



وزارة الاستثمار
Ministry of Investment

استثمر في السعودية
INVEST
SAUDI



Invest in Tabuk



**Your Guide to Uncovering
Value Propositions in
Tabuk 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 Fahad bin Sultan bin Abdulaziz Al-Saud
Prince of Tabuk Region



The Tabuk Province seeks to utilize the comparative investment advantages the region enjoys creating an attractive investment environment supportive of investors in all sectors in order to achieve a bright horizon in line with Saudi Vision 2030 and under the wise leadership of King Salman and His Royal Highness the Crown Prince.

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 Tabuk -- a region undergoing unprecedented transformation through multi-billion dollar mega and giga projects, attracting local and foreign investors from various sectors.

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 Tabuk region, the contribution of the tourism, fishing and aquaculture, renewable energy, and ICT 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, 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 the Kingdom within the top 15 economies worldwide
- Doubling overall domestic investment
- 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 the adoption and implementation of state-of-the-art Information and Communication Technology (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 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 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 increased 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 United Nations Framework Convention on Climate Change (UNFCCC) climate action by guiding and supporting 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 TABUK

Tabuk is a region undergoing unparalleled transformation. The region is home to some of the Kingdom's most groundbreaking initiatives and hundred-billion-dollar investments.

In NEOM, a futuristic urban development, the region is creating 'tomorrow's world' by bringing together natural wonders and emerging technologies. As Saudi Arabia's largest giga project and a key initiative of Saudi Vision 2030, NEOM will spur rapid growth and investment across the region's key sectors – including tourism, fishing and aquaculture, renewable energy, and information and communication technology (ICT).

Through NEOM, Tabuk is witnessing a digital transformation across all sectors. The region will be home to the world's first hyper-connected cognitive city, which will showcase cutting-edge developments in 5G, the Internet of Things (IoT), data analytics, virtual reality, augmented reality, smart homes and autonomous vehicles.

A rising tourism destination by the Red Sea, Tabuk also offers a combination of coastal and desert scenery, unique landmarks, and heritage. Adding to its natural assets, several giga projects – including AMAALA and the Red Sea Project – are helping to position the region as one of the main attractions for tourists in the Kingdom. AMAALA is a luxury tourism destination set to be completed in 2027, with 3,000 hotel rooms offering wellness, sports, arts, culture, sea, sun and lifestyle activities.

The Red Sea Project is the world's most ambitious regenerative tourism project featuring 90 pristine islands, miles of sweeping desert and dramatic mountain landscapes.

Agriculture is one of Tabuk's most important economic sectors. Tabuk is well-known for its flower plantations, which export gladiolas, lilies, and statice to Europe. The floristic variety of the Tabuk Region is astounding. The region is also bordered by hills and wadis, the most notable of which are Wadi Al-Akhdar (the green valley), Wadi Damm, and Wadi Asafir. This has made agricultural production in the city an important economic sector. Agriculture land is not restricted to this boundaries, but spreads to wide areas around the region.

Tabuk is also well-positioned to benefit from its natural resources and strengths through investments in fishing, aquaculture, and renewable energy. The establishment of the largest fish farm in the Middle East and North Africa (MENA) region will be a key step toward capitalizing on the region's natural resources. Furthermore, in order to effectively utilize Tabuk's strengths, the region seeks to support the Kingdom's goal of transitioning to 50% renewable energy by 2030. To ensure that the region can meet these goals, two renewable energy production sites are under construction, that will primarily focus on wind and solar power.

With unprecedented growth and innovation on the horizon – the time is now to invest in Tabuk.



Home to **hundred-billion-dollar government initiatives** – including NEOM, the Red Sea project, and AMAALA, among others



Tabuk will host **the world's first hyper-connected cognitive city**, NEOM



A booming touristic destination, AMAALA islands include 3000 hotels rooms, 800 villas, yachting marinas, etc



Tabuk is building the **largest hatchery in the Middle East with NEOM**



Tabuk has the **highest wind speed in the Kingdom and receives abundant sunlight**

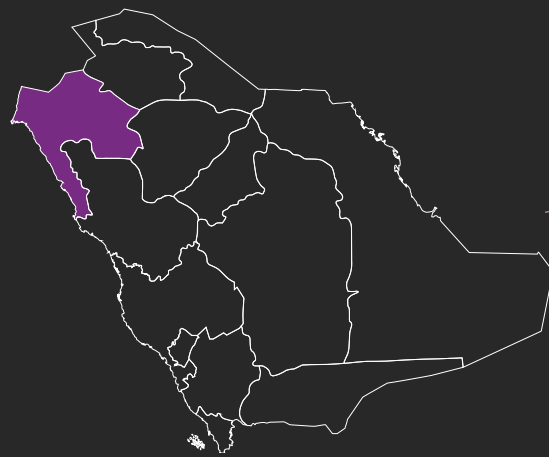
TABUK AT A GLANCE



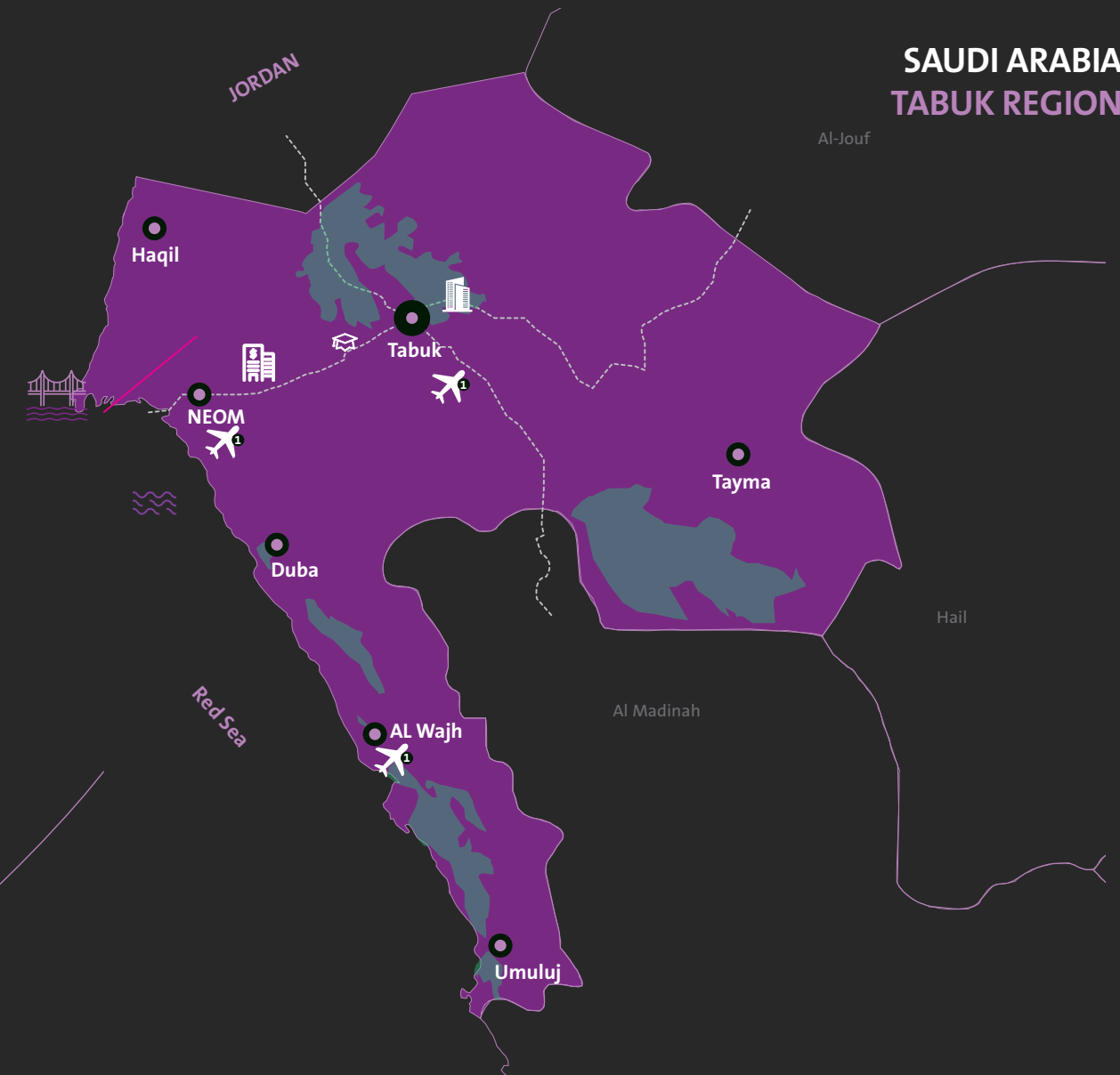
- Population >
- Education >
- Innovation >
- Healthcare >
- Employment >
- Infrastructure >
- Economic Performance >
- Business Enablers >

Covering an area of 136,000 square kilometers, Tabuk is situated along the northwest coast of the Kingdom. The region's temperature ranges from a minimum of 11°C to a maximum of 37°C.

Located between the Nafud Desert to the East and the Red Sea to the West, the region is divided into seven governorates, including Tabuk City, which represents over 70% of the region's population. The other governorates are Haqil, located in the northwest of Saudi Arabia where the gulf of Alaqaba and Jordan are visible; Duba, known as the 'pearl of the Red Sea' by local citizens; Al Wajh, one of the largest cities in the region; as well as Umluj, Al-Bad and Tayma. Most of Tabuk's governorates are strategically located on the Red Sea coast.



SAUDI ARABIA TABUK REGION



Legend:

- Main cities - Al Ula, Al Madinah the Capital, Al Mahd, Yanbu
- Airports - 1 Tabuk International Airport, 2 Neom Bay Airport, 3 Al Wajh Airport
- Industrial cities - Tabuk industrial City
- Universities - Tabuk University
- Economic city - Neom Financial Services sector
- Key Projects - The Line Red Sea Project King Salman Causeway Project
- Agriculture land Railways



Population

Tabuk has a total population of 968,414 (2020), with 65% being under the age of 35 (2019).

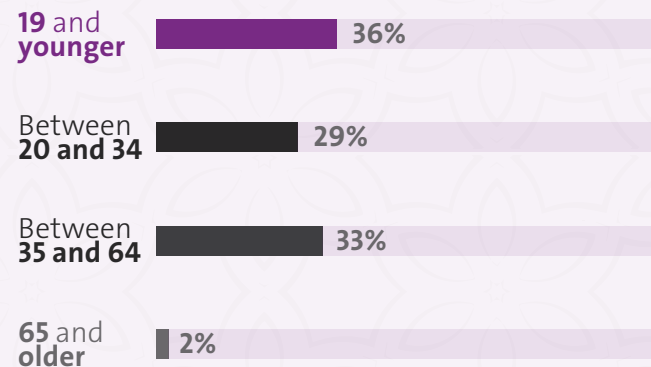


Population growth
(2016-2020)

8.6%



Population age groups
(2019)



Education

Tabuk's education system helps provide skill sets that support key sectors in the region through vocational schools and STEM (science, technology, engineering, and mathematics) related programs, including communication and IT, healthcare, biological sciences, physical sciences, as well as mathematics and statistics.

Number of vocational and training institutions (2019)



Number of schools by authority (2021):



International 19

Private 89

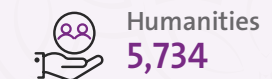


Public 741

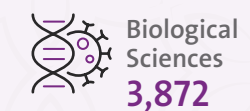
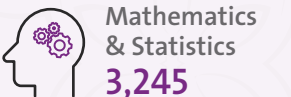
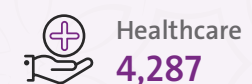
Ratio of students per the number of teachers and schools (2021):



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

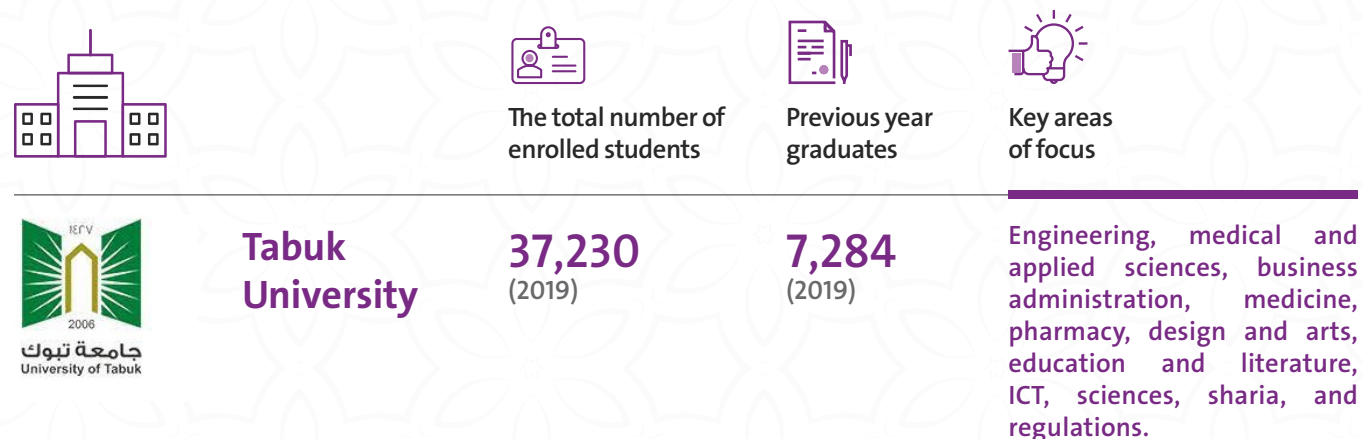


Number of university students in STEM-related programs (2019):



Education (cont.)

The region's higher education system is supported by Tabuk University:



The university offers advanced and accredited academic programs which help provide graduates with knowledge and skills that meet the needs of the community, and the local and regional labor market.

In line with Saudi Vision 2030's objectives for Tabuk, the university is expected to open the Faculty of Tourism in Al Wajh, one of the region's key touristic areas with a unique coastal destination.




Image source: <https://en.wikipedia.org/>


Innovation

Tabuk is set to become an innovation powerhouse in the Kingdom. The region is home to NEOM which offers a futuristic vision, and with projects such as digital connectivity, green hydrogen, The Line City, and Oxagon.

The LINE is a shining example of the region's capabilities, as it will be powered by an innovative invisible infrastructure that will run all transportation, networks, and utilities beneath the surface with unprecedented efficiency and sustainability.

Oxagon is NEOM's economic and industrial engine, driving innovation in industry and technology whilst offering exceptional livability. Designed to attract global talent and breathe new life into manufacturing, this is the place where ideas can change the world.

 In line with building an innovative society, the region has multiple research centers which are dedicated to innovation, such as:

 Research Centers in Tabuk University include the:

Center for Research on Sensor Networks and Cellular Systems

Center for Industrial and Robotic Innovation

Center for Research for Renewable Energy

NEOM is building an Innovation Hub and Center of Excellence, a center designed to attract leading related industry expertise and research aiming to become a global leader in water technology. NEOM is also hosting several innovation challenges seeking creative ideas and unique concepts matching the vision of the city.

The King Abdullah University of Science and Technology has a dedicated Center of Excellence for NEOM research working on future cities in the areas of environmental monitoring, smart grid, and energy efficient buildings in collaboration with other universities such as Harvard University, Swiss Federal Institute of Technology and Northwestern University.

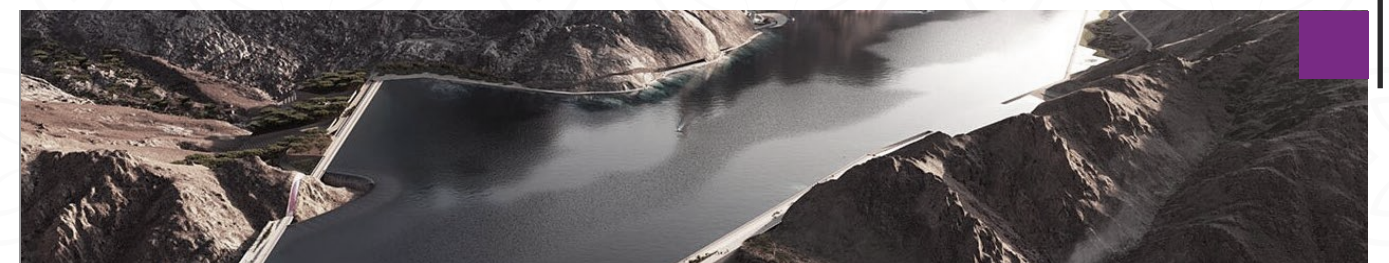
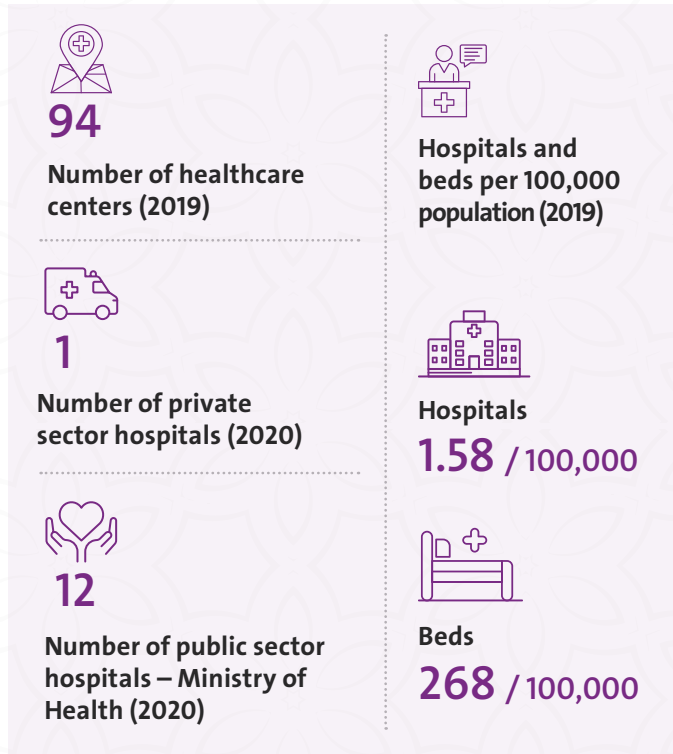


Image source: www.neom.com

Healthcare

Saudi Arabia is working on a health sector transformation program in line with Saudi Vision 2030 to restructure the Saudi health sector. This includes enhancing its status and capabilities as an effective, integrated, value-based ecosystem centered on the health of the patient. Investment opportunities exist to further support initiatives in Tabuk to bolster the region's healthcare system.

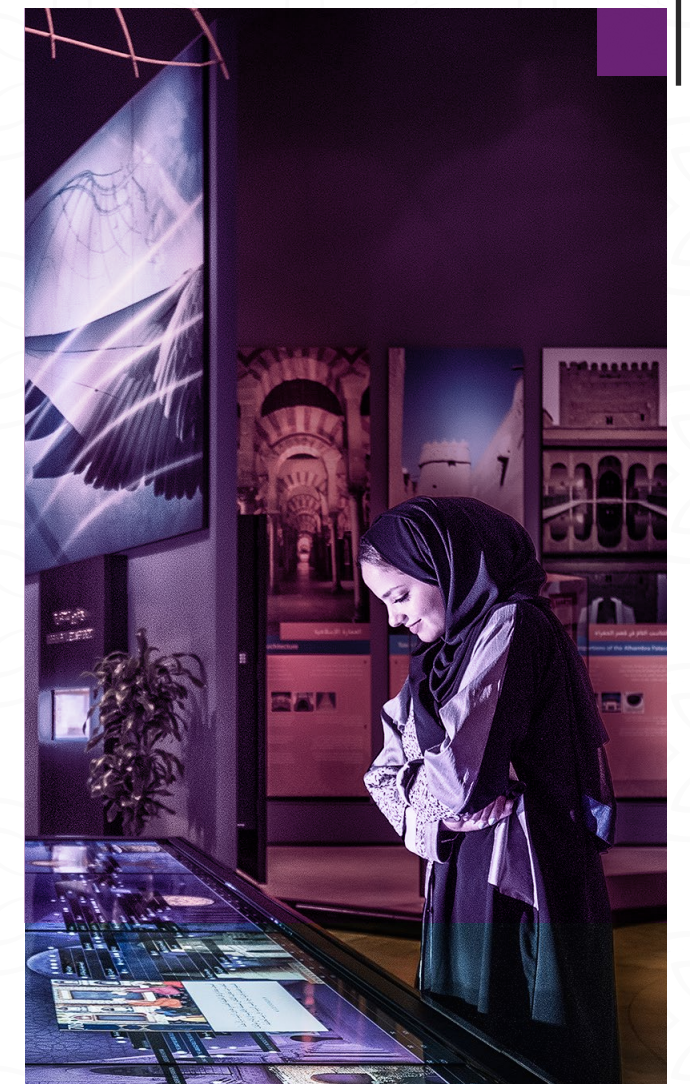
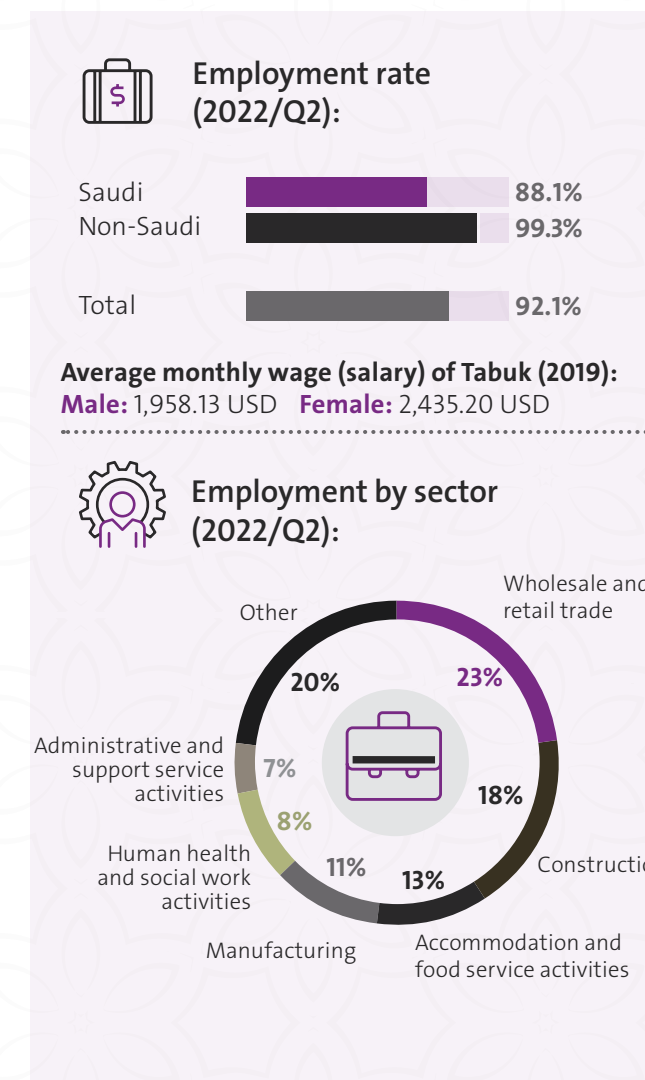
Tabuk is home to 94 healthcare centers (2019). The region has a higher hospital bed to population ratio (268 per 100,000 inhabitants) than the Kingdom's national average of 254.5. Such a gap represents opportunities for investors in the sector. Tabuk's healthcare system is also undergoing further development with the announcement of Sulaiman Al Habib Medical Services (the largest private health service provider in Saudi Arabia) and the opening of a new hospital in the northwest of the region.



As part of the NEOM project, the region is working to create an integrated health, well-being, and biotech ecosystem, in line with the health sector transformation program, that goes beyond traditional medical treatment, creating a one-of-a-kind end-to-end system that is completely focused on the individual. NEOM will become a global benchmark in the sector by combining world-class treatment and inclusive care with new technologies, research, and teaching. In line with creating a full-fledged advanced city, NEOM's healthcare ecosystem is expected to provide comprehensive patient care. This includes high-end technologies which enable full integration between medical specializations and seamless access to medical history, with the goal of building the world's healthiest place to live.

Employment

According to Saudi Labor Law, the legal working age in the Kingdom is 15 years. Top sectors of employment in Tabuk include construction, wholesale and retail trade, manufacturing, human health and social work activities, accommodation and food service activities, and public administration and defense.



Infrastructure

Tabuk has strong road, airport, and seaport infrastructure, which supports the region's diversified economy. This infrastructure further enables Tabuk to serve as the Kingdom's gateway to the north, allowing for countless trade opportunities with access to different markets.

Several projects with are relating to housing, transportation, environment and agriculture have been initiated in the region in 2021.

Major Ports



Dhiba Port Being the nearest port to the Suez Canal, Dhiba Port is the closest to emerging markets and ports around the Mediterranean

Terminals **3** Berths **10**
Capacity **10 million tons** Area **12 Square Kilometers**

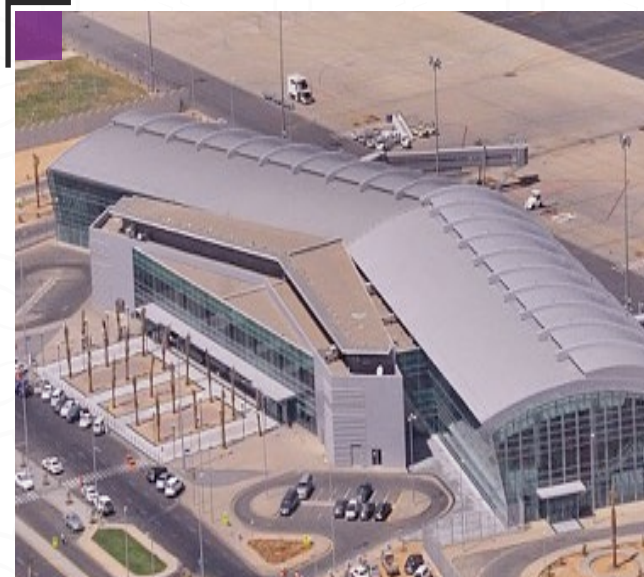
Major Airports



Tabuk (Prince Sultan Bin Abdulaziz Airport) International Airport (TUU): (2019 – pre-pandemic)

Total flights	Passengers	International flights
16,014	1,786,960	1,640

- The airport has non-stop passenger international flights to Cairo (CAI) and Dubai (DXB) international airports
- At present the airport has 5 domestic flights to Jeddah (JED), Al-Madinah (MED), Riyadh (RUH), Jazan (GIZ), and Dammam (DMM).



Al Wajh Airport (EJH) (2019 – pre-pandemic)

Total flights	Passengers
1,544	60,108

- The airport has two domestic flights to Jeddah (JED) and Riyadh (RUH).



NEOM Bay Airport (NUM):

Located in proximity to NEOM city, has 3 domestic flights

Jeddah (JED), Riyadh (RUH), and Dammam (DMM).

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	Utilities	Targeted industries
Tabuk Industrial City	USD 0.27 / Square meter	USD 24,000 for 1,500 square meters	Electricity 25 MVA Drinking-water capacity 3,000 cubic meters	Other Non-metallic mineral products, service contracts, food products, chemicals and chemical products, and fabricated metal products



Real estate average prices (latest available as of 2022)



Agricultural land
USD 18/ square meters



Commercial land
USD 162/ square meters

Number of real estate deals (2020)



Agricultural
122



Commercial
1900

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

Economic Performance

Tabuk is anticipated to continue experiencing economic growth with on-going development programs and projects including NEOM, AMAALA, and the Red Sea Development Project.

These giga projects are supported by governmental entities such as the Agricultural Development Fund, Tourism Development Fund, etc. Further opportunities exist to further support Tabuk's unprecedented and accelerated economic growth.

Average household monthly income (2018): USD 2,481



Volume of point of sales transaction in Tabuk city (2021):
USD 2.3 billion



Inflation rate (Tabuk city) (Q3 2022):
1.77%



Number of active foreign investment licenses: (2015 - 2021)
23



Number of commercial registers: (2021)
79,569

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, Tabuk is continuously improving its services to further promote the region as a key investment location for strategic sectors including tourism, fishing and aquaculture, renewable energy as well as ICT.

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 adoption and use of ICT in Saudi Arabia has continued to rise significantly. The Kingdom's strong economic growth is driving increased business activity and investment inflows, while national infrastructure is being built out and the government's service footprint is expanding. A strong economy, high political stability, a young population, and national policies that emphasize economic diversification are among the key drivers of ICT investments in Saudi Arabia.

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

Supported by NEOM, ICT has immense potential for growth in Tabuk. The sector is covered in greater detail later in this report.

Percentage of household ICT access indicators (2021)

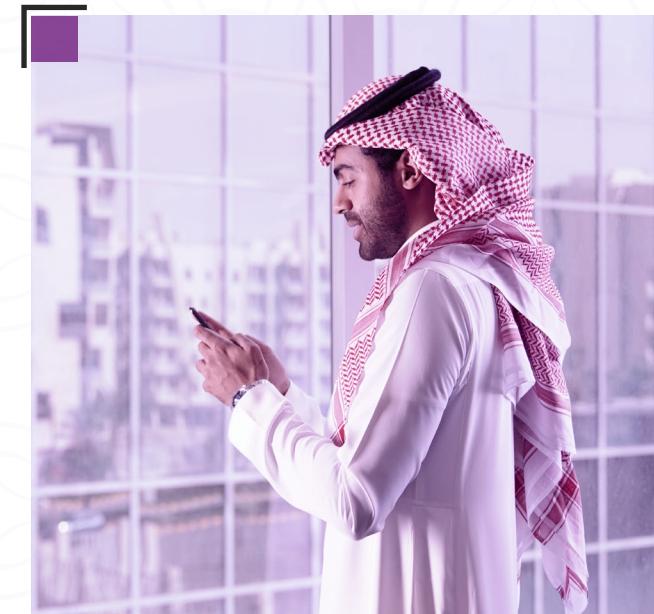


Household cellphone access
98.55%



Household internet access
93.16%

Internet penetration (2019) **94%**





The National Development Fund (NDF)

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.



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 threefold 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 Tabuk's key sectors include (among others)



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, and support to small and medium-sized businesses (e.g., the 'Kafalah' funding scheme). Since its inception, the fund has offered a total of almost **USD 0.2 billion** through 25 loans to projects in Tabuk.



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 **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 maintaining 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 2.33 million** in loans in 2021 to 121 projects in Tabuk.

KEY COMPETITIVE SECTORS



Tourism



Sun, Sand
and
Mountain
Tourism



Tourism

With a favorable climate, scenic coast, and an increasing number of entertainment options, Tabuk's tourism sector is on the rise. Through large-scale initiatives such as NEOM, AMAALA and the Red Sea Project, the Kingdom is supporting Tabuk in becoming an internationally recognized tourism destination.

Tabuk offers an 'open-air museum' experience – allowing visitors to experience the region's natural wonders and villages through an outdoor setting. 27 hotels and 60 furnished apartments, with 3,832 active keys and an average occupancy rate of **55.9%** in 2020 which provide visitors with family-friendly accommodation to support their stay in the region.

In addition to the giga projects in the region, the Kingdom is supporting Tabuk tourism growth through large-scale national initiatives. Government institutions such as the Tourism Development Fund and the Cultural Development Fund have demonstrated their commitment to their respective industries by offering various programs and initiatives. For instance, the Kingdom has adopted the Digital Tourism Strategy and the new eVisa system, both of which will boost the tourism sector. A primary objective of these initiatives is to further support Saudi Arabia's goal of becoming an 'Open Kingdom' with a diverse and thriving economy.

More than **2 million** tourist trips to Tabuk in 2020

The total value of tourist expenditures in Tabuk in 2020 was more than **USD 765 million**

NEOM plans to become home to more than **1 million** from around the world

The Kingdom is focused on ensuring that key tourism regions, such as Tabuk, have a strong talent pool to help grow the tourism sector. As part of the Digital Tourism Strategy, the Kingdom is supporting the upskilling and reskilling of the tourism workforce to increase employability in the sector and enable the next generation of entrepreneurs. Other initiatives include the museum reform strategy by the Ministry of Culture which is expected to **generate 100,000 jobs** and contribute **3% of the cultural sector's GDP**.

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

Investment in infrastructure, accommodation, food and beverage, entertainment and leisure and retail sector has been proposed at an investment value of USD 108.26 million to further boost tourism in Tabuk region, specifically in Haql, and Altubaiq clusters. The region aims to develop supporting touristic assets while preserving the city's authenticity and integrity of historical remains.

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**



Sun, Sand and Mountain Tourism

Tabuk offers a unique combination of coastal and desert scenery, unique landmarks, and heritage experiences.

Tabuk is one of the few regions in the Kingdom with a coastline on the Red Sea that features charming coastal towns, such as Haql and Sharma, and archaeological sites such as ancient buildings dating back to the Nabatean period, historic artifacts from the Neo-Babylonian Empire, and pre-Islamic villages.

The region is home to a plethora of natural sites. Among them is **Al-Shaq (meaning 'tear')** – located between Hisma Mountains and Qaraqir Valley; the site is known as the **'Saudi Arabian Great Canyon'**. The region also hosts the carved tombs of Maghaer Shuaib in the desert, the Moses Springs in Maqna which feature natural springs flowing beneath date palms, and the magnificent Tayeb Al Ism valley of high granite stones directly adjacent to the turquoise-fringed Gulf of Aqaba.

Another key attraction, **Umluj, is an archipelago of 104 islands known for its tranquil setting**, white sand beaches, clean clear blue waters, and unspoiled islands. Broadly, the marine environment of Tabuk attracts sea and nature lovers alike, as well as avid divers. The Red Sea offers sights such as fish schools, brightly colored snails, mollusks, and dolphins.

The region's giga projects – such as AMAALA and the Red Sea Development project – will further help unlock the region's tourism potential. Both projects focus on highlighting the beauties and riches of the Red Sea and will leverage renewable energy.

Tourism contributes to **10% of the global GDP** and is **expected to grow by 3.7% by 2029**. 16% of global spending on tourism is related to culture and heritage. With its diverse and unique offerings, Tabuk is well-positioned to capitalize on global tourism trends, such as growing segments of solo travel, adventure travel, sun, sand, and mountain tourism, and local and cultural experience tourism.



 **Umluj is an archipelago of 104 islands**





Key Projects and Initiatives

01 AMAALA

AMAALA is a luxury tourism destination being created along Saudi Arabia's Northern Red Sea Coast to curate transformative personal journeys. AMAALA takes an integrated approach to health and wellness, focusing on three main pillars: wellness and sports; arts and culture; and sea, sun, and lifestyle.

As one of Saudi Vision 2030's mega projects, AMAALA is comprised of three key pillars:

- **The Coastal Development:** set on the coastline, the development is set to become the epicenter of the arts in the Middle East, with a contemporary art museum and a cultural district.
- **The Triple Bay:** the bay offers one of the world's most exclusive wellness retreats, with luxury resorts, recreational activities, a sports performance academy, and active sports club facilities (including equestrian, polo, camel racing, falconry, golf, and tennis).
- **The Island:** contains an artists' village, private estate villas, 200 villas and condominiums, 7 hotels, 400 guest accommodations, and Arabian-inspired botanical gardens.

The first phase of development involves six hotels and approximately 1,000 hotel rooms, with anticipated completion by 2024. When substantially complete in 2027, the development will feature over 3,000 hotel rooms across 25 hotels, in addition to 200 high-end retail outlets, fine dining, spa, and recreational amenities.



02 The Red Sea Development Project

The Red Sea Project is the world's most ambitious regenerative tourism project. The project displays a unique set of natural assets, including an archipelago of pristine islands, kilometers of breathtaking desert scenery, and a diverse mountainous landscape ranging from canyons to volcanoes. The project's ambitious vision is to deliver unforgettable, personalized experiences by offering access to some of Saudi Arabia's most important cultural treasures.

A key objective of the project is to protect, preserve, and enhance the local environment and set a new standard for sustainable development. The Red Sea Project will span over 28,000 square kilometers and will be at the forefront of the Kingdom's leisure industry diversification. The project includes the development of a year-round hospitality sector – with a focus on promoting cultural preservation and economic stimulation through local and international investments and spending, as specified in Saudi Vision 2030. Once operational, the development is expected to contribute USD 4 billion to the Kingdom's GDP per year, and create up to 35,000 jobs.

The area on which the project will be built is home to more than 90 islands that are a refuge of biodiversity, the three quarters of which will remain undeveloped, with 9 being classified as special environmental interest areas. In addition to eco-tours, the islands will provide a choice of carefully supervised water sports activities. The area also includes a lagoon which is home to 175 different coral varieties and 195 different fish species. The project is close to Harrat Lunayyir, a volcanic field with mineral-rich soils and clays, and a UNESCO World Heritage site.

The first phase of the project – which includes the creation of hotels and luxury residential units, as well as logistical infrastructure, such as air, land, and sea transport hubs – is expected to be completed by the fourth quarter of 2023. New infrastructure, such as 80 kilometers of roads and new airports, has been built to help increase connectivity between Tabuk and key regions. By 2023, the project will have 5 islands developed, and 16 hotels with 3,000 rooms. The number is expected to increase to 22 islands developed, 48 hotels with 8,000 rooms by 2030.



EMERGING SUB-SECTORS

Fishing and Aquaculture

Renewable Energy

Information and Communication Technology (ICT)

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

Supported by strategic government initiatives and agricultural competitive advantages, fishing and aquaculture and renewable energy show immense potential for development. 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

Fishing and Aquaculture

With its location on the Red Sea, Tabuk has a comparative advantage in the fish farming and production sector. The region is one of the largest fish producers in the Kingdom – with an output of 5,182 tons of fish in 2018.

Tabuk is the first region in the Kingdom to produce European Seabream, with 2,080 tons produced in 2018. The region also has the second largest area of fishponds in the Kingdom, covering a total area of more than 1 million cubic meters.

With milestone projects on the horizon, Tabuk will play a notable role in helping the Kingdom increase current fish production from 80,000 to 600,000 tons of fish per year by 2030. In 2021, under the supervision of The Ministry of Environment, Water and Agriculture of Saudi Arabia (MEWA), the NEOM company and Tabuk Fish Company signed a memorandum of understanding (MOU) to expand current aquaculture production and to apply new generation technologies in NEOM city.

The MOU entails the construction of the largest fish farm in the MENA region. The hatchery is expected to have a production capacity of 70 million fingerlings per year. The project will attract new technologies to the region, create job opportunities and will help position the region and, Saudi Arabia at the forefront of sustainable marine aquaculture.

MEWA has identified two investor-ready locations in the region that are geographically and environmentally suitable for aquaculture, Umluj and Diba. Umluj and Diba are characterized by a suitable climate, developed road network and, proximity to sea landing home point.

Higher activity in regions like Tabuk will help satisfy a growing demand locally and abroad. Saudi Arabia's aquaculture market was valued at over USD 500 million in 2019 and is projected to grow at a CAGR of nearly 8% to reach over USD 860 million in 2026. Fish consumption per capita is expected to double in the Kingdom from 11kg per annum in 2021 to 22kg by 2030. Globally, total fish consumption is projected to expand from 179 million tonnes in 2018 to 204 million tonnes in 2030. Regions with strong and projected fishing and aquaculture, such as Tabuk, are well positioned to help satisfy growing demand locally and abroad.

Tabuk offers various opportunities across the agriculture and food processing value chain to increase the production of fish and improve the breeding and growing methods through new technologies. The region will play a crucial role in reaching the Kingdom's national targets by 2030.

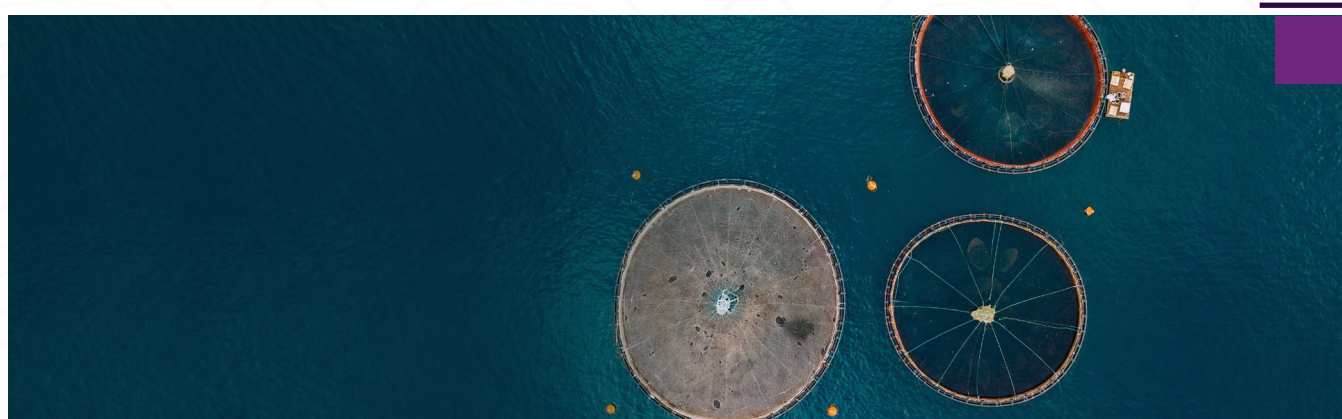
Tabuk was ranked 2nd in the Kingdom for production of fish and 1st for production of European Seabream in 2018

Tabuk has the 2nd largest area of fishponds in the Kingdom – amounting to more than 1 million cubic meters

The region is building the largest fish farm in the MENA region

Fishing and Aquaculture (Cont.)

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 byproducts 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			



Key Projects and Initiatives

01 National Fisheries Development Program (NFDP)



Includes incentive schemes for localizing the aquaculture sector. The NFDP invested over **USD 80 million** during the last 3 years into research and technology-related efforts. The program aims to support increased productivity and efficiency of aquaculture farms and plants to attract more than **USD 4 billion** of foreign and local investment to the aquaculture sector, in line with the Saudi Vision 2030.

02 MEWA



MEWA has launched a series of initiatives amounting to **USD 346 million** in investment to achieve food security, support the local economy, provide job opportunities, and meet 65% of domestic demand for fish, while reducing production costs by 30% by 2030.

03 Human capital support

Other key incentives include, but are not limited to, human capital support, 100% foreign ownership schemes, and tax incentives (e.g., waiver of 15% corporate tax imposed on foreign companies that have an annual profit of more than **USD 26,664**).



Image Source: www.vision2030.gov.sa

Renewable Energy

Tabuk's climate and location help provide key building blocks on which to grow the region's renewable energy sector, in particular solar and wind energy. The region experiences the highest wind speeds in the Kingdom and receives abundant sunlight.

As a result, two locations in Tabuk have been identified by Ministry of Energy for solar and wind energy production due to notable comparative advantages.

Largest solar panel factory in the MENA region with an investment of nearly USD 187 million in Tabuk

Ambitious national target to increase renewable energy production to 60 GW by 2030

To support clean energy within NEOM – which is expected to operate **100% on clean renewable energy by 2030** – the Kingdom launched the largest solar panel factory in the MENA region with an investment of **USD 186.6 million**. Located in Tabuk Industrial City, the factory lies on an area of **27,000 square meters** and has an estimated production capacity of **1.2 gigawatts**. The factory is strategically located near NEOM and the Red Sea Project.

More broadly, the expansion of renewable energy is a strategic national objective. As part of **Saudi Vision 2030**, the National Renewable Energy Program (NREP) aims to increase the Kingdom's share of renewable energy to achieve a balance for the mix of local energy and support Saudi Arabia's goal of **50%** of its energy to be generated from renewable energy sources by 2030.

The global renewable energy market was valued at **USD 881.7 billion in 2020** and is projected to grow at a CAGR of **8.4% from 2021 to 2030**. In 2020, renewable energy provided around **7%** of the world's energy demands. With Tabuk's emerging renewable energy sector, the region is well positioned to capitalize on this increasing growth.

Key Projects and Initiatives

01 Green Duba Power Plant Project

This is being built in collaboration with GE, will be the first in Saudi Arabia to integrate a solar array with a combined-cycle plant and to use condensate as a gas turbine fuel. It has the capacity to generate enough electricity to power about 600,000 Saudi Arabian homes for a year. The project is 95% complete and will cost USD 906.5 million.



Image source: www.utilities-me.com

Information and Communication Technology (ICT)

In terms of the ICT sector, Tabuk has tremendous potential. With multiple initiatives and projects underway in the region, it is safe to predict that Tabuk will become a prominent ICT destination.

The various giga projects will aid in the deployment of 5G hyperconnectivity and purpose-built data centers in the region. The projects will assist (and benefit from) the establishment of rising innovation and startup-ready ecosystems aimed toward consumer-focused solution development.

NEOM will not only lay the infrastructure for hyperconnectivity, but also for data access, processing, analysis, and human interaction with advanced technologies such as robotics. NEOM residents and businesses will be the first to experience **state-of-the-art technologies across all sectors**, from energy and water to mobility and manufacturing, enabled by incentives for early concept technology deployment. As the location for this important technology complex, Tabuk will support the Kingdom as an emerging ICT hub globally.

The telecommunications, information technology, and postal sectors already contribute to **5.5%** of the Kingdom's GDP (2021). The sector has grown significantly in the past three years, with digital infrastructure investments amounting to approximately USD 15 billion. As part of Saudi Vision 2030, Saudi Arabia has also set an ambitious goal of attracting **USD 800 million** in ICT-related FDI projects by 2023, together with planned spending of **USD 45.3 billion** of ICT expenditure. Saudi Vision 2030 further lays out diverse opportunities for foreign investors to support the Kingdom's ICT expansion.

To support this goal of becoming a leading ICT jurisdiction, the Kingdom is focused on fostering growth of emerging technologies, across key regions including Tabuk, by supporting areas such as artificial intelligence, blockchain, the Internet of Things (IoT), 3D

printing, robotics, and automation.

The Kingdom is also supporting digital transformation initiatives in education, seeking to prepare students for higher education and the labor market. Tabuk is home to one of the major branches of **Saudi Electronic University (SEU)**, a recent development of e-learning in the Kingdom. It offers graduate, undergraduate and life-long learning programs in computing and informatics, science and financial sciences.

NEOM is set to become a tech playground for innovation attracting key innovations from all over the world

The information technology market in the Kingdom was worth USD 17 billion in 2021

Tabuk is on track to become a top ICT destination, given the multitude of activities taking place within the region.



KEY PROJECTS



NEOM



Oxagon



The LINE



Trojena



NEOM and SAUDIA Collaboration



King Salman Causeway Project



Wadi Al Disah Development Project



NEOM

NEOM – meaning ‘new future’ – is one of Saudi Arabia’s largest giga projects and a key initiative of Saudi Vision 2030. The futuristic project features the development of a new sustainable city that will be built on an area of 26,500 square kilometers of deserts, valleys, and mountains.

The innovative city will be accessible to the rest of the world, being only 4 hours away by air from **40%** of the globe. Overall, NEOM will revolutionize Tabuk including the region’s key sectors – notably tourism, fishing and aquaculture, renewable energy, and ICT.

The smart, futuristic city has an estimated budget of **USD 500 billion**. More broadly, NEOM will have secure 5G hyperconnectivity, purpose-built data centers, innovation and startup-ready ecosystems, and consumer-focused solutions. Established global corporations and rising players will be able to develop, incubate, and commercialize new innovations to drive key innovations.

The city will be entirely powered by sustainable energy – with **100%** clean energy produced through wind and solar sources and the world’s largest hydrogen plant. Furthermore, essential utilities and transportation services will be integrated beneath the surface, with communities built upon a physical and digital infrastructure layer.

Residents and visitors will also benefit from NEOM’s **450 kilometers coastline** and cooler temperatures. Specifically, NEOM’s average temperature is anticipated to be **10 degrees lower than other the cities in the Gulf Cooperation Council (GCC)**.

Moreover, the city will adopt a progressive legislation standard that is aligned with current international standards. This will promote economic growth within NEOM and with future partners. NEOM is currently supported by the Public Investment Fund.

NEOM is home to several projects that are set to bring the Kingdom into the world’s spotlight.



Oxagon

Oxagon is NEOM’s industrial city, driving innovation in industry and technology across the region.

Through a **48 square kilometer** core development area, Oxagon is poised to be the largest floating structure in the world, with a **3.5 million twenty-foot equivalent unit (TEU) capacity**. The complex will support manufacturing across the region and aims to attract talent from around the world by offering exceptional living standards.

The primary industries which will operate in **OXAGON include renewable energy**, autonomous and sustainability mobility, modern construction, water innovation, sustainable food production, health, and wellbeing. Oxagon will also include an integrated supply chain consisting of intelligent offloading, integrated warehousing, automated transport systems, smart fulfillment centers, and driverless last mile.



The LINE

Launched in January 2021 by Saudi Crown Prince Mohammed bin Salman, the LINE is a 170 kilometers city within NEOM.

The project will include urban development powered by renewable energy and technologies such as artificial intelligence. The LINE is expected to contribute **USD 48 billion** to the Kingdom’s GDP by 2030. The development will not have any cars, streets or carbon emissions and will preserve **95%** of the natural environment.

The city’s unique location offers a diverse range of ecologies, including a scenic coastline, beautiful beaches, and important nature reserves. The LINE extends to NEOM’s southeastern perimeter, into the Red Sea islands.

The LINE will be comprised of communities built for people who want to live, work, and play within a five-minute walk of their home, with a **commute time of no more than 20 minutes**. The city will be integrated with a natural landscape and public parks due to cutting-edge technology that constantly learns and improves.



Trojena

Trojena will serve as an ecotourism destination that will help highlight the Kingdom's efforts to safeguard the environment and improve the community's quality of life.

Expected to open in 2026, the destination will redefine mountain tourism for the rest of the world.

Trojena will be a significant addition to Tabuk's tourism, highlighting the region's geographical and environmental diversity.

A wide range of housing alternatives will be available as part of the project. This includes **ultra-luxury hotels**, wellness facilities, family resorts, hotels ranging from ultra-luxury to wellness and family resorts, flats, chalets, and mansions. Furthermore, the project entails a large variety of shopping, leisure and food options. Trojena will feature, year-round skiing, water activities, hiking, and mountain biking.

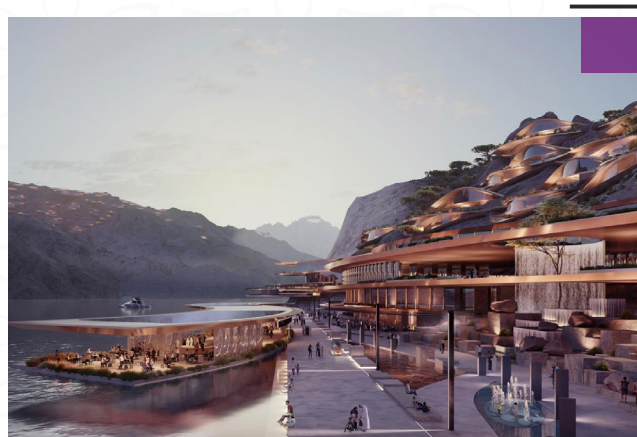


Image source: www.neom.com



NEOM and SAUDIA Collaboration

NEOM has formed a strategic agreement to begin offering weekly service to worldwide destinations from NEOM Bay Airport (NUM), marking the airport's first commercial service.

SAUDIA will operate direct flights to a selected number of regional and international locations. By the end of June 2022, **SAUDIA will have weekly flights** to Dubai International Airport, with ambitions to expand to London soon after. NEOM is located at the crossroads of three continents, making **40%** of the world accessible in less than four hours. As a result, the project will improve direct access to NEOM and encourage the giga-development. NEOM's mobility strategy will see the transformation of air travel to NEOM, supporting the company's mission of shaping the future of air mobility through seamless and customer-centric connection rooted in cutting-edge technology.



Image source: www.neom.com



King Salman Causeway Project

Saudi Arabia is building a causeway connecting the country to Egypt. The bridge will connect Tabuk, a city on the Red Sea, with Sharm El Sheikh, Egypt's popular tourist destination.

The route will be **7-9 kilometers long** and is expected to generate USD 200 billion in annual trade revenues.

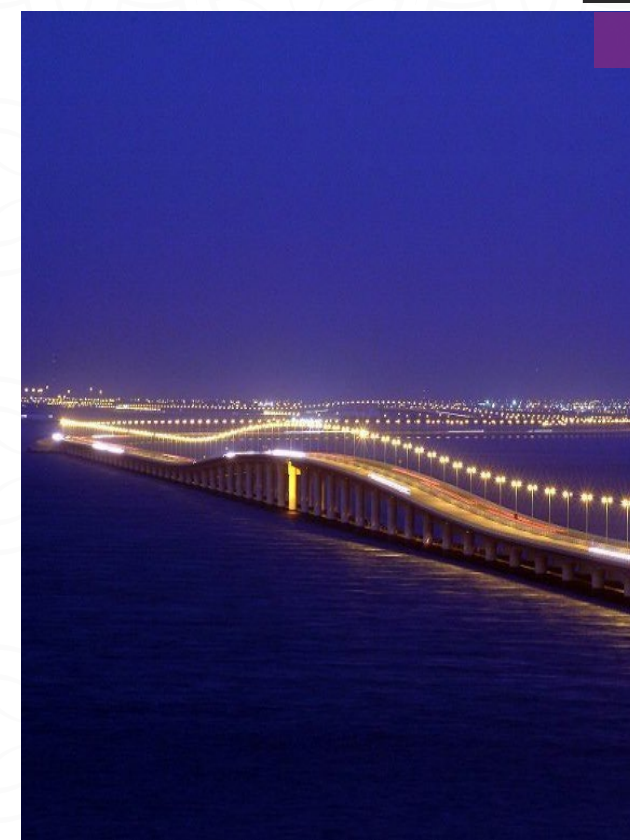


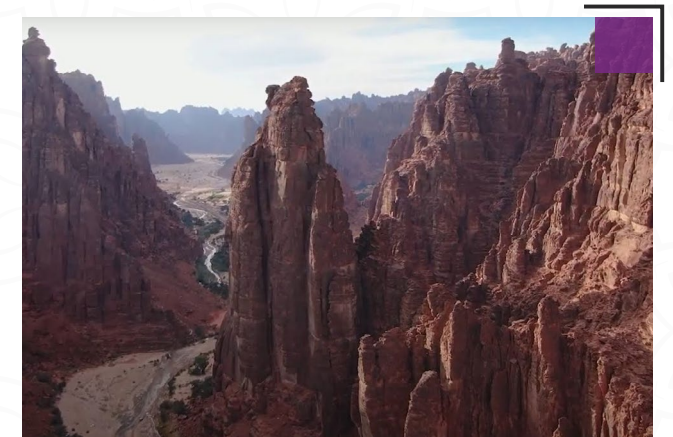
Image source: www.meed.com



Wadi Al Disah Development Project

Located within the Prince Mohammed bin Salman Natural Reserve. The construction will develop into a significant sustainable tourism destination, protecting the local ecosystem and wildlife.

The project will help the area become one of the Kingdom's **most environmentally diverse tourist attractions** due to the area's moderate climate, distinctive mountainous terrain, and flowing springs. The Al Disah valley features tall rocky columns and mountainous forms, making it a mountaineer's paradise with fresh water springs. The area has a number of archeological sites, including the remains of walls with writings in Kufic script from Nabataean and Arabic and the facades of Nabataean tombs.



INTERESTED IN INVESTING IN TABUK?

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

MISA aims to facilitate and support new 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 Tabuk.



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

Invest in Saudi



Scan here

Investor Journey



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



Scan here

Existing opportunities in Tabuk region include:

- Fishing & Aquaculture
- Feed Mill Plant
- Tourism
- Culinary Regional Culinary Tours
- Renewable Energy
- General Lighting Manufacturing

Al Ula old town, near Tabuk



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Reach out to the Ministry of Investment
to learn more and begin your investment
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For questions and to learn more about opportunities in
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For questions about the the tourism, renewable energy,
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