

لجنة حصر وتطوير الفرص الاستثمارية
اللجنة الفرعية للتعليم والتدريب

National Deal Flow Committee
Education & Training Subcommittee

Tourism and Hospitality TVET Centers

Investment Opportunity – TVET

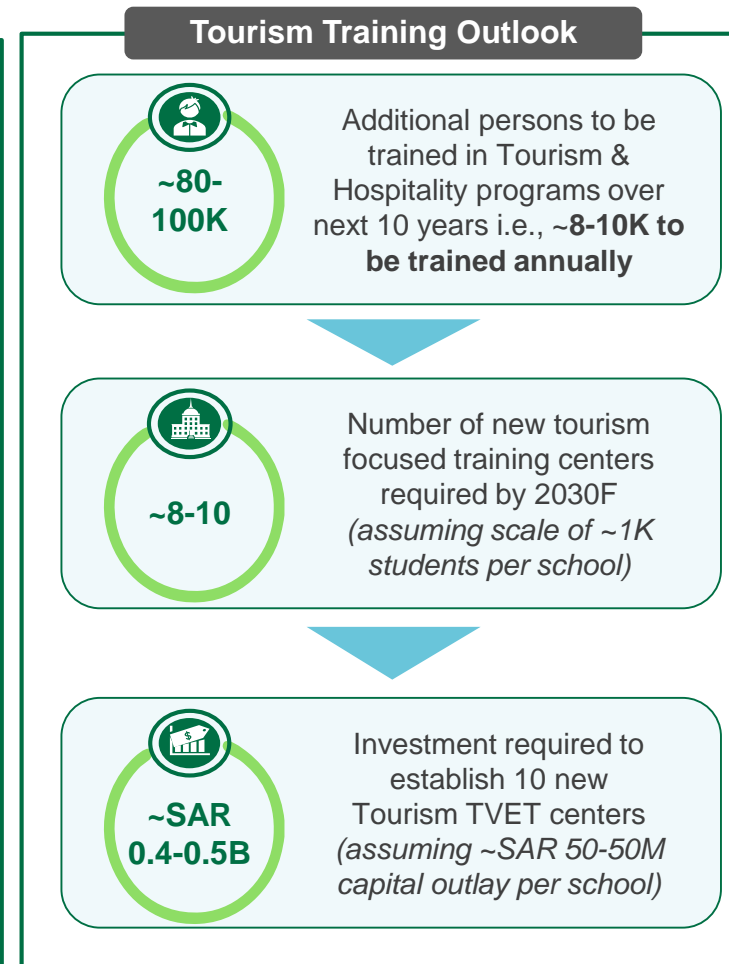
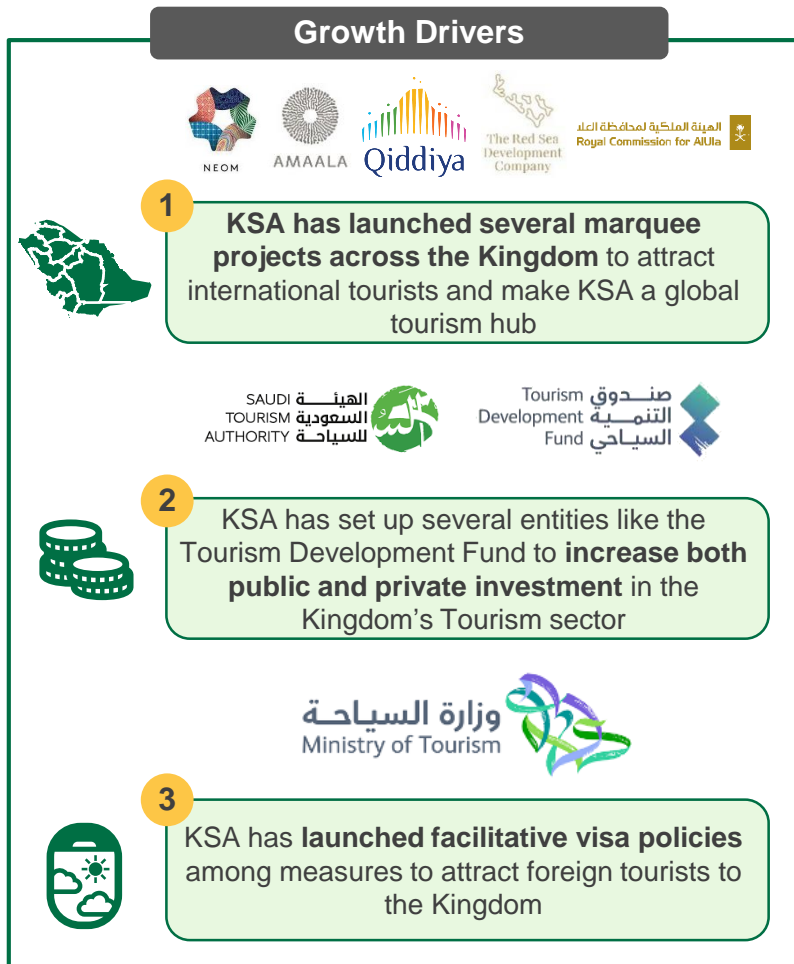
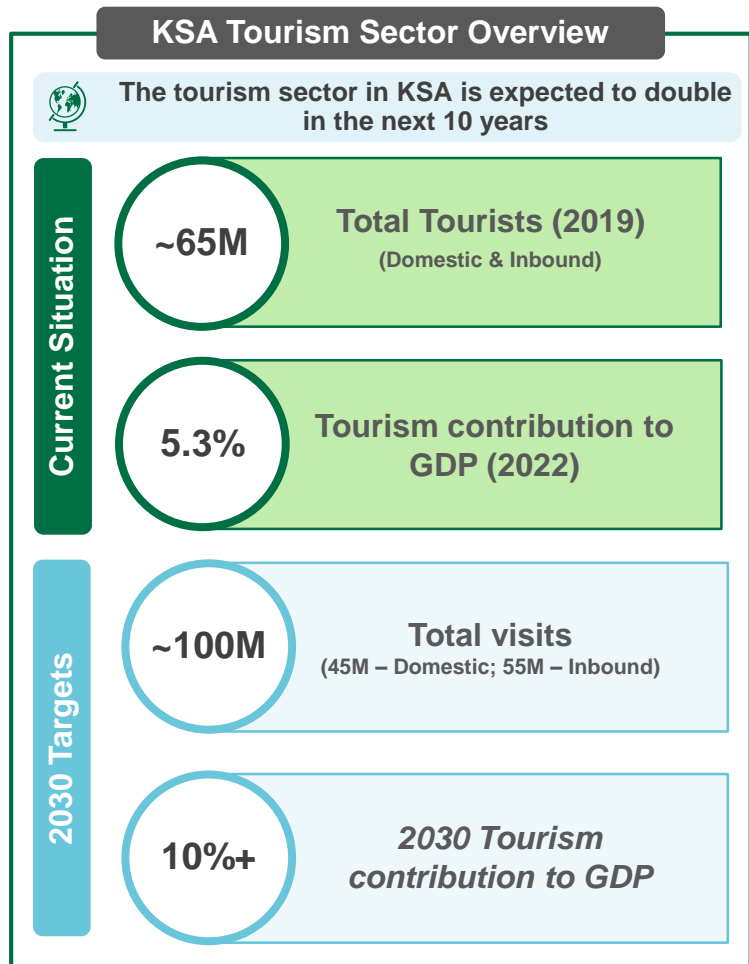
April 2022



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





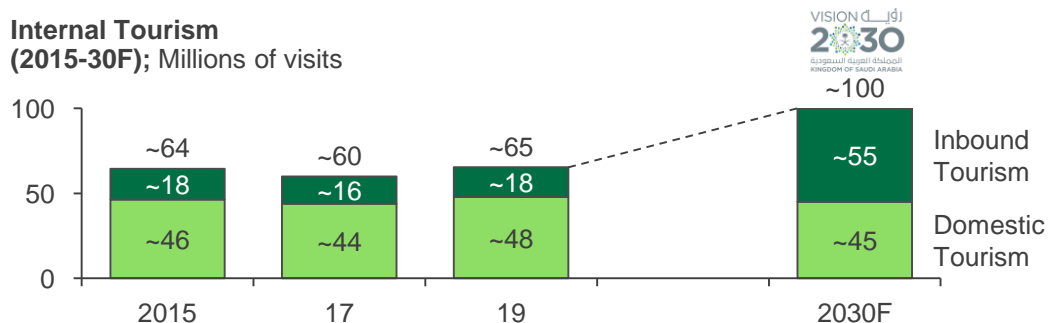
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KSA TOURISM SECTOR OVERVIEW

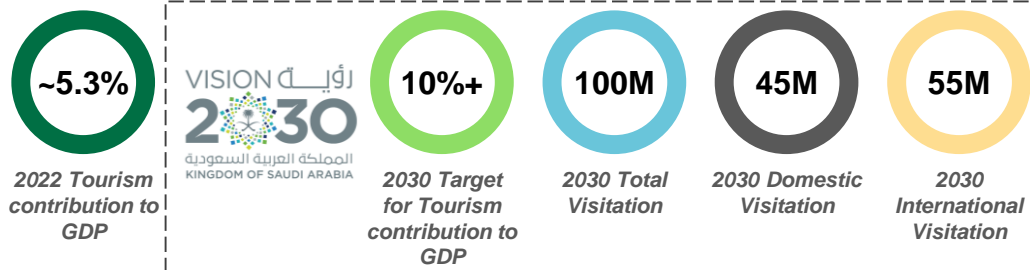
KSA Tourism Overview

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



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



Regenerative tourism project containing an archipelago of more than 90 islands, desert and mountain landscapes



Entertainment mega-project in Riyadh with recreation facilities, natural sceneries and cultural activities

الهيئة الملكية لمحافظة العلا
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



صندوق التنمية السياحي
Tourism Development Fund

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



Facilitative Tourist Visa Policies



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



Visas Issued by March 2020



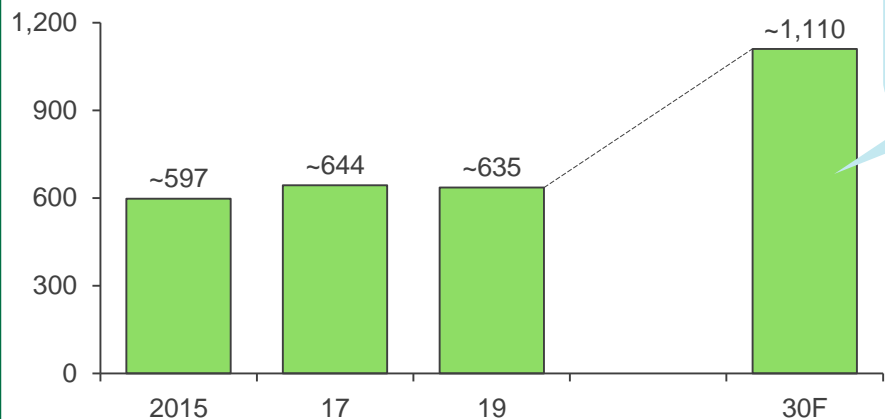
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WORKFORCE FORECAST AND INVESTMENT REQUIREMENTS

Tourism Enrolment Forecast

Tourism Employment Forecast, KSA (2015-30F); 000s of employed personnel¹



~475K additional workforce will be required to meet the growing needs of the sector

~64	~60	~65	~100	No. of Internal Tourists (M)
~300	~360	~360	~580	Spend per night (SAR)
~7	~7	~7	~8	Average Stay Duration
~131	~144	~165	~455	Total Tourist Expenditure (B SAR)

Total Incremental workforce in Tourism sector



475-500K

Additional persons to be trained in Tourism & Hospitality programs over next 10 years



~80-100K

~20% of the total workforce to be added would need to be entry level / requiring TVET programs

Additional persons to be trained in Tourism & Hospitality programs per year



8-10K

Number of new tourism centers required*



8-10

Investment required to establish 8-10 new Tourism TVET centers**



~SAR 0.4-0.5B

Note: *Assuming average scale of ~1K per Tourism TVET center; Assuming capital outlay of SAR 40-50M per Tourism TVET center

Source: Ministry of Tourism KSA; General Authority of Statistics; KSA Open Data





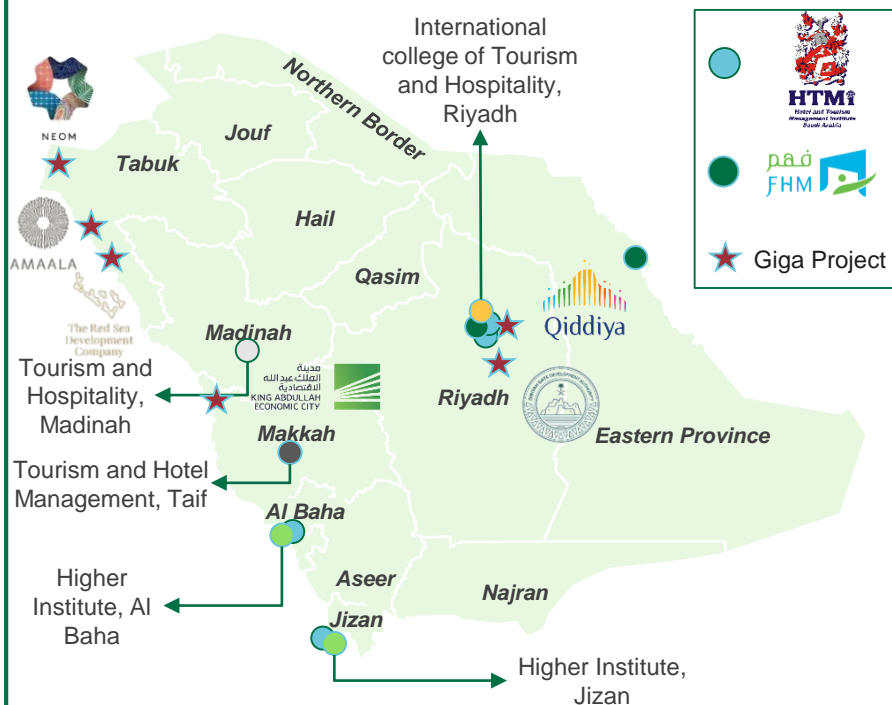
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CASE STUDY OF LARGE TOURISM TRAINING PROVIDERS

Existing Tourism and Hospitality TVET institutes

SAMPLE LIST OF LARGE TOURISM AND HOSPITALITY TRAINING PROVIDERS



Licensing entity: Technical and Vocational Training Corporation

To meet the growing needs of the Tourism sector, ~475K additional workforce will be required to support the ~635K workers currently employed by the sector

Case Study: National Training Center for Facilities and Hospitality Management (FHM)



- Independent, non-profit training center, founded as a strategic partnership between Saudi Aramco, TVTC and SCTH*
- Programs are internationally accredited and licensed by CoE and TVTC and aim to address growing needs of the Kingdom

76+

Training programs in Travel, Tourism & Hospitality

2

Separate facilities for males and females in Riyadh & Khobar



Case Study: Hotel and Tourism Management Institute (HTMi)



- Set-up in 2015 as a strategic partnership institute between HTMi Switzerland and MENA Development and Education as part of Vision 2030
- It is also certified by the UNWTO and supported by TVTC, HR Development Fund and the Ministry of Tourism

18+

Training programs in Travel, Tourism & Hospitality

4

Facilities in KSA and presence in 8 countries



Note: *SCTH: The Saudi Commission for Tourism & National Heritage; UNWTO: United Nations World Trade Organization

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