

How to leverage the Saudi RE Local Supply Opportunity

Analysis of the Current Offer & Potential Opportunities





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Saudization Compliance Metric Formula

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Current Situation: Saudi National manpower

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Saudization Compliance Metric (SCM) Formula

$$\text{NREP Saudization Compliance Metric \%} = \left[\frac{\text{Localized value}}{\text{Total Project CAPEX}} \right] * 100$$

Where:

$$\text{Localized Value} = \sum \text{Goods \& Services with C.O.} + \sum \text{Salaries paid to Saudi Nationals}$$

Saudi national Manpower: Engineering offer

- ❖ Saudi Universities: **27** state universities (1)
- ❖ Saudi Freshly graduated in 2016 (all disciplines): **16463** (1)
 - ❖ Men: **6844**
 - ❖ Women: **9619**
- ❖ Saudi Students Graduated abroad (2015-2016): **4618** students (in Technical disciplines) (1)
- ❖ Saudi registered Engineers in 2015: **+30000** (among 211316 registered) (2)

(1) www.moe.gov.sa

(2) www.saudieng.sa

Local offer: Existing infrastructure, Goods & Services

❖ Thanks to:

- ✓ Existing and forthcoming industrial activities
- ✓ Logistic facilities, including metalworking and glass factories,
- ✓ Advanced manufacturing industries,
- ✓ Plans to develop a multimodal logistic hub, including enhanced ports, new railway connection and highway developments.

❖ Many Goods and services are already existing in the Kingdom:

- ❖ EPC companies
- ❖ O&M services
- ❖ Systems Engineering Services activities
- ❖ Electrical Equipment Assembly

Local offer (Immediately available or with relatively low CAPEX)

Electrical Equipment Supplies:



- Enclosures
- Power bussbars
- Circuit breakers and electronic devices
- Cables
- DIN plates

Wind Towers:



- Steel plates
- Forged flanges
- Internals (platforms, ladders, cable conductions)
- Electrical installation
- Internal equipment (lift, lighting, lighting protection)

Engineering, Procurement & Construction (JV)



- Engineering Design
- Civil works
- Mechanical installation
- Electrical installation
- Safety & Quality Management
- PV modules and inverters
- Solar field, power block
- Electrical equipment
- Structures and interconnection cables

O&M activities (JV)



- Visual, electrical and mechanical inspections
- Remote monitoring and control
- Troubleshooting and corrective actions
- Operation protocols to optimize performance or follow Utility prescriptions
- Panels and mirror cleaning
- PV modules and inverters
- Electrical and electronic equipment spares
- Fasteners, structure components and interconnection cables
- Piping elements
- Insurance services
- Security services

Roadmap & Recommendations

- ❖ The EPC, O&M, Systems Engineering Services activities and Electrical Equipment Assembly represent clear investment opportunities :
 - ✓ with low or moderate CAPEX.
 - ✓ A shorter payback period.
 - ✓ Successful Technology transfer.
 - ✓ Commercial success.
- ❖ Many Suppliers and Investors are interested to play a role in the RE Local Supply chain.
- ❖ Other Business Opportunities with Manufacturing (blades, modules, Electrical equipment, etc.) for future demand (Coming rounds) are also existing (longer payback period, etc.).
- ❖ Roadmap
 - ✓ Trainings of future personnel with Universities and different Authorities
 - ✓ Meeting Local Ecosystem at the earliest (in anticipation) for B2B collaboration
 - ✓ Developing common synergies (time to be needed to reach operational phase):
 - ✓ Alliances
 - ✓ JV
 - ✓ Acquisition

Thank you!

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