related programs, such as physical sciences, engineering, communication & IT, biological sciences, and mathematics & statistics.

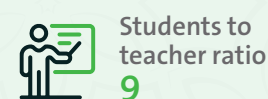
Number of technical and vocational training units (2019)



Number of schools (2021):



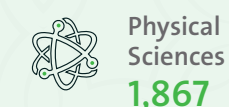
Ratio of students to the number of schools and universities (2021):



Number of university students by largest programs category (2019):

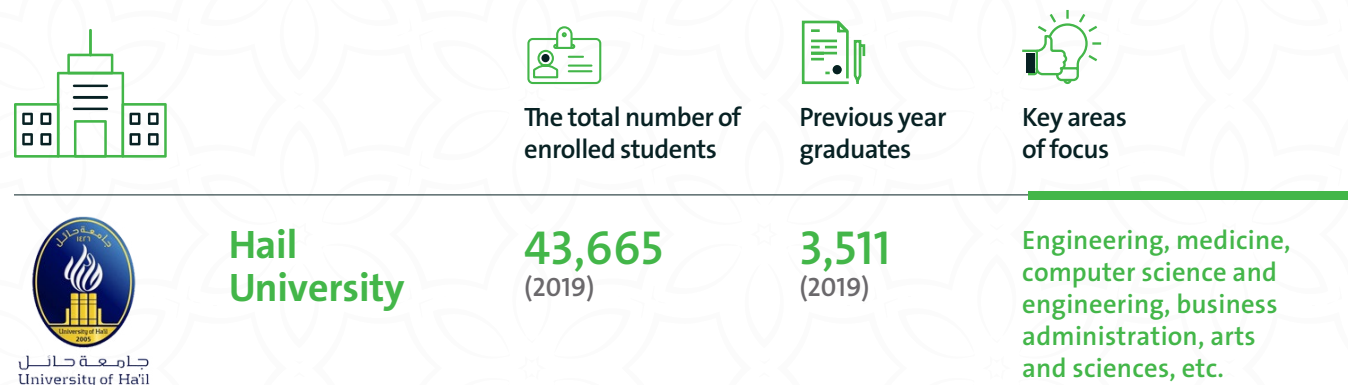


Number of university students in STEM-related programs (2019):



Education (cont.)

The region's higher education system is supported by the University of Hail.



Founded in 2005, the University of Hail constitutes 14 colleges. The university provides academic programs that prepare qualified graduates for the labor market and create scientific research that benefits the community by adhering to the highest quality standards and utilizing the university's people and technical resources.



Healthcare

The hail healthcare sector is composed of 110 public and private facilities. Notably, in 2017 the region opened the Saudi German Hospital, a multi-specialty tertiary facility with capacity of 150 beds.

With increased public spending, the sector is expanding coverage and services. In particular, Hail government inaugurated a series of health projects to increase the bed and hospital capacity of the region. These include a diabetes center, new sections and centers in King Salman Specialist Hospital, and a complex for Mental Health and Addiction Treatment in 2019.

In 2021, the Hail government also implemented a renovation of the Hail General Hospital (with a cost of USD 67 million, and a capacity of 300 beds) and inaugurated different projects and health programs in the King Salman Specialist Hospital, including a chemotherapy preparation unit and an interventional radiology section.

Building on these recent projects, Hail offers a range of investment opportunities to further develop the region's healthcare infrastructure and services. Investors in the healthcare sector can benefit from government support from various National Transformation Programs related to the Saudi's Vision 2030 priorities for the healthcare sector.

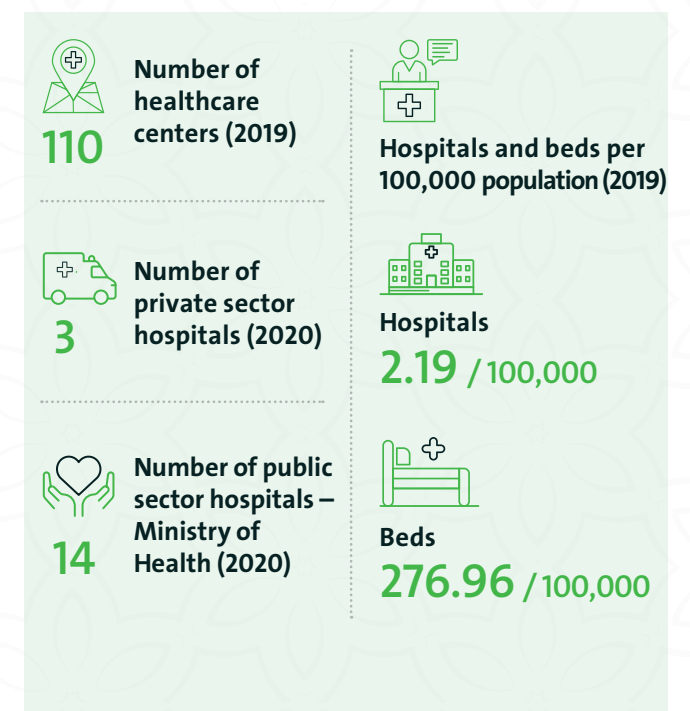


Image source: www.moh.gov.sa

Innovation

The University of Hail I has launched more than 273 research projects as of 2021, including 41 projects focused on COVID-19 related studies.

Hail's main university is also home to the Research Support Program, a once-a-year supervised program that funds research projects in the humanitarian, administrative, scientific, engineering, health, and medical fields. The program is in line with the Unified Regulations for Scientific Research in Saudi Universities by the Saudi Higher Education Council.



Employment

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

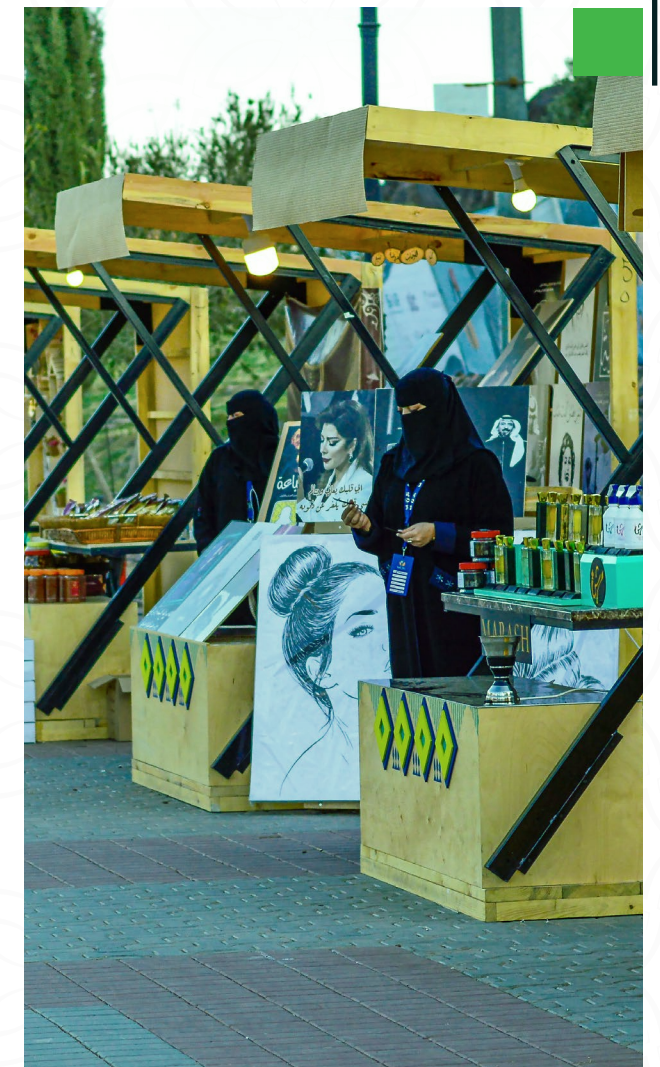
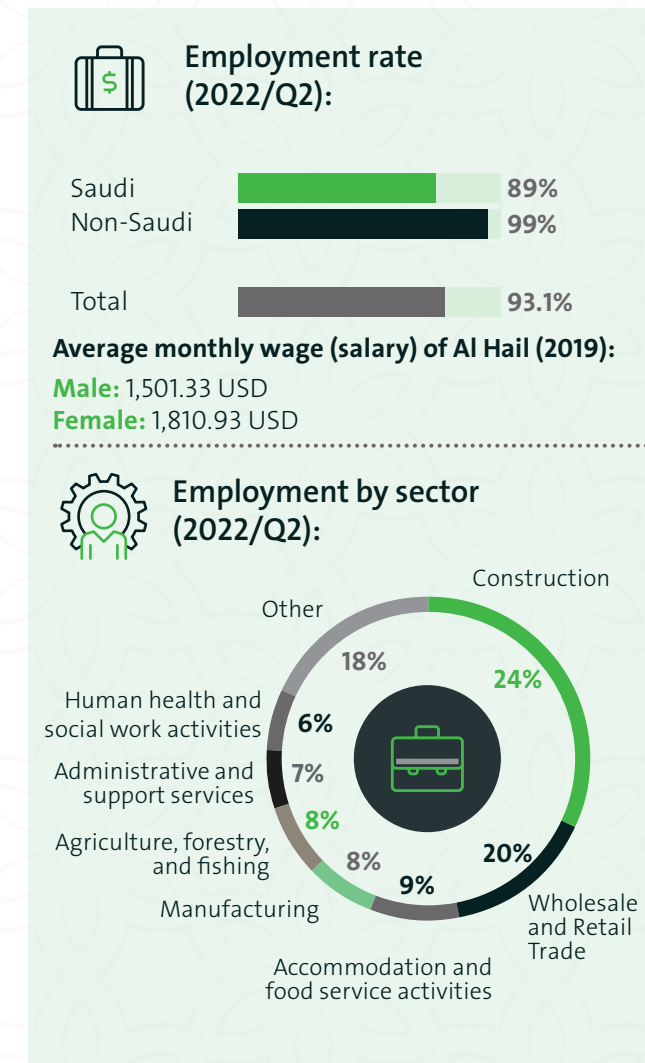


Image source: www.ksrnr.gov.sa/

Infrastructure

The Hail region is expected to maintain economic growth through current development programs and projects, and investors in the region can benefit from an advanced network of enabling services that includes the ICT sector and provides access to capital. In addition to its current capabilities.

Hail region is constantly improving its services to position itself as a major investment location for strategic sectors, particularly agriculture and tourism, and future investors can take advantage of the opportunities that exist throughout the region to boost regional economic growth.

Major airport capacity statistics

Hail Airport (pre-pandemic) (2019):

Total flights pre-pandemic
12,398

International Flights 1,440	Passengers 1,078,469
---------------------------------------	--------------------------------

- Hail Airport (HAS) mostly serves regional transport of passengers with domestic flights to 13 local cities such as Jeddah (JED), Riyadh (RUH), and Dammam (DMM).
- The airport offers non-stop international flights to Cairo (CAI), Dubai (DXB), and Sharjah (SHJ).



Image source: <https://zbordirect.com/en/airport/hail-has>

Infrastructure (cont.)

Industrial and economic cities



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

1



Annual rental rates for industrial land



Leasing prices for Ready- built factories



Utilities



Targeted industries

Hail Industrial City

USD 1.07 / square meter

USD 32,000 for 1500 square meters

Electricity 134 MVA

Drinking Water Capacity 7,000 cubic meters under implementation

Rubber and plastics, food products, chemicals, as well as fabricated metal products, and other non-metallic mineral products



Real estate average prices (latest available as of 2022)



Agricultural land USD 23.46/ square meter



Commercial land USD 151.2/ square meter

Number of real estate deals (2020)



Agricultural 1,079



Commercial 1,415

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

Economic Performance

Favored with mild weather and natural resources, Hail's agriculture sector is one of the most important sectors driving the region's economic performance. The region's productivity in this sector is being promoted with investments focused on technical developments and higher value add activities.

The dynamism of Hail's tourism sector creates promising growth prospects for the region, which also benefits from significant investments in industrial, logistics, and infrastructure utilities from numerous government entities.

Average household monthly income (2018): USD 2,587

Volume of point of sales transactions in Hail city (2021):
USD 2.11 billion

Inflation rate (Hail city) (Q3/2022):
1.36%



Number of active foreign investment licenses (2015 - 2021):

31



Number of commercial registers (2021):

79,181

Business Enablers

Investors in the region can benefit from a developing network of enabling services including ICT and access to capital. In addition to existing enablers, Hail is continuously improving its services to further promote the region as a key investment location for strategic sectors including agriculture and tourism. Potential investors can benefit from opportunities that exist throughout the region to facilitate overall growth of the regional economy.



Information and Communications Technology (ICT)

The Ministry of Communication and Information Technology (MCIT) undertakes projects aiming to take wireless broadband services to areas beyond main cities, and broadband services with fiber optic technology to urban areas in Hail. Through the Universal Service Fund managed by the Communication and Information Technology Commission (CITC), access to ICT in 821 central areas and villages were deployed across Hail, benefitting 243,000 inhabitants.

The main players in the ICT space in the Kingdom are Mobily, Zain, STC, with all three having presence in Hail. The 5G network has increased its coverage and speed through the Kingdom, covering a total of **84 governorates** by 4Q2021 with an average download speed of **368.69 Mbps**.

The region offers a number of investment opportunities for ICT companies that can play a role in expanding Hail's telecommunication infrastructure and digital services.

Percentage of household ICT access indicators (2021)



Cellphone
96.02%



Internet
93.52%

Internet penetration (%) (2019): **89%**





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.

Funds that are especially relevant for Hail's key sectors include:



Saudi Industrial Development Fund – Focused on the financing of industrial investment opportunities, the Fund aims to support the industrial sector through project financing, the allocation of land and factories, provision of funding schemes to small and medium-sized businesses (e.g., the “Kafalah” funding scheme). Since its inception, the Fund provided a total of almost **USD 629 million** through 48 loans to projects in Hail.



The Tourism Development Fund – 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 – 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) – Supports funding for projects by companies, associations, and institutes working in the cultural field in the Kingdom. The Fund has provided USD 107 million in the past 10 years to 36,195 development loans for projects in Hail since its inception.



KEY COMPETITIVE SECTORS

Agriculture

Grains and Barley

Tourism

Cultural and Heritage Tourism

Agriculture

With nearly 240,000 hectares of agricultural land in 2020, Hail is key to the Kingdom's agricultural industry. The region gathers close to 15,000 agriculture holdings, most of them located in the northern part of the region.

Due to the region's water quality and availability, suitable soil, and adequate climate for the cultivation of most crop, Hail is poised to play a pivotal role in increasing the Kingdom's food security – a major objective of its Saudi Vision 2030 agenda. As of now, the Kingdom is a net importer of agricultural products, and projects increasing local production represent significant opportunities. In 2020, the Kingdom imported **USD 6.9 billion worth of food** stuff while it exported **USD 1.64 billion**.

Saudi Arabia exhibits a large market for agricultural products with a value of **USD 10.3 billion in 2020**, growing significantly since 2016 at a **CAGR of 4.4%**. The national agriculture industry represents 4% of non-oil GDP which has already reached self-sufficiency for a variety of products such as dates, vegetables and poultry, eggs, milk, and fish.

The Hail agricultural sector is well-positioned to serve the fast-growing national agricultural and food markets, due to a high level of connectivity that facilitates the expansion of distribution networks across the country, as well as transportation and logistics assets such as a strategic rail link connecting Riyadh with Al Haditha (Jordan border), passing through Hail via its passenger and freight lines.

The most attractive agricultural and food subsectors in Hail include fruits & vegetables, grains & barley, as well as poultry and livestock production.

Hail accounts for over a third of potato production in the Kingdom

The region produces **26%** of the Kingdom's barley

Hail grape production represents **15%** of Kingdom's total

The region is home to a large-scale poultry production project representing **USD 1.33 billion** in investment

The Agricultural Development Fund specializes in funding a variety of agricultural activities across Saudi Arabia to support the development of the agricultural sector and to increase production efficiency by using the most up-to-date scientific methods and modern technology. This is accomplished by providing farmers with facilitated loans with no interest to acquire machinery, pumps, and agricultural equipment for raising cattle, poultry, and sheep, as well as beekeeping and fish breeding, among other things. In 2021, the fund offered more than **USD 34 million** through 336 loans to projects in Hail. 307 of the approved loans (**totaling more than USD 4 million**) were short term credit service loans. An additional 29 loans were granted as long-term credit service loans with a total of more than USD 29 million. Hail's agriculture sector also plans to feature more than **500 hectares of organic farmland** as well as innovative hydroponic farming projects.

Several investment opportunities exist in Hail along the agriculture and food processing value chain.

Agriculture & Food Processing

Inputs	Growing	Distribution	Processing & Selling
<ul style="list-style-type: none"> Fertilizers Agricultural machinery & equipment Precision farming Crop production Food additives Precision farming Plant genetic Refrigeration equipment Packaging materials Animal genetics 	<ul style="list-style-type: none"> Row crops Sugar Cash crops Milk Meat Aquaculture Vertical farming other 	<ul style="list-style-type: none"> Trading platform Grain storage & seed handling eq. Animal genetics 	<ul style="list-style-type: none"> Milling Oilseeds crushing Biofuel production Veg & fruit wholesale Dairy processing Meat processing Fish processing Meat by products Non-food processing Brand packaged goods Processed fruits & veg Baked goods Rice, pasta & noodles Beverages Confectionary Oils, spreads & source Dairy Baby food Snacks Ready Meal
Food testing and quality control			
Ag. Financing			
Other Ag. Services			

Fruits and Vegetables

Hail's largest crop production includes potatoes, grapes, dates and olives. The region's potato production represents over a third of the total open field space in the Kingdom.

In 2018, Hail produced 17,844 tons of grapes (3rd largest producer in the Kingdom), The region has a yearly production of 73,720 tons of dates (5th in the Kingdom), and 17,000 tons of olives (3rd in the Kingdom), and 120,000 tons of potatoes (2nd in the Kingdom). With Hail's fertile soil and strategic location in the Arabian Peninsula, the region offers various opportunities across the fruit and vegetable value chain, including large-scale hydroponic initiatives.



Grains and Barley

Hail is also a key producer of grains and barley, with 370,841 square meters dedicated to grain cultivation (366,955 square meters of harvested area) and 44 hectares dedicated to organic grain cultivation.

The region produced 164,382 tons of barley annually in 2018, which represented 26% of total production in the Kingdom. Hail's agricultural lands dedicated to barley span 198,715 square meters, representing 21.1% of total barley cultivation nationwide.

The region represents opportunities to further expand Hail's grain and barley production, while also showing strong growth potential in the development of midstream activities such as packaging and processing.



Poultry and Livestock Production

Hail is one of the most important poultry producers in the Kingdom, producing 100,000 tons of poultry annually (5th in the Kingdom). The region is home to the Almarai poultry plant, one of the biggest poultry projects in the world – with capital exceeding USD 1.33 billion and production capacity of 200 million birds per year. The region has the 4th largest sheep stock in the Kingdom.

There are opportunities to scale up agri-businesses working in livestock production in the region to better serve the national Saudi market, given the Kingdom's food security priorities and high levels of meat consumption. The value of livestock production in the Kingdom was USD 7.1 billion in 2018, with poultry being the largest category followed by sheep and goats. The Kingdom's aims are currently to become 60% self-sufficient for poultry consumption and to reach 85% self-sufficiency by 2025, which creates opportunities across the value chain.





Key Projects and Initiatives

01 Hydroponics Farms

Organizations such as the Agriculture Development Fund are developing or contemplating ambitious hydroponic farm projects in the region. Due to protected greenhouses, such projects can play a pivotal role in increasing the Kingdom's production of a variety of vegetables and reducing the country's food import dependency.

The Agriculture Development Fund lent more than a USD 20 million to one of the biggest agricultural projects in Saudi Arabia to produce vegetables on a land size of 2.5 million square meters. This includes 130 thousand square meters of greenhouses, and a 1 million square meters of roads, warehouses, offices and residential units for workers.

The project includes a large packaging and logistics center spanning over 6 thousand square meters. The hydroponic farm will require planting 500,000 vegetable seedlings to produce around 8 million kilograms each season. This type of farming will save more than 67% of irrigation water.

02 Research and development projects

Over a dozen agriculture research and development projects are being implemented in the region by organizations such as the University of Hail and the Ministry of Environment, Water and Agriculture (MEWA). These projects focus on key agricultural opportunities and challenges for the region, including the development of organic farming, as well as the establishment of a center for beekeeping, as well as the establishment of a center for beekeeping, as well as the establishment of a center for beekeeping, as well as the establishment of a center for beekeeping.

03 Poultry Production Operations

Approximately USD 90 million development loans have so far been awarded for poultry projects in Hail since the Agricultural Development Fund's inception, with additional projects being considered across the value chain.

As part of its initiative to support projects using modern technologies, the Agriculture Development Fund will provide financing contracts of more than USD 6 million. The Fund will be financing 70% of the investment costs of a major poultry project in Hail. More than USD 3.7 million will be allocated to produce 10 million eggs and USD 2 million to produce 7.5 million chicks yearly.

04 National Industrial Development and Logistics Program

Other initiatives such as the National Industrial Development and Logistics Program (NIDL) are also fostering investment in the region's food manufacturing facilities and logistics infrastructure to further develop Hail's agri-food value chain and improve the Kingdom's food security.



Tourism

Hail's assets for tourism include a millennial and rich history, as well as stunning mountainous landscapes. The region features sites such as As-Samra Mountain, Aja Mountain, and Adayra Valley, as well as two rock art UNESCO heritage sites (Umm Senman Mountain and Al-Shuwaymis). Since 2016, total tourist trips to Hail have steadily increased from less than 500,000 to over 1,170,000 in 2020.

This growth was primarily driven by domestic tourism, which has more than doubled in the past five years to reach 1,160,000 tourist trips in 2020. Total tourist expenditure in the region amounted to USD 290 million in 2020. The region envisions multiple projects to boost the tourism industry, leveraging its unique cultural and natural assets.

Tourist trips in the region increased from 987,000 in 2019 to 1,170,000 in 2020

Tourist expenditure amounted to USD 290 million in 2020

Approximately, 100 million tourists are targeted annually to enter the Kingdom by 2030.

An important investment in Hail was made by establishing a five stars hotel with a value of USD 130.66 million. Given its rich history and unique natural assets, Hail is poised to be a key destination benefiting from Saudi Arabia's fast-growing cultural, heritage, and adventure tourism industry.

Through the Tourism Development Fund (TDF), the Cultural Development Fund (CDF), and the new visa program, the Kingdom has taken several initiatives to enable continued growth and facilitate investment into Hail's tourism sector. The TDF provides funding for organizations including hotels, restaurants, development of tourist sites, and tour operators that lead to the development of the tourism sector. Meanwhile, CDF offers funding and financing to private institutions and establishments that support cultural activities.

The Tourism Development Fund provides funding for organizations working in the tourism field, including organizations that provide technological innovations across different tourism attractions.

The Cultural Development Fund offers funding and financing to private institutions and establishments that support cultural activities.

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.

Investment in infrastructure, accommodation, food and beverage, entertainment and leisure and retail sector has been proposed at an investment value of USD 338.66 million to further boost tourism in Hail. Specifically in Al-Gishla castle, Machar park, Egda mountain. The region aims to develop supporting touristic assets while preserving the city's authenticity and integrity of historical remains.

Cultural and Heritage Tourism

Hail is a key destination for the Kingdom's cultural and heritage tourism sector due to the region's central place in the Arabian Peninsula's history and ancient archeological sites. Centuries ago, the city of Hail was the capital of the Arabian Desert.

Now the north-central region's capital, Hail has grown in prominence as a popular heritage destination among visitors in pilgrimage to Makkah and across the Kingdom. The region features impressive heritage assets including historic castles, ancient archeological sites featuring millennial rock art, as well as unique natural parks and urban spaces. The city of Hail is also home to one of the largest museum projects in the Kingdom, in addition to hosting the Hail season, which celebrates the region's artistic culture and heritage background.



The Hail region boasts a rich cultural heritage, including three historical castles and two ancient archeological sites

Three historic castles

01 A'arif Fort

Spanning across an area of 440 square meters, the Aarif fort was constructed in the 17th century. The fort is located on a hilltop which makes it visible to any location in the city and is open to visitors, who can climb the hill to admire the classical Hail mud architecture and appreciate stunning 360-degree views across the city. The fort is unique having huge wooden doors engraved with inscriptions.

02 Barzan Palace

Built in 1808 with an area of 300,000 square meters, the Barzan Palace was considered a massive structure at the time. The three floors of the building consist of gardens, hosting areas for diplomatic guests, and a home for the royal family back at the time. Today, the remaining of this historical masterpiece is represented by one tower only, giving an idea of the previous overall size of the palace.

03 Al Qishlah Castle

The castle was constructed in the 1940s to function as military barracks, with a rectangular mosque with three rows of connected columns parallel to the castle's wall. The castle has two floors, an open courtyard and a square tower in each of its four corners. The castle has two entrances, one on the eastern façade and one on the southern façade.

Two ancient archeological sites

01 Umm Senman Mountain

Located in the Al-Nufud Desert, Umm Senman Mountain is an archeological site in Jubbah, in the Al-Nufud Desert, famous for its engravings (drawings and inscriptions of animals and humans) which dates back to 7,000 years BC and covers an area of 40 square kilometers.

02 Al-Shuwaymis

250 kilometers southeast of the city of Hail, Al-Shuwaymis is a stunning archeological area featuring figures of humans, animals, and plants in an area covering over 50 square kilometers. Featuring unique millennial rock art and terrain, Umm Senman Mountain and Al-Shuwaymis are considered two of the most important UNESCO world heritage sites in the Kingdom.

Unique Natural Parks and Urban Spaces

01 Mashar Park

One of the most popular wildlife parks in Hail, Mashar Park features various amenities for families, including a waterpark, barbecue sites, swimming pools, children's play areas, and sports facilities.

02 Hail Flea Market

Located on the east side of the city center, this market is considered one of the largest markets in the Kingdom, holding hidden treasures from old rugs to antiques.



Key Projects and Initiatives

01 Hail Season

Taking place on a yearly basis, Hail Season involves entertainment, sports, cultural and touristic activities to illustrate the artistic culture and heritage background of the region and the Kingdom. The Hail Season typically runs between December and February each year, and offers variety of activities to visitors, including a 4-day mountain bike race tournament.

02 New Hail Regional Museum

The New Hail Regional Museum was constructed with an area of 11,000 square meters required an investment of over USD 17.8 million and aims to be one of the largest museums in the Kingdom, showcasing the civilization and heritage of the Hail region.

03 Significant Hotel Development

A luxurious hotel was recently inaugurated in the city of Hail, next to the Saudi Railway Station, and 20 minutes away from the Hail Regional Airport. The hotel is also located near the University of Hail, Rally Hail Base Camp, Arab Open University, and just a short drive away from Al Khatta village, horse racing, Jubba, and Old City Centre.

EMERGING SUB-SECTORS



Adventure Tourism

In addition to well-established key sectors, Hail is home to an emerging adventure tourism scene that has demonstrated notable potential for future growth and opportunity.

Supported by the dynamism of Hail's overall tourism sector as well as the presence of natural marvels with great appeal for outdoor enthusiasts, adventure tourism represents opportunities for investors interested in 'getting in on the ground floor' of this emerging sub-sector.



Adventure Tourism

With breathtaking red sand dunes and mountainous areas, Hail represents an attractive location for adventure tourists interested in out-of-the-ordinary sports and hiking experiences. The Hail region also features a unique topography including a mix of caves, mountains, plains, and volcanoes that represent significant potential for adventure tourism, along with a growing entertainment offering, including the Hail International Rally.

One of the region's greatest assets for adventure tourism is the Al-Nufud Desert, which spreads across **40,000 square kilometers**. The Al-Nufud Desert is considered a critical component of Hail's cultural identity and offers a variety of unique outdoor experiences, including dune bashing or sand surfing. Along with desert entertainment activities, Hail hosts yearly desert festivals celebrating the region's heritage through diversified activities involving poetry, food, desert live shows, etc.

Two other notable trekking and sightseeing locations include breathtaking mountain and volcanic areas, Shammar Mountain Area and the Al-Hatima Volcano Crater. Located northwest of Hail, the Shammar Mountain Area features multiple iconic mountains such as the Aja and Salma peaks, as well as rich elements of the Saudi Arabian culture, heritage, and folklore.

Adventure visitors to the region are also drawn to the Al-Hatima Volcano Crater, located east of the town of Taba in Al-Shanan Governorate, close to the famous Salma Mountain. With 2 kilometers in diameter, the crater is one of the most popular tourist sites in the region, which attracts both adventure tourists and geologists.



Key Projects and Initiatives

01 Hail International Rally

The rally is comprised of international motor companies sponsoring different editions of this reoccurring event. In 2018, the 13th edition of the Hail International Rally was sponsored by Nissan. In 2021, Hail hosted the 17th edition of the event (i.e., "Hail Toyota International Rally") as the last stage for the FIA cross country World cup.

Motorsports are not new in the region, with the Hail Rally taking place each year since 2006. In 2008, supervision of the rally was undertaken by the International Automobile Federation. The event now is one of the most prominent stations of the Dakar Rally hosted by Saudi Arabia since 2020. The rally cars, motorcycles, and quads race through Hail cities and the Al-Nufud Desert, displaying the region's most important natural and cultural assets.

KEY PROJECTS



King Salman Bin Abdulaziz Royal Reserve



Logistics and Infrastructure Projects



King Salman Bin Abdulaziz Royal Reserve

Located in northern Saudi Arabia, near the Jordan–Saudi Arabia border, it is the Kingdom's largest natural reserve, covering 130,000 square kilometers. The reserve is noted for its unspoiled nature, clean air, geographic and heritage diversity and unique monuments that date back to around 8,000 BC.

The reserve is divided into three principal conservation areas: Khunfah, Tubaiq, and Harrat Al-Harra. The reserve has a wide range of landscapes, with mountains, plains, and plateaus and it is home to up to 300 different animal species (rare deer and other wild animals are among them). The reserve is shared by four provinces: Hail, Tabuk, Al-Jouf and the Northern Borders Region.



Logistics and Infrastructure Projects

At the end of 2021, the Prince of Hail Region launched 9 development projects in the region at a cost of more than USD 84.5 million. The development projects involve infrastructure development of a road service system, Hail International Airport services, and a train station. These projects aim to achieve higher economic growth for the region and the country, in alignment with Saudi Vision 2030.

The Prince of Hail launched a project to develop 56.7 kilometers of agricultural roads for the region, along with the Ministry of Transport and Logistic Services which launched a road project involving over 196.2 kilometers of new and existing roads, bridges and other infrastructure development. Those projects are in alignment with the National Strategy for Transport and Logistics, which aims to enhance connectivity between all regions of the Kingdom and continue the Kingdom's global leadership in the road network connectivity index.

In 2018, more than USD 1.86 billion was also allocated to support various other infrastructure projects in areas such as electricity, municipality, water, agriculture, and many others. A number of the supported initiatives also aim to better connect the Hail region to other tourism hubs in the Kingdom. This includes projects focused on finalizing the roads project that connects Hail's region directly with the holy sites in Madinah and Makkah, as well as expanding initial Al Ula-Hail road with an additional lane.

In 2020, 11 water network and environment projects were undertaken. Representing more than USD 153 million in total investment, these projects include connecting the villages located in the Arabian Shield area with a water transmission pipe, developing a water transmission line from Tabah to Al Shanan governate, and implementing more than 6,500 sewage connections to serve over 46,000 beneficiaries.



INTERESTED IN INVESTING IN HAIL?

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

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 Hail.



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



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



Existing opportunities in Hail region include:

- **Tourism**
 - Botanical Gardens Development
- **Poultry and Livestock Production**
 - Localization Of Poultry Vertical Integration
- **Culture & Heritage Tourism**
 - Culinary Regional Culinary Tours



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Reach out to the Ministry of Investment
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