Public / عام

HAIL HAZARDOUS INDUSTRIAL WASTE TREATMENT

INVESTMENT OPPORTUNITY

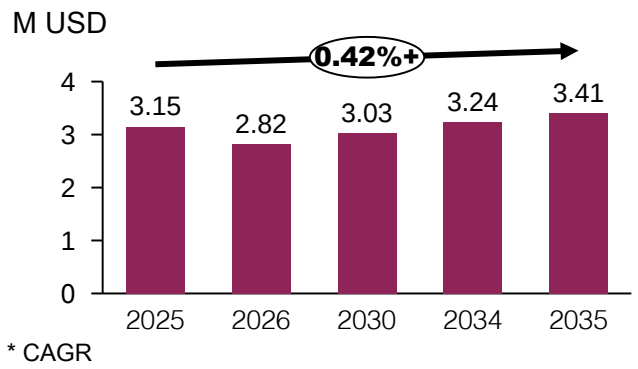
Environmental services (Recycling sector)

استثمر في السعودية
INVEST SAUDI

Environmental services (Recycling)
Hail Hazardous Industrial Waste treatment

OPPORTUNITY DESCRIPTION: The project aims to establish a treatment center mainly for hazardous industrial waste across Hail Cluster.

DEMAND



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS PROPOSITION

- Expected Investment size: 18M USD*
- Plant capacity: 16,423 tons of waste per year
- Expected IRR: 10.30%
- Payback period: 7.63 years
- GDP Impact: 105M USD
- Location (Region): Hail Cluster

Figures in real terms (not adjusted for inflation)

VALUE

- As KSA continues to expand the industrial sector as part of Vision 2030 the project enables a hazardous industrial waste operator to capitalize on a growing segment on Saudi Arabia's economy
- The opportunity allows a potential investor to deliver a greenfield project with no constraints from legacy infrastructure in a developing sector enabling a full use of best-in-class operational and technical solutions

KEY DEMAND DRIVERS

- The historic and projected growth in industrial sector as part of the KSA transformation requires innovative solutions for treatment of hazardous industrial waste
- The drive to increase private sector participation and competitiveness in the economy are further drivers for formulation of the opportunity
- The need to modernize waste management sector in the Kingdom is a key driver to attracting investors and operators

MARKET OVERVIEW

RAW MATERIALS

- The operation would mainly require a continuous input of hazardous industrial waste from private waste collectors. This opportunity also receives waste from other streams such as agricultural, healthcare and ELV waste.

GLOBAL TRENDS

- The global industrial waste management market was valued at USD 791.14B in 2020. It is estimated to expand at a CAGR of 10.4% from 2021 to 2031
- The global industrial waste management market is expected to cross the value of USD 2.3 T by the end of 2031
- Industrial waste constitutes approximately half of the share of the overall waste generated across the globe

*Total investment size is calculated based on the estimated lifetime CAPEX commitment for the project

Environmental services (Recycling)
Hail Hazardous Industrial Waste treatment

SUPPLY

SCALABILITY AND LOCALIZATION

Grade: Low | Medium | **High**

- The project is a waste management solution aimed at providing specialized services to industries in Hail Cluster. The diversification of the economy and development of industrial sectors is expected to show steady growth over time, with potential for expansion as market dynamics continue to evolve
- Local training and employment of Saudi nationals is projected to be engaged in the project

IMPORT DEPENDENCY

- The establishment of the center would be dependent on the import of the machinery and equipment such as waste incinerators used in its operations
- The project has a potential dependency on the imported materials that industrial operators use in their processes that subsequently result in waste

ENABLING FACTORS

ENABLERS & INCENTIVES

- Approval and adoption of a unified Hail waste management approach and alignment policy requirements with relevant enablers
- Increasing the demand for recycled material and byproducts

VALUE CHAIN

Generation → **Collection and transportation** → **Treatment** → **Disposal**

- This opportunity would offer treatment of hazardous industrial waste
- The solution would produce metals that can be sold on the local and international markets
- Physical-Chemical Treatment x1 (capacity : 3,700 t/yr), RECOVERY BLENDING x1 (capacity: 1,500 t/yr) and Hazardous High Temperature Incinerator x1 (capacity: 15,000 t/yr)

COST OF DOING BUSINESS IN KSA Factor

Ranking amongst regional peers

	Bottom 25%	Top 75%	Top 50%	Top 25%
Electricity tariffs for industrial players			$48 MWh/	
Productivity adjusted wages				$3.3 hour/
Logistics Performance Index (1-5)			3.2	
Construction Costs (Indexed to US, % 0 is cheapest)			74	
Ease of getting credit (0-100)				50

KEY STAKEHOLDERS

Ministry of Industry and Mineral Resources (MIM)

National Center for Waste Management (MWAN)

Industries/Privates

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

Disclaimer

1. This material must be used only to access information, and the information must not to be construed, under any circumstances, explicitly or implicitly, as an offer to sell or a solicitation to buy or sell or trade in any opportunity herein mentioned.

2. Ministry of Investment (MISA) has no undertaking to update these materials after the date, with the understanding that such information may become outdated or inaccurate.

3. Mentioned information in this material is obtained from reliable sources but its accuracy and reliability are in no way guaranteed. No guarantee of any kind is tacit or explicit when projections of future conditions are attempted. MISA has used public/or confidential data and assumptions and has not independently verified the data and assumptions used in the analyses. Changes in underlying data or operating assumptions will clearly impact the analyses and conclusions.

4. The financial evaluations, projected market and financial information, and conclusions contained in these materials are based upon standard methodologies, are not definitive projections, and are not guaranteed by MISA

5. The content of this material must not be construed as an implied promise or guarantee for profit or limited loss express or implied by or from MISA or any of its officers, directors, employees and affiliates. All mentioned investments in this material are subject to risk, which should be considered prior to making any investment decisions

6. MISA shall have no liability whatsoever to any third party, and hereby any third party waives any rights and claims it may have at any time against MISA with regard to this material, any services or other materials, including the accuracy or completeness thereof.

CONNECT WITH US FOR MORE DETAILS

Waste.management@misa.gov.sa

استثمر في السعودية
INVEST SAUDI