

**Tabuk intracity Bus Project**  
INVESTMENT OPPORTUNITY  
Transport and Logistics

# Transport & Logistic Sector

## Tabuk intracity Bus Project

Public / متاح

High Potential

Moderate Potential

Low Potential

**OPPORTUNITY'S DESCRIPTION:** Opportunity for best-in-class intracity bus service providers with operational excellence, improved safety standards resulting in top-class quality services for all residents, tourists and beneficiaries in Tabuk.

### INVESTMENT OVERVIEW



#### INVESTMENT HIGHLIGHTS AND VALUE PROPOSITION

- The vision and goals for the KSA's intracity bus project is to provide a comprehensive national system for intracity buses which is safe, secure, efficient, inclusive, focused on providing customer choice and integrated with other modes of transport. To achieve this target, the Municipality of Tabuk in collaboration with TGA intends to open the intracity bus sector for reputable bus operators interested in the KSA market to competitively bid for area-based concessions.
- The opportunity allows the international and local parties to participate in Tabuk.
- 4 Lines + 106 bus stops+128 km +23 Diesel Bus + 7Electric Bus +90Drivers +18 hours

#### OPPORTUNITY STRUCTURE

- Expected duration of contract to be 5 years.
- The operator must own the fleet or has a closed-end leasing system
- Buses must not exceed 10 years old to operate.

#### KEY DEMAND DRIVERS

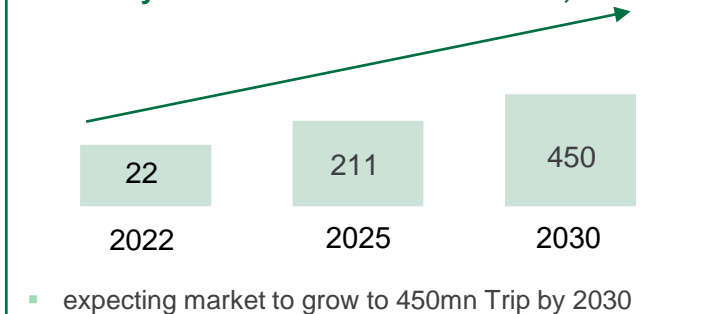
- Driving demand by provision of high quality, safe, reliable, efficient, punctual and affordable services
- Vision 2030 and National Tourism strategy – Various initiatives currently underway on improving connectivity, provision of transport services and increasing number of visitors to KSA
- Introduction of competition, mitigation and recover from Covid impact, improvement in transport infrastructure and adoption of international best practices

### MARKET OVERVIEW

#### MARKET READINESS AND COMPETITOR ANALYSIS

- The public transportation in Tabuk is a concession-based project where the competition is very limited compared to other modes of transportation.

#### intracity MARKET FORECAST in KSA, MN PAX



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### SUPPLY

#### SCALABILITY AND LOCALIZATION

Grade: Low Medium High

- The opportunity intends to capture the best international practices to ensure high quality and safety measures.
- The project has a potential of expanding to other areas of the cities when the demand increases.

#### IMPORT DEPENDENCY

- The project involves the procurement of bus fleet which may need to be sourced from bus manufacturers located outside KSA

### ENABLING FACTORS

#### ENABLERS

- 49% foreign investment allowed with a local operator.
- The municipality will provide the infrastructure (Bus stop, stations, pavements).
- Exclusivity to intracity routes

### Ecosystem analysis

The activities that would be required to be carried out to deliver the services



Securing buses & Drivers	Operation & management of services	Maintenance of buses	Fare collection	Passenger communication and customer services	Monitoring and reporting
<ul style="list-style-type: none"> <li>Purchasing/ closed-end leasing system of buses</li> <li>Ensuring the compliance with TGA's bus specification</li> <li>Hiring and training drivers</li> </ul>	<ul style="list-style-type: none"> <li>Managing trip duration and bus stops arrival times.</li> <li>Providing the best quality possible</li> </ul>	<ul style="list-style-type: none"> <li>Engine periodic maintenance</li> <li>Interior maintenance</li> <li>Spare parts</li> </ul>	<ul style="list-style-type: none"> <li>Fare collection systems</li> <li>Accepting electronic and physical payments</li> </ul>	<ul style="list-style-type: none"> <li>Communication platforms</li> <li>Call center</li> <li>Trip times</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring the movement of buses</li> <li>Reporting incidents during trips</li> </ul>

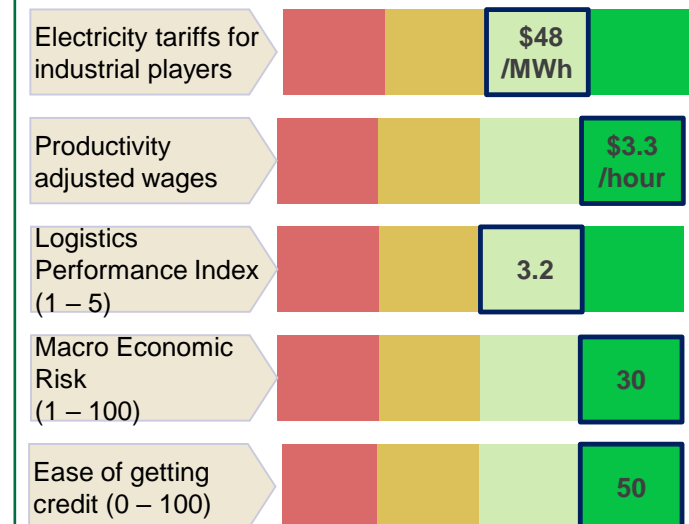
\*Non-exhaustive

### KEY STAKEHOLDERS



### Cost of doing business in KSA

#### Factor



Bottom 25%    Top 75%    Top 50%    Top 25%

# Definitions

#	Scorecard section	Definitions
1	Market size	<ul style="list-style-type: none"> <li>Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources</li> </ul>
2	Demand drivers	<ul style="list-style-type: none"> <li>A selected number of factors that would potentially influence future demand for the related product/service</li> </ul>
3	Investment highlights	<ul style="list-style-type: none"> <li>An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size</li> </ul>
4	Value proposition	<ul style="list-style-type: none"> <li>Summary of key differentiators that position KSA as a strategic choice over other regional/global peers</li> </ul>
5	Market readiness	<ul style="list-style-type: none"> <li>An overview of KSA market structure, market maturity and level of participation by local and global players</li> </ul>
6	Competitor analysis	<ul style="list-style-type: none"> <li>List of the local &amp; international players manufacturing the underlying product in Saudi Arabia and their market share</li> </ul>
7	Global trends	<ul style="list-style-type: none"> <li>Latest business developments within the sector/product category</li> </ul>
8	Scalability and localization	<ul style="list-style-type: none"> <li>Ease of scaling the business across the value chain or into new adjacent products (adjacent opportunities) or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components</li> </ul>
9	Import dependency	<ul style="list-style-type: none"> <li>An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports</li> </ul>
10	Value chain analysis	<ul style="list-style-type: none"> <li>The process or activities that would potentially need to be carried out to deliver the underlying product or service</li> </ul>
11	Key stakeholders	<ul style="list-style-type: none"> <li>Government Institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service</li> </ul>
12	Enablers	<ul style="list-style-type: none"> <li>Factors that enable investment in the underlying opportunity</li> </ul>
13	Cost of doing business in KSA	<ul style="list-style-type: none"> <li>Key factors that position KSA as a competitive destination for investment in the region</li> </ul>

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