

# Saudi Arabia's Global and Regional Econ Shifts in 2018

Saudi Arabia is an Arab state in Western Asia constituting the bulk of the Arabian Peninsula. With a land area of approximately 2,150,000 km<sup>2</sup> (830,000 sq mi), Saudi Arabia is geographically the second-largest state in the Arab world after Algeria. Saudi Arabia is home to the religion's 2 most sacred mosques: Masjid al-Haram, in Mecca, the destination of the annual Hajj pilgrimage, and Medina's Masjid an-Nabawi, the burial site of the prophet Muhammad. Riyadh, the capital, is a skyscraper-filled metropolis. Saudi Arabia is a desert country encompassing most of the Arabian Peninsula, with the Red Sea and Persian Gulf coastlines. Nature has gifted this Arab state with rich oil resources, controlling the second largest oil reserves in the world.

Saudi Arabia's command economy is petroleum-based; roughly 75% of budget revenues and 90% of export earnings come from the oil industry. It is strongly dependent on foreign workers with about 80% of those employed in the private sector being non-Saudi. The oil industry comprises about 45% of Saudi Arabia's nominal gross domestic product, compared with 40% from the private sector (see below). Saudi Arabia officially has about 260 billion barrels of oil reserves, comprising about one-fifth of the world's proven total petroleum reserves. In addition to petroleum and gas, Saudi also has a small gold mining sector in the Mahd adh Dhahab region and other mineral industries, an agricultural sector (especially in the southwest) based on dates and livestock, and a large number of temporary jobs created by the roughly two million annual hajj pilgrims.

Saudi Arabia, the world's largest oil producing and exporting country has generated huge job opportunities in Oil & gas sector, followed by civil / construction, infrastructure, energy, telecommunication, banking, IT, tourism and more. The majority of jobs in Saudi Arabia are being filled by the workforce from India, Pakistan, and other Asian countries. The economy is growing and so is the demand for the workforce – laborers and professionals across their traditional oil & gas sector as well as alternative sectors that are coming up fast in the Arab state of Saudi Arabia. Added to this are the huge number of temporary jobs that are created by annual hajj pilgrims.

**Saudi Arabia** ([https://en.wikipedia.org/wiki/Saudi\\_Arabia](https://en.wikipedia.org/wiki/Saudi_Arabia)) diversify has been working hard on its economy and adding value to its domestic product meanwhile the executive regulation of the state revenue system has supported investment opportunities for government resources, boosting non-oil revenues and economic growth.

In this regard, the executive regulation of the state revenue system has become a milestone on the map of the optimal investment in government resources, following its amendment. Want to get information about good jobs in Saudi Arabia? You can work in the Middle East. Read on to know all about employment and jobs in Saudi Arabia.



Oil Reserve in Middle East

## Quick Navigation

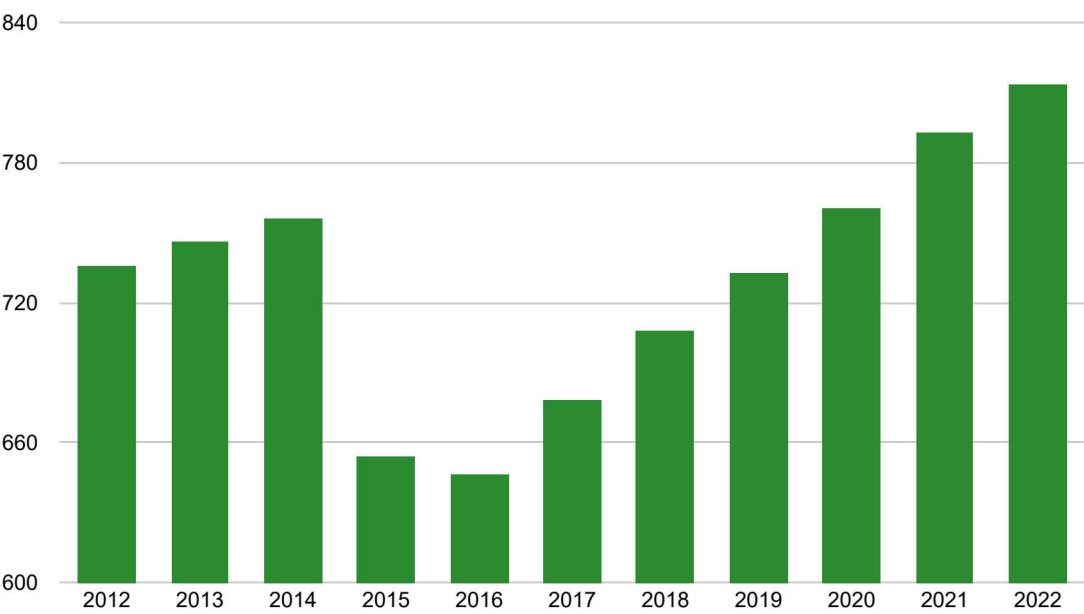
- » **1. Outline of Saudi Arabia Economy**
- » 2. Jobs & Working Scenerio in Saudi Arabia
- » 3. Economy Diversification in Saudi Arabia
- » 4. Investment Scope in Saudi Arabia
- » 5. Saudi Arabia Trade: Import & Export
- » 6. Upcoming Mega sectors of Saudi Arabia
- » 7. Saudi Arabia: An emerging superpower
- » 8. Conclusion

# 1. Outline of Saudi Arabia Economy

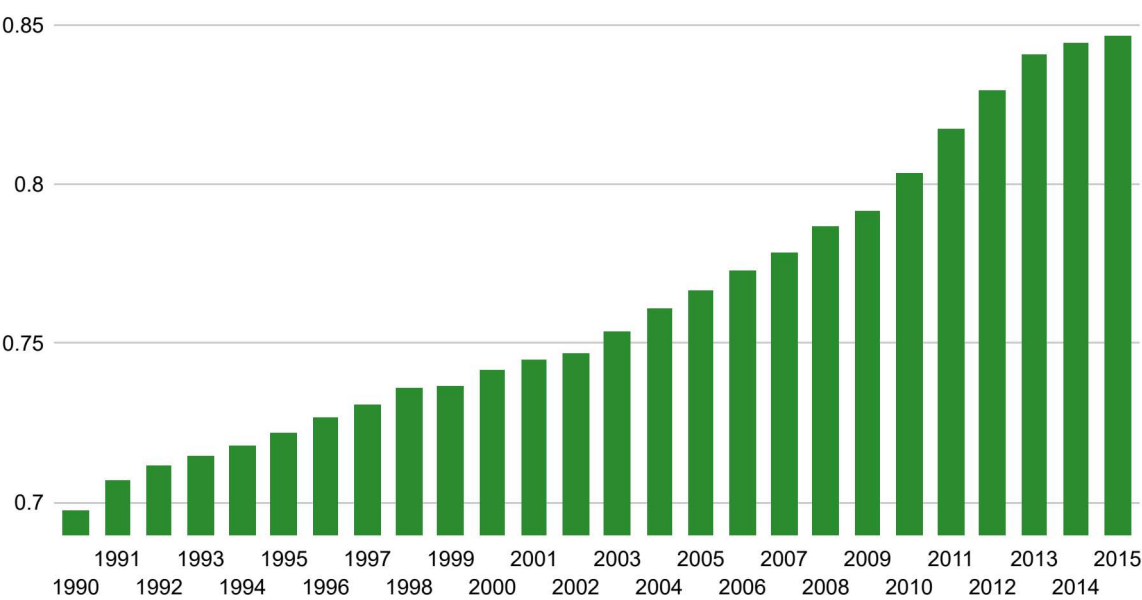
Saudi Arabia is an Arab state in Western Asia constituting the bulk of the Arabian Peninsula. With a land area of approximately 2,150,000 km2 (830,000 sq mi), Saudi Arabia is geographically the second-largest state in the Arab world after Algeria. Saudi Arabia is home to the religion’s 2 most sacred mosques: Masjid al-Haram, in Mecca, the destination of the annual Hajj pilgrimage, and Medina’s Masjid an-Nabawi, the burial site of the prophet Muhammad. Riyadh, the capital, is a skyscraper-filled metropolis. Saudi Arabia is a desert country encompassing most of the Arabian Peninsula, with the Red Sea and Persian Gulf coastlines. Nature has gifted this Arab state with rich oil resources, controlling the second largest oil reserves in the world.

The standard of living is one of the highest in the Middle East, with a GDP per capita over USD 20,000. The country is still marked by an unemployment rate of about 12%, which especially concerns young people and a high degree of social inequality.

Saudi Arabia: Gross domestic product from 2012 to 2022 (in billion U.S. dollars)



Saudi Arabia – Human Development Index – HDI



## 2. Jobs and Working scenario in Saudi Arabia

### 2.1 Employment in the Middle East

Saudi Arabia is the biggest Arabian country in the Middle East. It is one of the richest nations in the world with a number of expanding sectors. Oil is the prominent natural resource in this country. The oil resources have been fully exploited here which has contributed to its economy. The other flourishing sectors here are as follows:

- Telecommunications
- Power
- Pharmaceutical
- Tourism
- **Education** (<https://www.saudiarabiavisa.co.uk/blog/finding-work-in-the-education-sector-in-saudi-arabia/>)
- Finance

These are the booming sectors which have created thousands of lucrative jobs for many people. Many people from European countries flock to Middle Eastern countries in search of good jobs. Many skilled and semi-skilled workers are in great demand here for various technical jobs.

### 2.2 Attractive Jobs in the Middle East

Engineers and mechanics are in high demand in Saudi Arabia. There is a plethora of engineering and mechanical jobs in this nation. Some of the hottest engineering jobs are:

- Electrical Engineer
- Process Engineer
- Communication Engineer
- Electrical Project Engineer
- Civil & Structural Project Engineer
- Mechanical Engineer
- Inspection Engineer
- Design Engineer
- IT Engineer

Some of the most attractive mechanical jobs are as follows:

- Mechanical Fitter
- Machine Tool Operator
- Forklift Mechanic
- Diesel Mechanic
- Supervisor Mechanic
- Qualifications for jobs in the Middle East

**Check out the educational qualifications you need to bag jobs in the hottest sectors of Saudi Arabia.**

- **Banking** – Candidates need to pass a banking exam with success. Work experience of 3 or more years in the banking environment is preferable.
- **Pharmaceutical** – You require a minimum qualification of a bachelor's or a master's degree in Pharmacy or Medical Science.
- **Engineering** – You need a bachelor's or a master's degree certificate in the engineering domain you want to work in.
- **Education** – You require a bachelor's degree or a master's degree in any subject. You also need to be a B.Ed to qualify as a teacher. Previous school teaching experience is preferable.

### 2.3 Job Sites in the Middle East



Are you eager to work in the Middle East? But you are clueless where to look for jobs there, right? This is where the World Wide Web can come to your help. Check out any of the employment websites on the internet. Most of these sites offer country based job search. You can customize your search options to look for jobs only in Saudi Arabia. You can also type “Jobs in Saudi Arabia” in the search engine search-box and look for jobs in the sites that come up in the results. You can apply for these jobs by registering at these sites. Registration is mostly free. You may need to take up a premium membership if you intend to use any extra services. After selection you can apply for a **Work Visa to Saudi Arabia** (<https://www.saudiarabiavisa.co.uk/saudi-work-visa.html>) which is quite easy if you choose a **visa agency** (<https://www.saudiarabiavisa.co.uk/>) who provides visas to Saudi Arabia.

## 2.4 Main Sectors of Industry

Agriculture accounts for around 2% of the GDP and employs nearly 5% of the active population. It is not a very productive sector relative to the large state investments from which it has benefited. Because of the geographical and climatic constraints (droughts), Saudi Arabia imports most of its agricultural and food product requirements. Water scarcity is a serious regional problem that the country is likely to face in the coming years, as growing cultivation of wheat presents the threat of water depletion.

The industrial sector represents over 45% of the GDP. It is dominated by non-manufacturing activities (oil drilling). The country has the largest oil reserves in the world and is also the largest producer and exporter of oil in the world. Oil accounts for more than 90% of exports and nearly 80% of government revenues. The share of the non-oil industrial sector has been increasing thanks to the Saudi state’s investments in economic diversification.

Lastly, services represent over 50% of the GDP and employ the vast majority of the population. This sector is mainly dominated by tourism, financial and banking services and the insurance sector. Tourism generates very high revenues (almost 4 million tourists per year), thanks namely to the pilgrimage to Mecca.

## 3. Economy Diversification: A New Move to Boost Market

The government has sought to allocate its petroleum income to transform its relatively undeveloped, oil-based economy into that of a modern industrial state while maintaining the kingdom’s traditional Islamic values and customs. Although economic planners have not achieved all their goals, the economy has progressed rapidly. Oil wealth has increased the standard of living of most Saudis. However, significant population growth has strained the government’s ability to finance further improvements in the country’s standard of living. Heavy dependence on petroleum revenue continues, but industry and agriculture now account for a larger share of economic activity. The mismatch between the job skills of Saudi graduates and the **needs of the private job market at all levels** (<https://www.saudiarabiavisa.co.uk/blog/finding-work-in-the-education-sector-in-saudi-arabia/>) remains the principal obstacle to economic diversification and development; about 4.6 million non-Saudis are employed in the economy.



## SAUDI ARABIA'S AMBITIOUS PLAN TO MOVE ECONOMY BEYOND OIL

Saudi Arabia has approved an ambitious strategy to restructure the kingdom's oil-dependent economy, involving diversification, privatisation of massive state assets including the energy giant Aramco, tax increases and spending and subsidy cuts.

06

King Salman bin Abdulaziz announced cabinet backing for the Saudi Vision 2030 plan in a brief televised announcement in which he called on his subjects to work together to ensure success. **Shares on the Riyadh stock market rose sharply.**

05

Mohammed bin Salman, the king's son and deputy crown prince, gave details of the economic reforms in a pre-recorded TV interview – part of a proactive media strategy designed to advertise a sense of **dynamism and change in response to oil prices**, which have fallen down.

04

Elements of the long-heralded 15-year blueprint include the creation of a **\$2tn Saudi sovereign wealth fund**, as well as strategic economic reforms called the National Transformation Programme.

03

Bin Salman confirmed that the kingdom would **sell off about 5% of Aramco**, which will become a holding company with subsidiaries listed via an initial public offering. Oil was a “dangerous” addiction, he told al-Arabiya TV. “The vision doesn't need high oil prices,” he added. “We can live without oil in 2020.”

02

**Aramco is estimated to be the world's most valuable company**, while the wealth fund would be the largest of its kind. Overall the plans aim to make the Arab world's largest economy depend on investments rather than energy to fill government coffers in the years to come.

01

- Saudi Arabia first began to diversify its economy to reduce dependency on oil in the 1970s as part of its first five-year development plan. Basic petrochemical industries using petroleum byproducts as feedstock were developed. The fishing villages of al-Jubail on the Persian Gulf and Yanbu on the Red Sea were developed. However, their effect on Saudi Arabia's economic fortunes has been small.
- Saudi Arabia will be more attractive than ever to foreign investors with this rule. The relaxation of foreign ownership will have a positive impact on the economy and the retail sector will be the biggest beneficiary of this step. It will help increase competitiveness in the retail sector and will lead to a growth in



savings. This will, in turn, be reflected in the economy.

- Allowing foreign investments to come into the market will increase the Saudi market's sentimentality. However, the rule was aimed to let foreign financial institutions and investment funds into the market and not individuals. The foreign companies entering the Saudi market will focus on attractive opportunities in various sectors. But we do not expect this move to lead to high volumes in the market and the impact of this step will only be better reflected in the economy by the end of 2016. It is important to note that the companies have been performing well despite a drop in oil prices. We expect the economy to improve in 2016 and 2017.
- Saudi Arabia has approved an ambitious strategy to restructure the kingdom's oil-dependent economy, involving diversification, privatization of massive state assets including the energy giant Aramco, tax increases and spending and subsidy cuts.
- Regional integration can be an effective mechanism to increase new market opportunities for exporting firms. Diversifying exports to higher income markets is relatively more difficult than diversifying exports to regional markets. Standards are often higher, requiring larger investments to raise quality and the ability to meet higher health and safety requirements, and buyers may demand very large consignments, requiring substantial investments in capacity.
- Diversification through exports to nearby countries with similar tastes and regulatory requirements may be easier. Empirical evidence suggests that when trading differentiated products, proximity, common language and cultural similarities may help in matching international buyers and sellers. 19 Regional trade agreements can help overcome informational gaps. The search costs associated with trading differentiated goods are higher than those associated with homogeneous goods. This explains why the former is being traded mostly where networks are already in place. Regional markets can then provide the springboard to the large global market once experience with exporting has increased and awareness or product requirements in other markets has been accumulated.
- Tariffs on imports can act as a constraint on export diversification. The level of import protection determines the incentives to produce exportable goods by directly raising the domestic price of imports relative to exports. It has long been known that there exists a symmetry, or an equivalence, between the effects of an import tariff and an export tax on domestic relative prices. Import tariffs also indirectly alter the price of exports relative to the prices of (non-traded) goods produced solely for the domestic market.

Since a tariff raises the price of imports, consumers will shift consumption toward non-traded goods and raise their price if these two types of goods are substitutes. Thus, a tariff on imports will reduce the price of exports relative to nontraded goods and shift production away from exports. Also, tariffs on intermediate inputs used by exporters increase the cost of producing goods for export and therefore, will reduce the output of exportables. High import duties on imports of fabrics, for example, will constrain the development of exports of apparel. In India, almost a third of new product varieties introduced between 1989 and 2003 can be attributed to access to new inputs following trade liberalization. In Indonesia, imports of intermediate goods helped manufacturing firms to diversify and climb the value chain. Tariffs on intermediates are of particular importance to successful participation in regional and global value chains. Tariffs, non-tariff barriers and export restrictions affect the efficient functioning of GVCs and raise costs and can put producers in a country at a disadvantage if these restrictions are more severe than elsewhere.

## 4. Investment Scope in Saudi Arabia Market



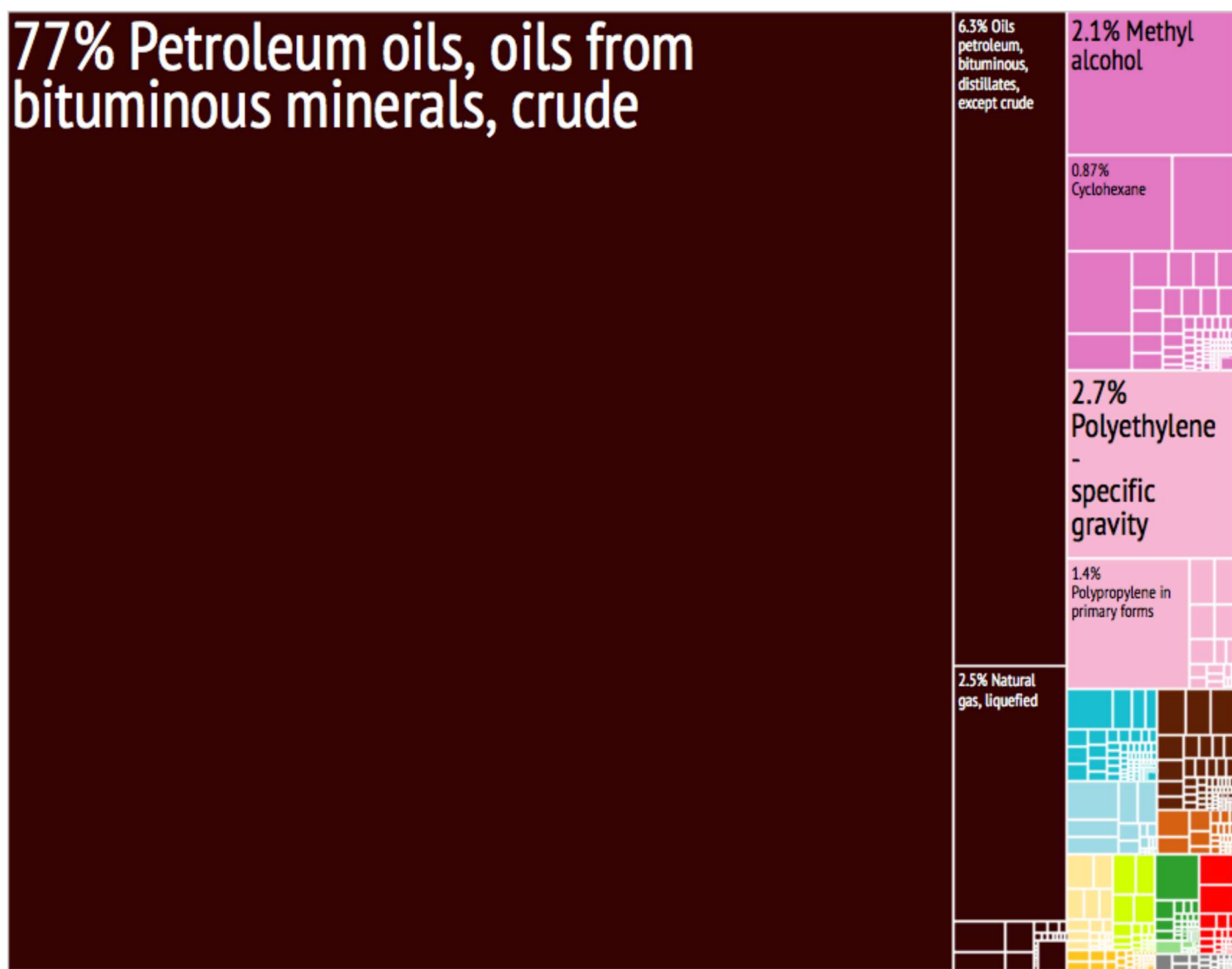
Saudi Arabia offers an attractive and relatively stable market for investment, particularly for investors that are able to overcome initial barriers imposed on foreigners. Despite political upheaval across the Middle East and North Africa, **Saudi Arabia's economy** (<https://www.focus-economics.com/countries/saudi-arabia>) continues to expand at a healthy pace, with real GDP growth of 3.8% for CY2013. Improvement of the investment climate continues to be an important part of the Saudi Arabian government's (SAG) broader program to liberalize the country's trade and investment regime, diversify an economy overly dependent on oil, and promote employment for a young population. The government encourages investment in transportation, education, health, communications technology, life sciences, and energy; as well as in four "Economic Cities" that are at various stages of development

## 5. Saudi Arabia Trade: Import & Export

Saudi Arabia has committed to implement a transparent and predictable import licensing system. The Government of Saudi Arabia requires that local chambers of commerce around the United States perform the authentication of shipping documents. The following documents are required for exporting goods to Saudi Arabia:

- Certificate of origin;
- Commercial invoice (in triplicate) which must state the country of origin, the name of the carrier, brand and quantity of goods, and description of the goods including weight and value;
- A clean bill of lading or airway bill;
- Documents indicating compliance with health regulations, if applicable;
- Insurance documents, if shipments are sent CIF;
- Packing list; and
- Certificate of conformity with applicable Saudi standards, if available.

The original documents must be accompanied by an Arabic translation of a radiation certificate, if applicable.



By R. Haussmann, Cesar Hidalgo, CC BY-SA 3.0 (<https://creativecommons.org/licenses/by-sa/3.0>), Link (<https://commons.wikimedia.org/w/index.php?curid=18976986>)

Saudi exporters need to submit a copy of their commercial registration, which indicates they are allowed to export. They are also required to submit a certificate of origin of Saudi products (issued by the Ministry of Commerce and Investment). Certain items such as antiques, Arabian horses, livestock, or subsidized items need special approval to export, e.g., feed additives require a Certificate of Analysis that needs to be authenticated. Exports of oil, petroleum products, natural gas and wheat all require export licenses. Saudi Arabia has removed its export ban on all scrap metals and will not apply export duties on these products.

Saudi Arabia's top 10 imports accounted for 56.7% of the overall value of its product purchases from other countries. Saudi imports represent 0.8% of total global imports which totaled \$16.473 trillion for 2016. From a continental perspective, 47.5% of Saudi Arabia's total imports by value in 2016 were purchased from Asian countries. European trade partners supplied 26% of import into Saudi Arabia while 14.7% worth of goods originated from North America. At 3.6%, a smaller percentage came from African exporters.

Given Saudi Arabia's population of 28.2 million people, its total \$129.8 billion in 2016 imports translates to roughly \$4,600 in yearly product demand from every person in the country.

## What do we know about Saudi Arabian customers?

With a total population of 31 million, Saudi Arabia consists of Arabs, Afro-Asian and some immigrant communities. In fact, 30% of the total population of the country are immigrants. Saudi Arabia is a highly urbanized society with 83% of its people living in modern, developed areas. The latest recorded Gini Index for the nation in 2013 was 45.9 percent.

## What do people export to Saudi Arabia?

- Machinery & Equipment
- Foodstuffs
- Chemicals
- Automobiles
- Textiles

## 6. Upcoming Mega Sectors Unveil – Saudi's IT Hub and Entertainment Industry.

The kingdom is planning to invest \$64 billion in its entertainment industry over the coming decade as part of an ambitious program of social and economic reform, known as **Saudi Vision 2030** (<https://www.saudiarabiavisa.co.uk/blog/saudi-arabia-tourism-vision-for-the-future-visit-it-explore-it-discover-it/>), to reduce its dependency on oil.

Image Nation, the Abu Dhabi film and TV production company, has confirmed that it held discussions with officials in Saudi Arabia about building the kingdom's TV and film industry, following the establishment a General Authority for Entertainment as part of Saudi Arabia's Vision 2030 plan.

The new authority in Saudi Arabia also triggered an expectation that the kingdom will eventually launch cinemas and entertainment hubs – facilities that are currently banned in the country. New malls being built in Saudi Arabia are currently designed to include cinemas, according to Michael Garin, CEO of Image Nation.

"They're just not open, [but] it appears that they will," Garin told Arabian Business.

Cameron Mitchell, CEO of Majid Al Futtaim Cinemas, said the development of cinemas in Saudi Arabia would be a "great opportunity" for the UAE-based company. Majid Al Futtaim, is one of the leading shopping mall, retail and leisure pioneer across the Middle East and North Africa

"When cinemas do come to Saudi in the future, we'd like to be part of that growth," Mitchell told Dubai Eye's Business Breakfast show.

"Majid Al Futtaim is developing a number of malls across Saudi Arabia that would include cinemas in the future once it's legally permissible. I think it's a great opportunity.





Saudi Arabia is preparing to pump \$64 billion into its nascent entertainment industry as part of Vision 2030, the social and economic reform program spearheaded by Crown Prince Mohammed bin Salman.

Construction is already underway on an opera house in the capital Riyadh, and the country plans to host 5,000 entertainment events this year, the BBC reports, citing the Saudi General Entertainment Authority. Performers will reportedly include U.S. pop band Maroon 5 and the world's largest theatrical producer Cirque du Soleil. "In the past, investors would go outside the kingdom to produce their work, and then showcase it back in Saudi Arabia," General Entertainment Authority chief Ahmed bin Aqeel al-Khatib said. "Today, change will happen and everything related to entertainment will be done here. God willing, you will see a real change by 2020."

Saudi Arabia's state-owned oil giant are holding talks about the possibility of constructing a massive technology hub in the country, sources told the Wall Street Journal. Why it matters: This comes as the country's 32-year-old Crown Prince Mohammed bin Salman is pushing social reforms and seeking to unleash new investment opportunities to reduce the country's reliance on oil by diversifying its revenue streams.

What's happening: Alphabet would assist Saudi Arabian Oil Co. in building data centers, but further details of the operation are unclear, per WSJ.

While the Crown Prince has been seeking to usher in more tech opportunities in the kingdom, it's still unclear when or whether a deal will be struck. A deal would offer Alphabet crucial access in Saudi Arabia at a time when the company is competing with Amazon and Microsoft in providing computing power and cloud storage services..

## 7. Saudi Arabia is Emerging as the New Arab Superpower

The Saudis have come to the reluctant conclusion that, so far as their own security is concerned, they must be more self-sufficient in protecting their interests. The Saudis have come to the reluctant conclusion that, so far as their own security is concerned, they must be more self-sufficient in protecting their interests In the past month Saudi Arabia has put together a coalition of

Saudi Arabia's economic, financial and energy strengths, together with its role as the custodian of Islam's two holiest mosques, mean that it is in a natural position to provide decisive leadership in a Muslim world afflicted by many crises.



King Abdullah Economic City View

To strengthen its leadership role, the Kingdom intends to invest \$150 billion in developing and expanding its military strength which will allow it to fulfill the various objectives as laid out by the country's new defense policy. Indeed, in 2014, Saudi Arabia passed France and the United Kingdom to become the world's fourth-largest defense and national security spender at \$80 billion.

All this is happening at a time when the Arab world is going through historical upheavals and changes. Arabs have been starting to move on from their colonial past, one that burdened them with arbitrary national borders that are proving so complicated to maintain. And, as the US and European powers continue their retreat from the region, Arab nations led by Saudi Arabia are increasingly taking responsibility for managing their own affairs.

In this context, the kingdom is now emerging as the Arab world's most powerful state, with the result that the new government in **Riyadh** (<https://www.saudiarabiavisa.co.uk/blog/complete-travel-guide-saudi-arabia/>) is giving serious consideration as to how it should respond to the many new challenges that have arisen in the region. A key element of this new Saudi defense doctrine is to bolster Riyadh's relationships with key strategic partners in the Arab world. For example, when Iran-supported insurgents sought to overthrow the government of Bahrain in 2011, the Saudis were quick to spearhead a Gulf Co-operation Council (GCC) contingent that moved in to secure critical state infrastructure and preserve the sovereignty of the Bahraini state.

This new assertive defense posture on the part of Saudi Arabia will need to be flexible, as well as being able to adapt to the constantly changing realities of the Middle East and the wider Muslim world. But if there is ever to be peace in the Arab world, then it is vital that the Kingdom remains both a strong and secure nation-state – and the anchor of stability for a region facing epic upheavals.

An Industry Analysis Report is a document that evaluates the companies involved in it. It explains a detailed review of competitors, products of the company and tells how an Industrial Analysis can help the company to gain an advantage in the Industry.

## An Industrial Analysis may include following points

- Capacities, production, imports, exports and demand.
- Current demand, the supply position
- Industry structure
- Profitability
- Manufacturing process and technology
- Estimated market size

The Industry Analysis report creates a multiple scenarios of an industry and helps in the better evaluation. It helps the company in developing a proper view of the workings of the industry of a place. It gives you a deep insight into the way the multiple factors that work behind the scene come together to make up the complete scenario of the industry. Thus, detailed reports help you in getting a good idea about the market size and structure and in turn, that helps you in determining the future prospects of your company in terms of investment.

## GCC (Gulf Co-operation Council) Market Structure Overview



GCC has developed its market structure. GCC aims at developing the market since 2002. GCC represents one of the fast growing project markets in today's world. It provides a complete analysis and overview of the project, market opportunities, events, challenges and forecasts. It basically gives you a fair idea of how the market works in the place and how it shall look a few years down the road as well.

## Current GCC Market Structure

The Saudi Arabia market construction is strong but lacks sophistication. The present GCC capital construction exhibits that it is not solely the nation's behind when it comes to financial potential.

## The main issues that exist currently with the GCC market structure are

- High banking focus is there in Saudi Arabia Market Construction.
- Stock markets are far behind in GCC with a focus on Saudi Arabia.
- There are weak competitors, which increase cost in all monetary devices.

## 7.3 Overview of Saudi Arabia Industry Analysis

Saudi Arabia's government is spending money and increasing the private sector activity. The report says that government is working on the following factors-

- To attract foreign investors on account of its status as region's largest economy.
- High-quality transport network.
- Increasing employment.
- Improving the education for the labour force.

## 7.4 How can a GCC Industry Analysis help?

GCC market analysis can help to give a competitive edge. Moreover, it is extremely important to understand what you are getting into. Industry Analysis helps to provide relevant information. The Industrial Report tells about the competitors, products, behavior of consumer and more. GCC helps to gain useful insight into the market structure so you can make better judgments and decisions regarding investments and determine future prospects.

Saudi Arabia's economic freedom score is 59.6, making its economy the 98th freest in the 2018 Index. Its overall score has decreased by 4.8 points, reflecting a plummeting score for the fiscal health indicator and declines in property rights and judicial effectiveness. Saudi Arabia is ranked 9th among 14 countries in the Middle East and North Africa region, and its overall score is below the regional and world averages.

Stimulus spending drove Saudi Arabia's budget deficit to nearly 14 percent of GDP in 2016. The government financed the deficit by selling bonds and drawing down reserves but later began to take steps to put the country on a more sustainable fiscal footing. Deficit-cutting plans include the introduction of a value-added tax, subsidy reductions, and partial privatization of the state-owned petroleum company, ARAMCO. Additional reforms are needed to improve regulatory efficiency to attract investment and enhance the economy's overall competitiveness.

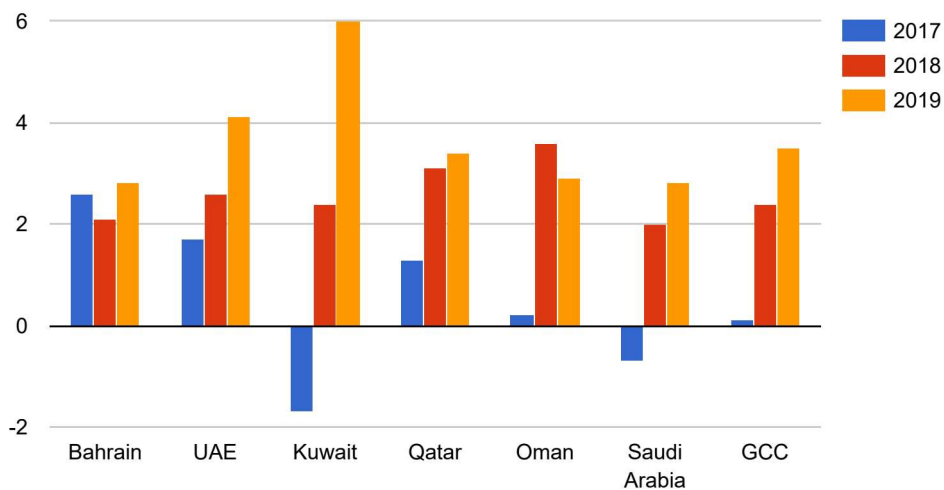
## 7.5 Open Market View Methodology

Trade is significant for Saudi Arabia's economy; the combined value of exports and imports equals 61 percent of GDP. The average applied tariff rate is 3.4 percent. Nontariff barriers impede trade. Government openness to foreign investment is below average. The financial sector has undergone the gradual transformation, and some restrictions on foreign investment in financial services have been eased.

Saudi Arabia is among the fastest growing nations in the world in terms of population growth (growth rate 2.21% as of 2012) with a total Saudi population of 19,838,448 as of 2012.

## 7.6 Saudi Initiatives to Tackle Unemployment

Saudi Arabia's efforts to increase employment have focused on three areas. One is Nitaqat based nationalization policies with the aim to increase the share of private sector jobs held by nationals. The other is diversification to gear up public spending toward boosting the non-oil GDP and creating new industries. The third area is investing in education programs in Saudi Arabia. Roughly 24% of total government expenditure in 2011, the level of public spending on education is among the highest in the world. However, more concentrated efforts are needed to increase competencies and productivity levels through education & training initiatives.



## 8. Conclusion

Saudi Arabia has an oil-based economy with strong government-run economic activities. The government is encouraging private sector growth to lessen the kingdom's dependence on oil and increase employment opportunities for the growing population. Export products from Saudi Arabia include petrochemicals, plastics, metal goods, construction materials, and electrical appliances.

As part of its efforts to attract foreign investment and diversify the economy, Saudi Arabia acceded to the WTO in 2005 after many years of negotiations. Saudi Arabia attracts a great deal of foreign investment, especially since the government is eager to encourage local companies to enter into partnerships with foreign businesses and boost the economy's non-petroleum sectors.

Saudi Arabia is a founding member of the Organisation of the Petroleum Exporting Countries (OPEC). As a member of the GCC, Saudi Arabia is party to a number of free-trade agreements (FTAs) and FTA negotiations conducted by the economic bloc. The GCC has signed FTAs with Singapore and the European Free-Trade Association. Saudi Arabia is also the member of the Greater Arab Free-Trade Area (GAFTA). Some of the trading partners of Saudi Arabia include USA, China, Japan, South Korea and Germany.

Saudi Arabia began issuing licenses Thursday to operate cinemas in the kingdom ahead of their reopening after a decades-long ban was lifted as part of a far-reaching liberalization drive.

The move is another step towards opening the Saudi market to regional and international theatre chains, which have long eyed the kingdom as the Middle East's last untapped mass market.

The culture and information ministry said it had "finalised the terms of licencing to restore Saudi Arabia cinema".

The cinema of Saudi Arabia is a fairly small industry that only produces a few feature films and documentaries every year.

With the exception of one IMAX theater in Khobar there are no cinemas in Saudi Arabia, although there is occasionally talk of opening movie theaters, and in 2008 conference rooms were rented to show the comedy Mennahi. Many Saudis watch films via satellite, DVD, or video.

Keif al-Hal?, released in 2006, was billed as Saudi Arabia's first film; however, it was shot in the United Arab Emirates and the lead female was played by a Jordanian. The 2012 film Wadjda had an all-Saudi cast and was the first feature film shot entirely in Saudi Arabia. The film Barakah Yoqabil Barakah by director Mahmoud Sabbagh was shot in Jeddah in 2015, premiered the 66th Berlin International Film Festival, making it the first feature film to participate in the festival. Sameera Aziz is the first Saudi filmmaker in famous Indian cinema Bollywood.

## SAUDI VISA UK

[Saudi Business Visa \(https://www.saudiarabiavisa.co.uk/saudi-business-visa.html\)](https://www.saudiarabiavisa.co.uk/saudi-business-visa.html)

[Saudi Visitor](#)

[Saudi Work](#)

## SAUDI VISA UK

[Invites \(https://www.saudiarabiavisa.co.uk/Saudi-MOFA-government-invite.html\)](https://www.saudiarabiavisa.co.uk/Saudi-MOFA-government-invite.html)

[Forms \(https://www.saudiarabiavisa.co.uk/saudi-visa-forms-list.html\)](https://www.saudiarabiavisa.co.uk/saudi-visa-forms-list.html)

[Sitemap \(https://www.saudiarabiavisa.co.uk/sitemap.html\)](https://www.saudiarabiavisa.co.uk/sitemap.html)

[Contact \(https://www.saudiarabiavisa.co.uk/contact-us.html\)](https://www.saudiarabiavisa.co.uk/contact-us.html)

## SAUDI VISA UK

[Blog \(https://www.saudiarabiavisa.co.uk/blog/\)](https://www.saudiarabiavisa.co.uk/blog/)

[Letters](#)

[Prices \(https://www.saudiarabiavisa.co.uk/saudi-visa-service-fees.html\)](https://www.saudiarabiavisa.co.uk/saudi-visa-service-fees.html)

[Terms & Conditions \(https://www.saudiarabiavisa.co.uk/terms-conditions.html\)](https://www.saudiarabiavisa.co.uk/terms-conditions.html)

## STAY CONNECTED

 (<https://www.facebook.com/SaudiArabiaVisaServices>)  (<https://twitter.com/SaudiVisaUK>) 