Tourism and Hospitality TVET Centers

INVESTMENT OPPORTUNITY

Education & Training

استثمر في السعودية
INVEST SAUDI

Tourism and Hospitality TVET Centers

OPPORTUNITY DESCRIPTION: Invest in KSA's education and tourism sectors by establishing quality tourism training to help develop a skilled workforce

OPPORTUNITY OVERVIEW

KSA Tourism Sector Overview

The tourism sector in KSA is expected to double in the next 10 years

Current Situation

- ~65M — Total Tourists (2019) (Domestic & Inbound)
- 5.3% — Tourism contribution to GDP (2022)

2030 Targets

- ~100M — Total visits (45M – Domestic; 55M – Inbound)
- 10%+ — 2030 Tourism contribution to GDP

Growth Drivers

NEOM · AMAALA · Qiddiya · The Red Sea Development Company · الهيئة الملكية لمحافظة العلا Royal Commission for AlUla

1. KSA has launched several marquee projects across the Kingdom to attract international tourists and make KSA a global tourism hub

SAUDI TOURISM AUTHORITY الهيئة السعودية للسياحة · Tourism Development Fund صندوق التنمية السياحي

2. KSA has set up several entities like the Tourism Development Fund to increase both public and private investment in the Kingdom's Tourism sector

وزارة السياحة Ministry of Tourism

3. KSA has launched facilitative visa policies among measures to attract foreign tourists to the Kingdom

Tourism Training Outlook

- ~80-100K — Additional persons to be trained in Tourism & Hospitality programs over next 10 years i.e., ~8-10K to be trained annually
- ~8-10 — Number of new tourism focused training centers required by 2030F (assuming scale of ~1K students per school)
- ~SAR 0.4-0.5B — Investment required to establish 10 new Tourism TVET centers (assuming ~SAR 50-50M capital outlay per school)

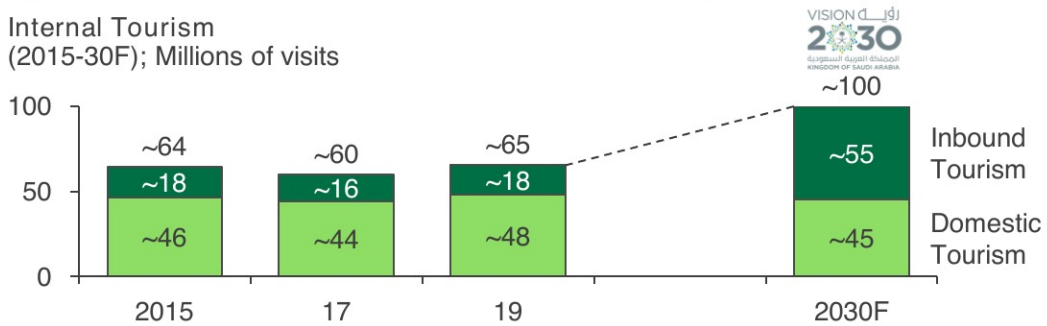
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KSA TOURISM SECTOR OVERVIEW

KSA Tourism Overview

Internal Tourism
(2015-30F); Millions of visits



- KSA tourism sector has witnessed ~60-65M visits (domestic and inbound) annually pre-pandemic, of which ~16-18M visits were from outside KSA
- Domestic tourism largely comprised of residents travelling for leisure (~40% visits) while inbound tourism was largely driven by tourists visiting for religious reasons
- KSA plans to drive inbound tourism for leisure to achieve its Vision 2030 target

Current contribution and Vision 2030 targets

~5.3%	10%+	100M	45M	55M
2022 Tourism contribution to GDP	2030 Target for Tourism contribution to GDP	2030 Total Visitation	2030 Domestic Visitation	2030 International Visitation

Key governmental initiatives

Launching Giga-projects

- **NEOM** — Smart city powered by renewable energy less than 4 hours away from 40% of the globe
- **AMAALA** — Exquisite, luxury tourism destination being developed along the Red Sea coastline
- Historic city in KSA, being renewed as its cultural capital to celebrate the Saudi heritage
- **The Red Sea Development Company** — Regenerative tourism project containing an archipelago of more than 90 islands, desert and mountain landscapes
- **Qiddiya** — Entertainment mega-project in Riyadh with recreation facilities, natural sceneries and cultural activities
- **Royal Commission for AlUla** — Commission responsible for overseeing nature and wildlife conservation efforts to promote wildlife tourism in the region of Al Ula

Driving Private Investment in Tourism

Ministry of Investment; Saudi Tourism Authority; Tourism Development Fund

Since 2020, TDF supports private investment in tourism by granting loans, investing in projects by partial ownership and providing guarantees

SAR ~6B Total Investment — SAR ~4B Private Investment

Facilitative Tourist Visa Policies

Ministry of Tourism

Since end-2019, **KSA has started offering int'l** tourists a valid visa for a full year, allowing them to stay inside the Kingdom for of 90 continuous days

440K+ Visas Issued by March 2020

Definitions

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Global trends	Latest business developments within the sector/product category
7	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
8	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
9	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
10	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
11	Enablers	Factors that enable investment in the underlying opportunity
12	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of $1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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