



# Part 1 – Saudi Market, Vision 2030 and French–Saudi Lens



# 1. Saudi macroeconomy and Vision 2030

By the Saudi French Business Council (CAFS)



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# 1. Saudi macroeconomy and Vision 2030

Saudi Arabia enters 2026 with a resilient macroeconomy and an increasingly investor-oriented reform agenda, as Vision 2030 moves from planning to large-scale execution.

## Vision 2030 pillars in practice

Vision 2030 is built on three pillars backed by concrete programs and regulations.

- **Vibrant Society:** Large investments in quality-of-life underpin domestic demand, with giga-projects such as NEOM, the Red Sea, Qiddiya, Diriyah and Green Riyadh creating long, visible pipelines of construction, mobility, utilities and services contracts to 2030.
- **Thriving Economy:** The government is deliberately shifting from oil-driven, state-led growth to a diversified, private-sector-led model, using full foreign ownership, privatizations, special economic zones, RHQ incentives and deep-tech/advanced manufacturing programs to attract international capital and know-how.

- **Ambitious Nation:** Administrative and legal reforms seek to provide greater predictability, contract enforcement and transparency, reducing execution risk for corporate projects.

The key takeaway is that Vision 2030 is no longer a narrative; it is a pipeline of funded projects, regulatory changes and institutional arrangements that are progressively reshaping market access, competition and localisation requirements.

## Macroeconomic snapshot and business cycle

Latest multilateral and Saudi official data show a soft headline GDP profile driven by oil cuts, but strong non-oil momentum and ample fiscal buffers.

- **Real GDP:** In 2024, overall real GDP growth was around 1.8%, with a 4.4% contraction in oil GDP offset by 4.2% growth in non-oil activities driven by retail, hospitality, construction and investment.
- **Non-oil growth:** Non-oil real GDP is

expected to stay above 3.5% over the medium term, supported by giga-projects, tourism, logistics, ICT and manufacturing investments, with projections of 3.4% in 2025 and close to 4% by 2026.

- **Budget balance:** Higher project spending and lower oil receipts produced a fiscal deficit of about 2.5% of GDP in 2024, with deficits expected to widen temporarily to around 4% of GDP in 2025 before narrowing again as non-oil revenues rise.
- **Public debt:** Central government debt rose to about 26% of GDP in 2024, with scenarios up to 30% by 2026–2027, still placing the Kingdom among the least-indebted large emerging economies, with net debt near 17% of GDP.
- **Unemployment:** The overall unemployment rate has fallen to historic lows around 2.8% in 2025, while Saudi national unemployment continues to trend down on the back of private-sector job creation and Saudization programs.

## What this means for sector demand

- **Domestic demand is structurally strong:** Government-led investment, rising female labour participation and rapid population growth underpin multi-year demand for housing, education, health, retail, mobility and entertainment.
- **Non-oil cycles diverge from oil:** OPEC+ production decisions still drive headline GDP volatility, but many non-oil sectors follow the investment cycle of giga-projects and Vision 2030 programs rather than the oil price cycle.
- **Fiscal policy is supportive:** Authorities explicitly accept short-term fiscal deficits to avoid pro-cyclical cuts and to front-load infrastructure and diversification investments, which stabilises order books for contractors and service providers even in weaker oil price environments.

# 1. Saudi macroeconomy and Vision 2030

## Key policy shifts since 2024: what changes for investors

### 1. Unified Investment Law (2025)

Saudi Arabia's new Investment Law, effective 2025, replaces the previous foreign investment regime with a unified framework covering both domestic and foreign investors and introducing a single unified investment certificate.

- **Scope and access:** The law applies to Saudi and foreign investors alike and extends to investors operating in special economic zones, subject to zone-specific rules.
- **Unified license:** A single investment certificate replaces multiple licenses from different agencies, streamlining establishment and expansion and reducing duplicative inspections.
- **Ownership and sectors:** With a limited negative list focused on national-security-sensitive activities, the law expands the range of sectors open to 100% foreign ownership and increases

flexibility around management and control structures.

- **Investor rights and incentives:** Stronger protection against expropriation, clearer dispute-resolution mechanisms, free profit repatriation and the possibility of targeted investment incentives based on pre-announced criteria are embedded in the law and its forthcoming regulations.

This means simpler governance of Saudi assets (one law, one main license, clearer protections), though careful structuring is still needed to navigate sector-specific rules, and any excluded activities.

### 2. Deep-tech and advanced manufacturing prioritisation

Since 2024, Vision 2030 implementation has been sharpened around deep-tech and industrial capabilities, with the Public Investment Fund (PIF) and line ministries launching new platforms in semiconductors, robotics, AI and advanced manufacturing.

- **Deep-tech as strategic pillar:** National strategies now place AI, cybersecurity, cloud, robotics and space technologies at the heart of the Thriving Economy pillar, with dedicated funding, talent programs and regulatory sandboxes.
- **Manufacturing push:** The “Made in Saudi” program and industrial strategies target a doubling of the chemicals and manufacturing sectors by 2030, with a goal for non-oil exports to reach 50% of non-oil GDP, supported by industrial cities, logistics platforms and export-finance tools.
- **Implications for foreign firms:** International companies with IP, industrial know-how or platform technologies are strongly courted as partners—often via joint ventures, local R&D centres and technology-transfer-linked procurement in giga-projects and defence, healthcare, mobility or clean-tech value chains.



# 1. Saudi macroeconomy and Vision 2030



## 3. Sports economy and mega-events

Sports has been elevated from a social policy to an economic sector with clear investment and tourism objectives.

- **Mega-events:** Hosting of flagship events, including the 2034 FIFA World Cup and major other events, sits alongside the development of Qiddiya and other sports-led destinations, creating demand for stadiums, venues, fan experiences, broadcasting and digital infrastructure.

- **Policy direction:** Sports is now framed as a contributor to GDP, jobs and tourism receipts, with public-private partnership opportunities in venue development, event operations, sports tech, merchandising, hospitality and live entertainment.

For global groups in sports, media, entertainment and adjacent services, Saudi Arabia is positioning itself as a regional hub where long-term partnerships, not one-off events, are increasingly the norm.

## 4. Green hydrogen, renewables and the net-zero transition

Saudi Arabia is leveraging its solar and wind potential and existing industrial infrastructure to build large clean-energy and hydrogen platforms.

- **Project pipeline:** Flagship schemes such as NEOM's green hydrogen project, large-scale solar PV installations and wind farms are backed by PIF and major international partners, with the aim of supplying both domestic demand and export markets.
- **Policy frameworks:** The Saudi Green Initiative and related regulatory are progressively opening space for IPPs, OEMs, EPCs and technology providers along the hydrogen, ammonia and carbon-capture chains.

This creates opportunities for European industrial groups in electrolyzers, process engineering, power-equipment manufacturing, maritime fuels, certification and associated infrastructure.

## 5. Space and new frontier sectors

Space has moved from a niche activity to a recognised frontier sector, aligned with deep-tech and dual-use capabilities.

- **Strategic positioning:** Saudi programs now cover satellite manufacturing, Earth-observation applications (e.g. climate, logistics, security), and space-related R&D, often in partnership with global aerospace players.
- **Investor angle:** Beyond upstream systems, there is growing demand for analytics, geospatial platforms, cybersecurity, and sector-specific space applications (environment, defence, agriculture, maritime), where foreign companies can plug into Saudi-funded ecosystems.

## 2. Giga-projects and strategic sectors

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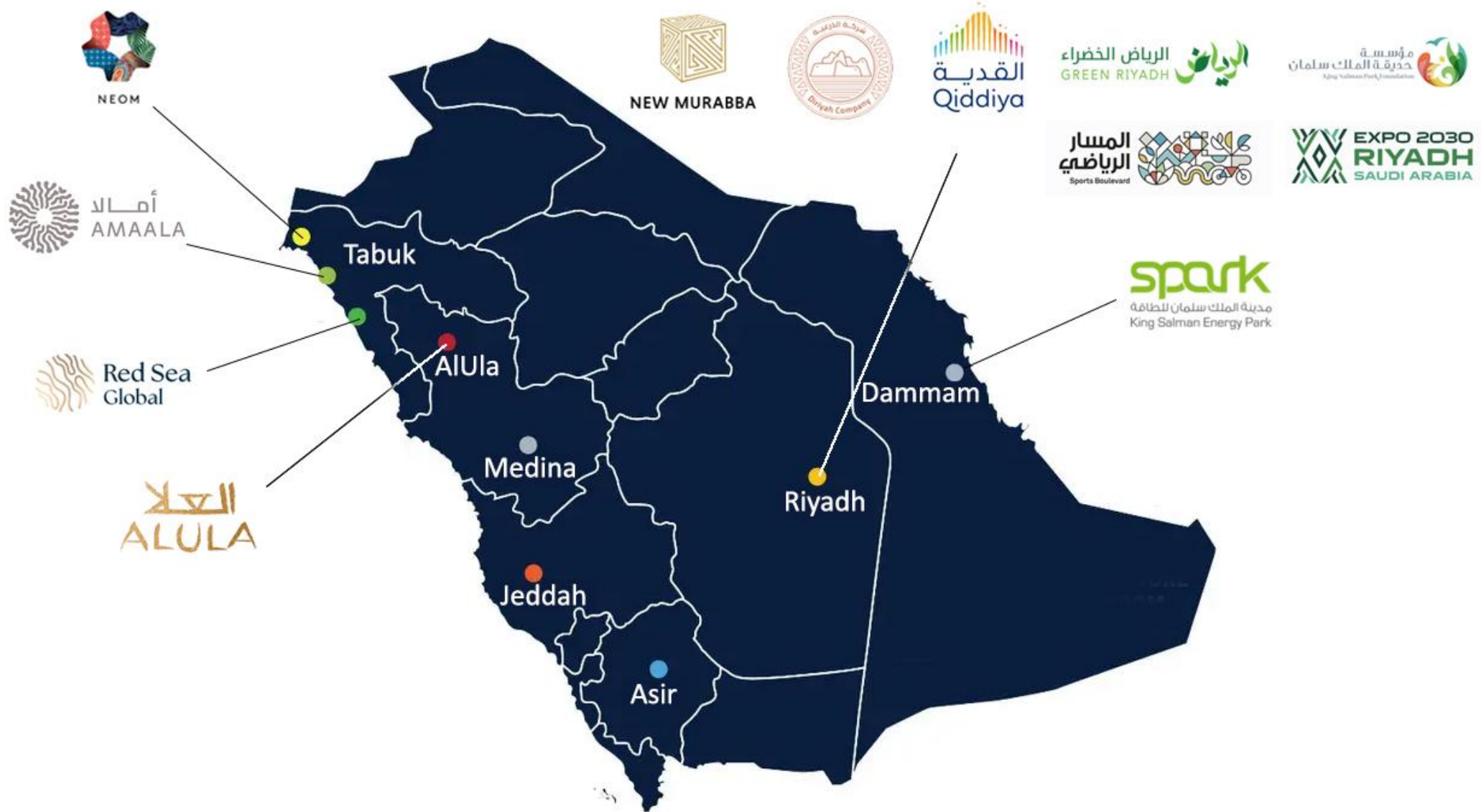
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## 2. Giga-projects and strategic sectors



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Saudi Arabia's giga-projects program has moved from vision to large-scale execution and is now coupled with a second wave of strategic sector initiatives and Riyadh-focused infrastructure ahead of Expo 2030. This update was written in early 2026.



**NEOM**, in the northwest, remains the flagship, with an overall investment envelope commonly estimated around 500 billion dollars and a portfolio that includes The Line, Oxagon, Trojena, Sindalah and the Magna coastal developments.

Delivery is now sequenced more pragmatically: The Line is advancing in phases with modular construction, and several components, including parts of Trojena and some hospitality clusters, have been resized or rescheduled rather than cancelled to

align with cost and delivery realities.

For investors, NEOM offers large EPC and design-build packages in transport, utilities, energy, water and digital infrastructure, as well as PPP-style opportunities in mobility, health, education and hospitality, where French strengths in smart-city engineering, rail and autonomous transport, water and wastewater, and social infrastructure are relevant.



**QIDDIYA CITY**, southwest of Riyadh, is emerging as a global entertainment, sports and culture hub with a multi-billion-dollar capital programme covering theme parks, sports venues, concert halls, academies, racetracks and outdoor attractions. Construction started in 2019, and key attractions are being delivered in time for

upcoming major sporting events, with full build-out extending toward 2030.

The project generates demand for design and construction of complex venues, rides and attractions, urban infrastructure, ICT and ticketing systems, and long-term event operations and facility management—areas where French groups have deep experience in theme parks, live events, venue operations and hospitality.

Qiddiya targets around 12 theme parks, 400 attractions and 275 rides in total across the city by 2030.

The following attractions were already operational in the beginning of 2026:

- **Six Flags** – Flagship theme park with 28 attractions, including record-breaking rides like Falcon's Flight and Sirocco Tower.
- **Aquarabia** – Qiddiya's large water park, with 22 rides, eight themed zones and cabanas.
- **Gaming & Esports District** – Launched as part of Qiddiya's first wave, positioned as a dedicated gaming and esports hub.

- **Prince Mohammed bin Salman Stadium** – High-tech multipurpose stadium.
- **Speed Park Track** – Motorsport "Speed Park" listed as one of Qiddiya's core early assets.

The following attractions will follow by 2030:

- **Dragon Ball Theme Park** – World's only Dragon Ball theme park, with 30+ rides and attractions.
- **Speed Park Track** – Motorsport "Speed Park" with a Formula 1-standard circuit and signature 20-storey "Blade" section.
- **Jack Nicklaus Championship Golf Course** – One of the anchor sports assets in the masterplan.
- **Performing Arts Centre** – 2,000-seat performing arts theatre as part of the arts and culture offering.

## 2. Giga-projects and strategic sectors



**RED SEA GLOBAL** is developing a set of regenerative tourism destinations along the west coast, including The Red Sea, Amaala and Thuwal, over a 28,000 square kilometer area with more than 90 islands and significant natural assets.

Early phases opened to guests in 2023, with a long project pipeline of luxury resorts, marinas, airports, roads, utilities, renewable microgrids, desalination and environmental monitoring systems scheduled to 2030 and beyond.

This creates opportunities in high-end hospitality design and operations, coastal and marine engineering, sustainable energy and water solutions, and wellness tourism where French hotel operators, architects, spa brands and engineering firms are already recognised partners.

The following resorts and hotels were already open in 2026:

- **Six Senses Southern Dunes** - First resort to open; inland desert property.
- **The St. Regis Red Sea Resort** (Ummahat Island) Ultra-luxury island resort.
- **Nujuma, A Ritz-Carlton Reserve** (Ummahat Island)
- **Shebara Resort** (Sheybarah / Shebara Island) - Overwater villa resort.
- **Desert Rock Resort** – Second inland resort, opened in the mountains inland from the coast.
- **Shura Island** – First wave in 2025, three branded resorts opened: InterContinental The Red Sea Resort, SLS The Red Sea Resort, and The Red Sea Edition Resort

The following are scheduled to open by 2030:

- 50 hotels
- 8,000 hotel rooms
- 1,000+ residential units across 22 islands and six inland sites



**DIRIYAH**, just west of central Riyadh around the UNESCO-listed At-Turaif site, is being transformed into a heritage-driven urban destination combining museums, cultural institutions, luxury hotels, retail, residential and public spaces.

By mid-2025, billions of dollars of contracts had been awarded for second-phase districts such as the Arena Block, covering structural works, infrastructure, streetscapes and venues. French players are well positioned in heritage restoration, museum and cultural-venue design, luxury retail and hospitality concepts, all of which are core to Diriyah's value proposition.

The following landmarks were already open in 2026:

- **Bab Samhan, a Luxury Collection Hotel** - First hotel in Diriyah with

134 rooms and 23 suites, designed in Najdi style.

- **At-Turaif UNESCO World Heritage Site** – Restored historic core of the First Saudi State. Major heritage site and museum precinct.
- **Bujairi Terrace** – Premium dining and cultural quarter overlooking At-Turaif.
- **Wadi Hanifah promenade** (initial sections) – Landscaped valley and walking areas forming part of Diriyah's public-realm offering.

The following landmarks and establishments are scheduled to open by 2030:

- Raffles Diriyah Hotel & Residences
- 28-28+ additional luxury hotels
- King Salman Square – A major civic and events space
- King Salman University
- House of Al Saud Museum
- Additional 9+ museums and 10+ iconic landmarks.

## 2. Giga-projects and strategic sectors

**WADI SAFAR** is the ultra-exclusive lifestyle enclave of the Diriyah project, conceived as a gated “desert Bel Air” that blends Najdi heritage with world-class leisure and wellness for VVIP guests.



Centered around a Greg Norman-designed championship golf course and Royal Golf Club, plus the Royal Diriyah Equestrian & Polo Club, it will offer elite amenities including a 27-hole PGA-standard golf experience, polo and equestrian facilities, wellness sanctuaries, and high-end dining and spa concepts.

By 2030, Wadi Safar is expected to host around ten ultra-luxury resorts, with confirmed brands such as Aman, Six Senses Wadi Safar, Oberoi, Faena Wadi Safar (with an adjacent experiential hotel), and The Chedi, all opening in phases from 2026 onward and fully operational by the end of the decade.

**ROSHN**, the national housing developer backed by the Public Investment Fund, is delivering master-planned residential communities in Riyadh, Jeddah, Makkah, Asir, Al Kharj and other cities, with a programme of roughly 200 million sqm and several hundred thousand homes over the decade.

The objective is to support the Vision 2030 target of 70% home ownership through integrated neighbourhoods with schools, clinics, retail and public amenities. This drives sustained demand for residential architecture, building systems and materials, community-facility design, long-term facility management and neighbourhood retail, where many French engineering, materials, retail and service firms already have relevant references.

Its flagship SEDRA project in northern Riyadh was the first Saudi giga-project to deliver units, with phase 1 completed and residents receiving keys from 2022 onward, and subsequent phases now selling and under construction.

Across the portfolio, ROSHN reports over 7,100 residential units sold to date and has launched at least five integrated communities in three regions (including SEDRA in Riyadh, ALAROUS in Jeddah, and ALMANAR in Makkah), with phase-1 homes in SEDRA already lived in and advanced infrastructure and vertical works progressing in ALAROUS and ALMANAR.

Delivered components go beyond housing to include amenities such as mosques, retail streets, landscaped parks, walking and cycling paths, and key infrastructure (roads, utilities, substations) that are energized and supporting early residents.



**KING SALMAN ENERGY PARK (SPARK)** in the Eastern Province is being developed as a world-class hub for the regional energy and industrial services sector, with a site area of around 50 km<sup>2</sup> and a targeted contribution of about 150 billion riyals to GDP, including 6 billion riyals per year by 2030 and creation of 100,000 jobs.

Initial phases are operational, with additional industrial plots and logistics assets coming on stream throughout the 2020s.

## 2. Giga-projects and strategic sectors



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**GREEN RIYADH** is one of the world's largest urban greening initiatives, aiming to plant 7.5 million trees and create 541 km<sup>2</sup> of green areas across parks, wadis, mosques, schools, health facilities and along roads and streets by 2030. It is part of Vision 2030's Quality of Life programs, and is linked with other Riyadh projects such as Sports Boulevard and King Salman Park.

Green Riyadh is now well under way, developing 1,100 km of green belts and 16,400 km of tree-lined streets across the capital to improve air quality and livability. French expertise is mainly mobilised indirectly through the strong presence of French engineering, environment, water and urban-services companies already active in Saudi Arabia.



**KING SALMAN PARK** is a flagship Vision 2030 urban transformation project covering 16.9 km<sup>2</sup> in central Riyadh on the site of the former Riyadh Air Base, designed to become the world's largest urban park.

Launched in 2019 with an estimated budget of \$9.4 billion, construction began in late 2021 and is now significantly advanced, with the Royal Arts Complex reaching 50% completion and first public spaces expected to open in 2026–2027.

The park will feature 7.5 million trees, cultural facilities, sports zones, mixed-use developments, and extensive green infrastructure aligned with the Green Riyadh initiative.



**SPORTS BOULEVARD** is one of Riyadh's four megaprojects, creating the world's longest linear park at 135 km of walking and running trails, with over 4.4 million m<sup>2</sup> of green space, 50+ sports facilities, 220 km of cycling routes, and nearly 100 km of equestrian trails distributed across eight themed districts, including arts, entertainment, and ecological zones.

Construction began in October 2021, and as of February 2025, the project is 40% complete, with the first phase, including 83 km of the Promenade and Cycling Bridge sections, now open to the public.

Full completion is targeted for 2027, with the project expected to create thousands of jobs and 2 million m<sup>2</sup> of private investment opportunities in retail, real estate, and hospitality, competitive, liveable metropolis.

The following landmarks and facilities are scheduled to open by 2030:

- 8 themed districts
- 5+ iconic architectural destinations
- 135 km continuous linear park including walking and running paths
- 220 km of cycling routes with timing systems
- Nearly 100 km of equestrian trails
- 50+ sports facilities (stadiums, multi-sport halls, outdoor courts)
- Dedicated bicycle stations (rentals, maintenance, parking)
- Equestrian facilities
- 4.4 million m<sup>2</sup> of green and open spaces
- 2.3+ million m<sup>2</sup> of investment zones (retail, F&B, hotels, residential)
- Cafes, restaurants, and community centres distributed along the route
- Event spaces and cultural venues
- Art installations and public gathering plazas

## 2. Giga-projects and strategic sectors



**MADE IN SAUDI** was launched in 2021 by the National Industrial Development and Logistics Program and the Saudi Export Development Authority. It celebrates Saudi Arabia's homegrown talent and innovation.

It supports local businesses to grow their reach and promote their products both domestically and globally. By doing so it is positioning Saudi products and services as the preferred choice for domestic and international consumers. Not only are they encouraging Saudi citizens to buy more locally made products, but they're promoting the Kingdom as a global industrial destination and attracting investment, with a goal of increasing non-oil exports to 50% of non-oil GDP by 2030.



### NEW MURABBA

**NEW MURABBA**, planned in northern Riyadh, is a large mixed-use urban development designed to accommodate more than one hundred thousand residential units, thousands of hotel rooms, extensive commercial and entertainment space and a network of cultural and leisure facilities.



**ALULA** is a transformative Vision 2030 cultural heritage and tourism development covering 22,500 km<sup>2</sup> in northwestern Saudi Arabia, roughly the size of Belgium.

Led by the Royal Commission for AlUla with French partnership support established in 2018, the project follows a 15-year "Journey Through Time" masterplan to preserve over 200,000 years of natural and human history while building a sustainable tourism economy.

The region features five heritage districts including Hegra, Saudi Arabia's first UNESCO World Heritage Site with 110 monumental Nabataean tombs from the 1st century BC-AD, the ancient kingdoms of Dadan and Lihyan, historic AlUla Old Town, and dramatic sandstone landscapes.

With over \$15 billion in estimated investment, AlUla targets 5,000 hotel keys, world-class museums, an integrated tram system, and expanded airport infrastructure by 2030.

Currently open hotels and landmarks include for luxury resorts:

- Habitas AlUla
- Banyan Tree AlUla
- The Chedi Hegra
- Dar Tantara by The House Hotel

Hotels and landmarks scheduled to open by 2030:

- The Bethesda, Autograph Collection
- Sharaan Resort designed by Jean Nouvel
- Three Aman Resorts
- Six Senses AlUla
- AZULIK AlUla Resort
- AlUla Museum showcasing 200,000 years of history
- the AlUla Tram System
- Wadi AlFann ("Valley of the Arts") featuring large-scale contemporary art installations integrated into the desert landscape.

Additional boutique properties and eco-lodges will bring total accommodation to over 5,000 keys by 2030.

## 2. Giga-projects and strategic sectors



### FIFA WORLD CUP 2034 & AFC ASIAN CUP 2027

Saudi Arabia's official confirmation as host of the FIFA World Cup triggered a large sports infrastructure program, including:

- 15 stadiums (11 new builds, 4 major renovations) across five host cities: Riyadh, Jeddah, Al Khobar, Abha, and NEOM
- 134 training sites (73 new facilities)

Flagship venues include:

- King Salman International Stadium (92,000 capacity, opening in 2029, designed by Populous to host the opening match and final)
- Prince Mohammed bin Salman Stadium at Qiddiya (46,979 capacity, 2029)
- NEOM Stadium (46,000 capacity, integrated 350 metres above ground into The Line, opening 2032)

In parallel, the AFC Asian Cup 2027 will take place in January 2027 across 10 stadiums in Riyadh, Jeddah, Dammam, and Al Khobar, requiring accelerated upgrades to existing venues (King Fahd International Stadium, King Abdullah Sports City) and completion of new stadiums (New Riyadh Stadium, Qiddiya Stadium, Dammam Stadium).



### EXPO 2030 RIYADH

Riyadh's successful bid to host Expo 2030 has accelerated a "new Riyadh" infrastructure wave intersecting with major giga-projects.

The Expo runs from October 1, 2030 to March 31, 2031 under the theme "The Era of Change: Together for a Foresighted Tomorrow," with three sub-themes:

- "A Different Tomorrow" (technology-driven innovation)
- "Climate Action" (ecosystem protection and sustainability)
- "Prosperity for All" (inclusive development aligned with UN SDGs).

The event expects over 40 million visits from 195+ nations, making it one of the largest Expos in history. The masterplan, designed by LAVA, spans approximately 6 million sqm in North

Riyadh's Al Narjis District near King Salman International Airport and Wadi Al-Sulay.

The 2 million sqm gated Expo zone features five thematic districts: the Saudi Arabia Zone showcasing Vision 2030, the International Collaboration Zone with 226 national pavilions in a circular equator-line layout symbolizing global equality, the Innovative Technologies Zone highlighting AI systems, the Sustainable Solutions Zone demonstrating green building standards, and the Thriving Communities Zone focused on inclusive urban design.

The masterplan uses fractal geometry inspired by natural patterns, creating shaded "cool routes," reactivated wadis for biodiversity and natural cooling, and pedestrian pathways integrated into a smart mobility system.

## 2. Giga-projects and strategic sectors

Infrastructure includes seamless Riyadh Metro integration via three dedicated station entrances enabling 10-minute travel from King Salman International Airport, shuttle services, and site-wide electric mobility.

The 226 spherical pavilions with equator lines use modular, recyclable materials adhering to green building certifications, with AI-powered climate control, renewable solar and wind energy, water-efficient landscaping, and treated-water irrigation. Visitor facilities include innovation hubs, an iconic central pavilion, cultural performance venues, food and retail zones, public squares, climate-responsive shade structures, digital wayfinding, and universal accessibility features.

Site preparation began in 2025, with 1.5 million square meters (25%) already leveled, contracts awarded to four Saudi construction companies and six global engineering firms, and pavilion construction starting mid-2026.

Post-Expo legacy planning transforms the site into "Global Village," a permanent mixed-use innovation and residential district repurposing pavilion structures into cultural centers, knowledge-exchange hubs, innovation incubators, residential neighborhoods, commercial zones, and public parks.

The Expo integrates with King Salman Park, Sports Boulevard, New Murabba, Green Riyadh, and King Abdullah Financial District, collectively reshaping Riyadh into a globally competitive, liveable, and sustainable metropolis by 2030.



## 2. Giga-projects and strategic sectors

### STRATEGIC SECTORS

Across these programmes, several priority sectors concentrate policy support, capital expenditure and regulatory reform.

### ENERGY & RENEWABLES

By 2030, Saudi Arabia plans to get about 50% of its power from renewables, supported by roughly 130 GW of targeted renewable capacity to cut emissions by around 278 Mt and significantly reduce power costs.

The system is expected to shift to a gas-plus-renewables mix that displaces oil in power generation, while major investments—over \$30 billion in green-energy projects—aim to position the Kingdom as a leading exporter of green hydrogen and ammonia, potentially exceeding 10 Mt of ammonia exports per year and enabling new low-carbon industrial value chains

### ICT & DIGITAL

By 2030, Saudi Arabia aims to cement its position as a leading regional

digital hub, with the digital economy already reaching about \$132 billion (roughly 15% of GDP) in 2024 and the ICT market valued at over \$48 billion as the largest technology market in MENA.

National strategies under Vision 2030, including a data center roadmap targeting up to 1–1.5 GW of capacity and projects like center3's \$13 billion investment and 300 MW by 2027, are driving rapid expansion in cloud, AI and hyperscale infrastructure.

Market studies project ICT revenues in to grow from about \$44 billion in 2024 to over \$70 billion around 2033, supported by widespread 5G, IoT (around 45 million devices), cybersecurity demand and smart city and e-government programs.

### MINING & METALS

By 2030, Saudi Arabia plans to turn mining and metals into a core non-oil growth engine, targeting an increase in the sector's GDP contribution from roughly \$17 billion in 2024 to about \$75 billion, underpinned by an estimated \$2.5 trillion in total mineral

resources and up to \$100 billion in planned mining investments.

Vision 2030 and the National Mining Strategy aim to triple the sector's economic weight, supported by a 5x jump in exploration spending since 2020, a 138% rise in exploitation licences, and a strong pipeline across gold, copper, phosphate, bauxite and critical minerals, while shifting from pure extraction to domestic processing and downstream “mineral value chain” industries to serve both local industrialisation and global energy-transition demand.

### SPORTS & ENTERTAINMENT

By 2030, Saudi Arabia aims to be a global hub for sports, entertainment and gaming, with the sports sector alone projected to grow from about \$8 billion to roughly \$22 billion in market value and contribute around \$17 billion annually to GDP while creating over 100,000–130,000 jobs.

The broader entertainment and amusement market is expected to nearly double from about \$2.6 billion in 2024 to roughly \$5 billion by 2030,

driven by mega-events, new venues and tourism-led demand. In parallel, the Kingdom is investing about \$38 billion in gaming and esports via the National Gaming and Esports Strategy and Savvy Games Group, targeting a sector GDP contribution of around \$14 billion by 2030, positioning Saudi Arabia as a leading global esports and gaming hub.

### HORECA & TOURISM

By 2030, Saudi Arabia aims to attract about 150 million tourists per year and lift tourism's contribution to roughly 10% of GDP, up from about 3% pre-Vision 2030, positioning the sector as a central pillar of diversification. To support this, the hospitality market is projected to more than double, with estimates ranging from around \$27 billion by 2033 to over \$115 billion by 2034, backed by plans for roughly 400,000 additional hotel rooms and large HORECA investments linked to giga-projects such as Diriyah, the Red Sea and Qiddiya.

## 2. Giga-projects and strategic sectors

This rapid expansion is underpinned by record visitor numbers already above 110–116 million annually, strong growth in religious, leisure and business travel, and a pipeline of major events (e.g., Expo Riyadh 2030, 2034 FIFA World Cup) that will keep driving demand for hotels, restaurants, catering and wider hospitality services.

### **MANUFACTURING & INDUSTRY**

By 2030, Saudi Arabia aims to turn manufacturing and industry into a core engine of non-oil growth, targeting roughly threefold growth in industrial GDP to around \$240 billion and doubling industrial jobs to about 2.1 million, with industrial exports expected to reach roughly \$150 billion.

Through the National Industrial Strategy and the National Industrial Development and Logistics Program, the Kingdom plans to raise the wider industrial sector's GDP share to around 20%, stimulate around \$450 billion of private and FDI capital, and create about 1.6 million new jobs across industry and logistics while

positioning itself as a leading regional manufacturing and supply-chain hub.

This push is underpinned by more than 11,000–11,600 existing factories and strong localization agendas in sectors like automotive, defense, food, chemicals and advanced manufacturing, backed by tools such as SIDF financing (over \$48 billion in loans catalyzing ~\$186 billion in investments) and “Factories of the Future” initiatives that embed Industry4.0 technologies into Saudi production.

### **DEFENSE & AEROSPACE**

By 2030, Saudi Arabia aims to localize 50% of its defense spending, up from about 4% in 2018 and roughly 20–25% by 2023–2024, supported by dozens of industrial cooperation programs worth over \$10 billion and nearly 300 licensed military facilities building local capabilities in land systems, munitions, electronics, MRO and emerging defense technologies such as AI and autonomy.

In parallel, the Kingdom is rapidly

expanding its civil and military aerospace base pursuing localization of aerospace manufacturing and MRO, positioning itself as a global aviation hub, and using AI, digital twins and advanced automation to build a competitive aerospace cluster that supports both commercial and defense aviation under Vision 2030.

By 2030, Saudi Arabia also intends to establish a strategically significant space sector, with ambitions to reach partial independence in satellite manufacturing, space infrastructure and data services, train thousands of specialists in aerospace and satellite sciences, and use space technologies to support national security, logistics, climate monitoring and economic diversification, moving to a sovereign space and geo-information player.

### **TRANSPORT & LOGISTICS**

By 2030, Saudi Arabia aims to be a leading global transport and logistics hub, with the sector's contribution to GDP targeted to rise from about 6% in 2023 to roughly 10%, supported by around \$260–270 billion in planned

transport and logistics investments under Vision 2030, the National Transport and Logistics Strategy and NIDLP.

The logistics market, estimated at about \$136 billion in 2024, is projected to reach roughly \$200 billion by 2030, helped by expanding logistics zones from 22 to 59 (over 100 million m<sup>2</sup>), major port upgrades to target about 40 million TEU capacity, rail expansion linking Red Sea and Gulf ports, and large airport and air-cargo projects including King Salman International Airport.

This build-out is expected to grow logistics revenues to about \$16 billion in dedicated value-add segments, attract at least \$10 billion in foreign investment through initiatives such as the Global Supply Chain Resilience Initiative, and create well over 200,000 new jobs, positioning Saudi Arabia as a central node for Asia–Europe–Africa trade flows by 2030.

# 3. Bilateral Saudi – French trade relations

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# 3. Bilateral Saudi-French trade relations

## A RELATIONSHIP GOING BEYOND OIL

France and Saudi Arabia share a long-standing economic and diplomatic relationship that has accelerated sharply in recent years.

Whether you are a CEO exploring the Saudi market for the first time or a seasoned executive expanding your regional footprint, understanding the architecture of this bilateral relationship is essential. It provides the strategic backdrop, and the practical networks, that will shape your entry into the Kingdom.

## THE STRATEGIC PARTNERSHIP: A NEW CHAPTER SINCE 2024

In December 2024, President Emmanuel Macron and Crown Prince Mohammed bin Salman signed a Strategic Partnership during the first state visit by a French president to Saudi Arabia since 2006.

This was not merely symbolic. The two leaders endorsed a strategic

partnership roadmap and signed a Memorandum of Understanding to establish a Strategic Partnership Council, signaling the intent to institutionalise cooperation at the highest level.

The partnership spans five pillars of particular relevance to international business leaders:

- **Defense and security:** France and Saudi Arabia signed a bilateral executive plan for defense cooperation in December 2023 covering capabilities, military R&D, and industries. A comprehensive six-year defense cooperation roadmap has been outlined across air, sea, land, space, and electromagnetic domains.

Discussions on a potential acquisition of approximately 50 Rafale fighter jets are ongoing, alongside engagement with major French defense firms—Naval Group, Dassault Aviation, MBDA, and Thales. In July 2024, the Kingdom ordered five A330 MRTT multi-role tanker transport aircraft.



# 3. Bilateral Saudi-French trade relations

- **Energy transition:** A Strategic Energy Partnership was formalized through an MoU signed in February 2023, followed by a hydrogen cooperation roadmap agreed in July 2023. Both countries have committed to cooperating on clean hydrogen, electricity from renewables, nuclear energy for peaceful purposes, and carbon capture technologies. During President Macron's December 2024 visit, the two sides agreed to establish a "French-Saudi Task Force" to drive joint outcomes on hydrogen and related domains.
- **Al-Ula cultural cooperation:** Born from the 2018 intergovernmental agreement, the French Agency for AlUla Development (AFALULA) mobilises French expertise in tourism, architecture, archaeology, museography, and environmental management to support the Royal Commission for AlUla (RCU). In 2021, a further agreement established the Villa Al-Hajar, a reference cultural institution dedicated to the arts. More recently, in 2025, the RCU announced a €50 million contribution to the renovation of the Centre Pompidou in Paris, alongside plans for a Saudi section in the museum and a collaborative contemporary art program running through 2030.
- **Space:** The Saudi Space Commission and France's National Centre for Space Studies (CNES) signed a cooperation agreement for the peaceful use of outer space, encompassing exchange of technology, capacity building, and space-based climate monitoring. Collaboration has further extended to Airbus and Thales in the areas of satellite technology and space innovation.
- **Artificial intelligence and major events:** The December 2024 partnership included an agreement to jointly prepare the AI Action Summit held in Paris in February 2025, as well as broader cooperation on AI and the organization of major international events.

## Bilateral relations at a glance

### Saudi Arabia is:

- 33rd customer of France
- 33rd supplier of France

### Commercial exchanges in 2024:

- €3.6 billion of French exports (-12.7% vs 2023)
- €4.0 billion of French imports (-23.2% vs 2023)
- Trade deficit: €0.4 billion in 2024 (vs €1.1 billion in 2023), reduction of 63.2%

### French investment in Saudi Arabia:

- 2nd foreign investor in 2023 and 3<sup>rd</sup> in 2024
- € 1.07 billion of net inflows of French FDI in 2024
- +151% of total inflows of French FDI in 2023 vs. 2022
- +50% of French FDI stock in 2023 vs. 2022
- France is 5th in contracts attributed in Giga Projects

# 3. Bilateral Saudi-French trade relations

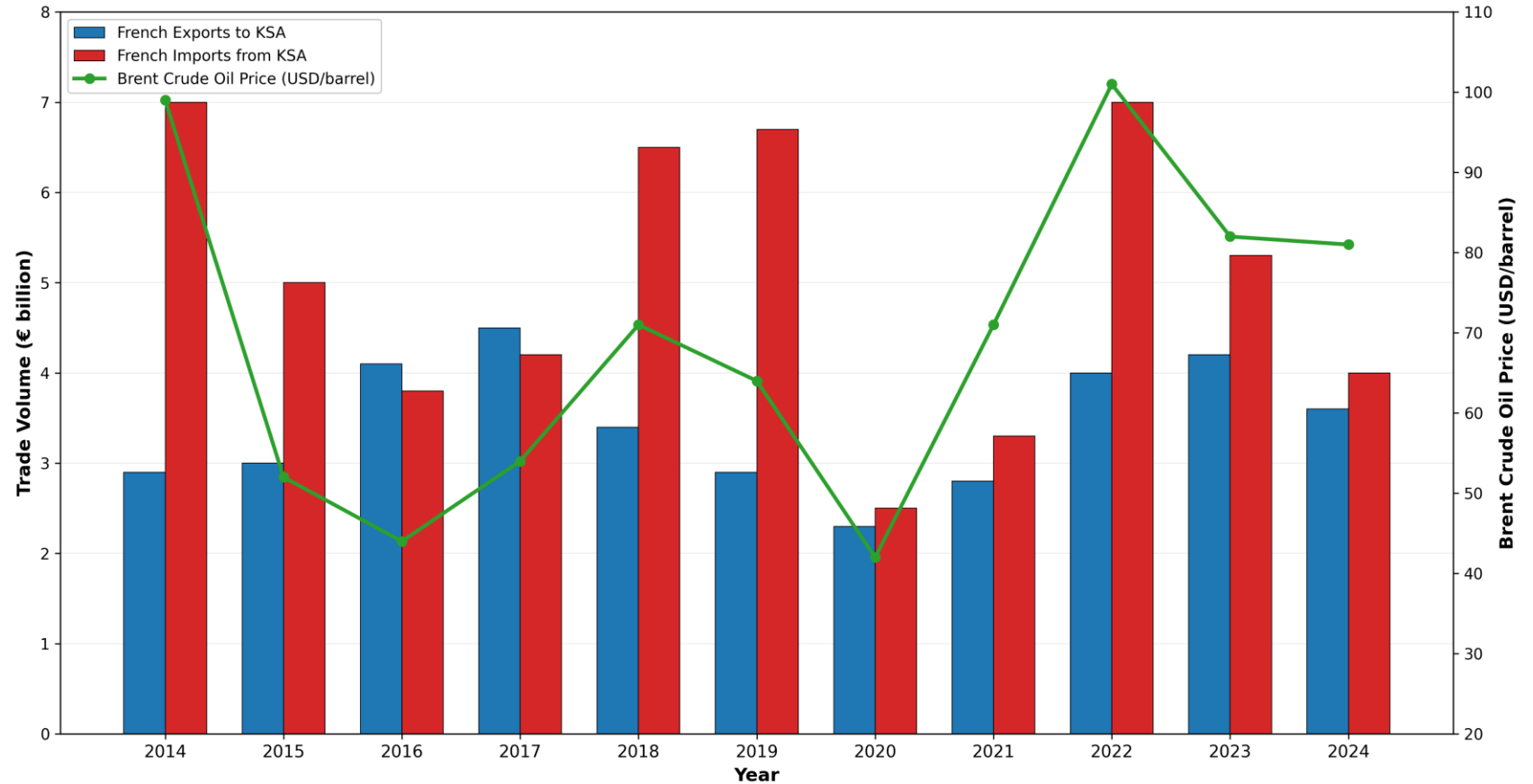
## BILATERAL TRADE RELATIONS

According to French customs data published by the French Treasury, bilateral trade in goods (excluding military equipment) reached €7.6 billion in 2024, a decrease of 19% compared to 2023.

Oil-price sensitivity remains the dominant factor on the import side. Petroleum accounted for 93% of total French imports from Saudi Arabia in 2024. Crude oil imports alone fell by 61%, dropping to €800 million, while refined petroleum imports stood at €2.9 billion. The bilateral trade balance has been structurally in deficit for France since 2011, with the notable exceptions of 2016 and 2017 when oil prices were low.

On the export side, aerospace led again. Aerospace and space-related construction remained France's top export category at €816 million, representing 23% of exports. However, this was roughly half the 2023 level when the sector accounted for 41% of French exports to the Kingdom.

France-Saudi Arabia Bilateral Trade (2014-2024) with Brent Crude Oil Prices



Source: French Customs / Direction générale du Trésor

# 3. Bilateral Saudi-French trade relations

This volatility reflects the lumpy nature of aircraft deliveries: between 2015 and 2023, Airbus signed contracts with Saudia, Flyadeal, and Flynas for more than 200 A320-family aircraft, with delivery timing and assembly-plant origin (Toulouse versus Hamburg) causing significant year-on-year fluctuations. In 2024, Saudia ordered 105 A320neo/A321neo aircraft, while the new carrier Riyadh Air ordered 65 A321s.

The more encouraging signal is that diversification is under way. Several non-aerospace export categories posted strong growth in 2024:

- Agri-food products: €422 million (+12%), the second largest export category at 12% of total
- Pharmaceuticals: €419 million (+16%), also 12% of total
- Machinery and equipment: €301 million (+6%)
- Electrical equipment: €295 million (+62%)
- Chemicals: €97 million (+66%)

This diversification matters. It comes in support to the fact that the trade

deficit is narrowing. Indeed, the French trade deficit with Saudi Arabia fell from €1.1 billion in 2023 to €399 million in 2024, a reduction of 64%, following a 63% reduction the year before.

Hundreds of French brands and products are currently distributed and/or represented in the country.

While lower oil prices and reduced crude volumes are the primary driver, the trend is nonetheless positive. Non-oil trade between the two countries surpassed \$5.33 billion in 2024, and bilateral trade grew at an average rate of 15.37% between 2020 and 2024.

### France's Position in Saudi Trade: A Regional Perspective

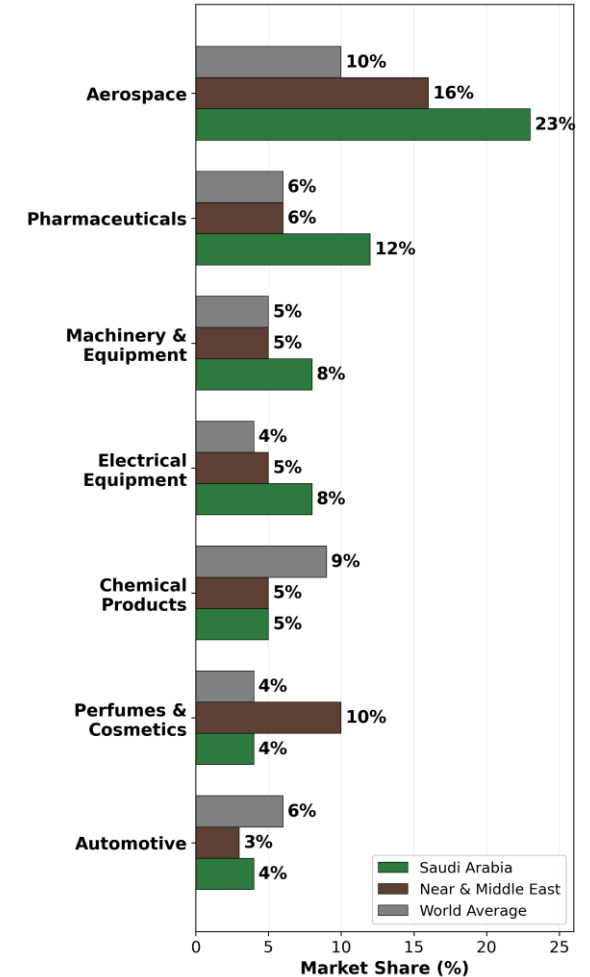
At the global level, Saudi Arabia ranks as France's 33rd customer and 33rd supplier. These rankings place the Kingdom in the middle tier of France's worldwide trade partners, reflecting the fact that French exports to Saudi Arabia typically represent only 0.5% to 0.7% of total French exports.

Within the Middle East and Near East, however, the picture is more compelling: Saudi Arabia is France's 2nd-largest customer (behind the UAE) and its 1st supplier in the region.

In the broader GCC context, total trade between France and the GCC reached €21 billion in 2024, supported by approximately 2,000 active French subsidiaries across the Gulf and a network of some 17,000 French exporters to the region. Saudi Arabia accounts for roughly 36% of this total, making it by far the largest single market for French businesses in the Gulf.

Yet France faces robust competition. Germany remains the leading European supplier to Saudi Arabia, with exports of approximately \$8.9 billion annually and particular strength in machinery, vehicles, and pharmaceuticals. Meanwhile, Saudi Arabia is strengthening relations with China, further intensifying the competitive landscape for European firms.

**French Export Sectors: Market Share Comparison Saudi Arabia vs Regional & Global Averages**



# 3. Bilateral Saudi-French trade relations

## FRENCH INVESTMENT IN SAUDI ARABIA

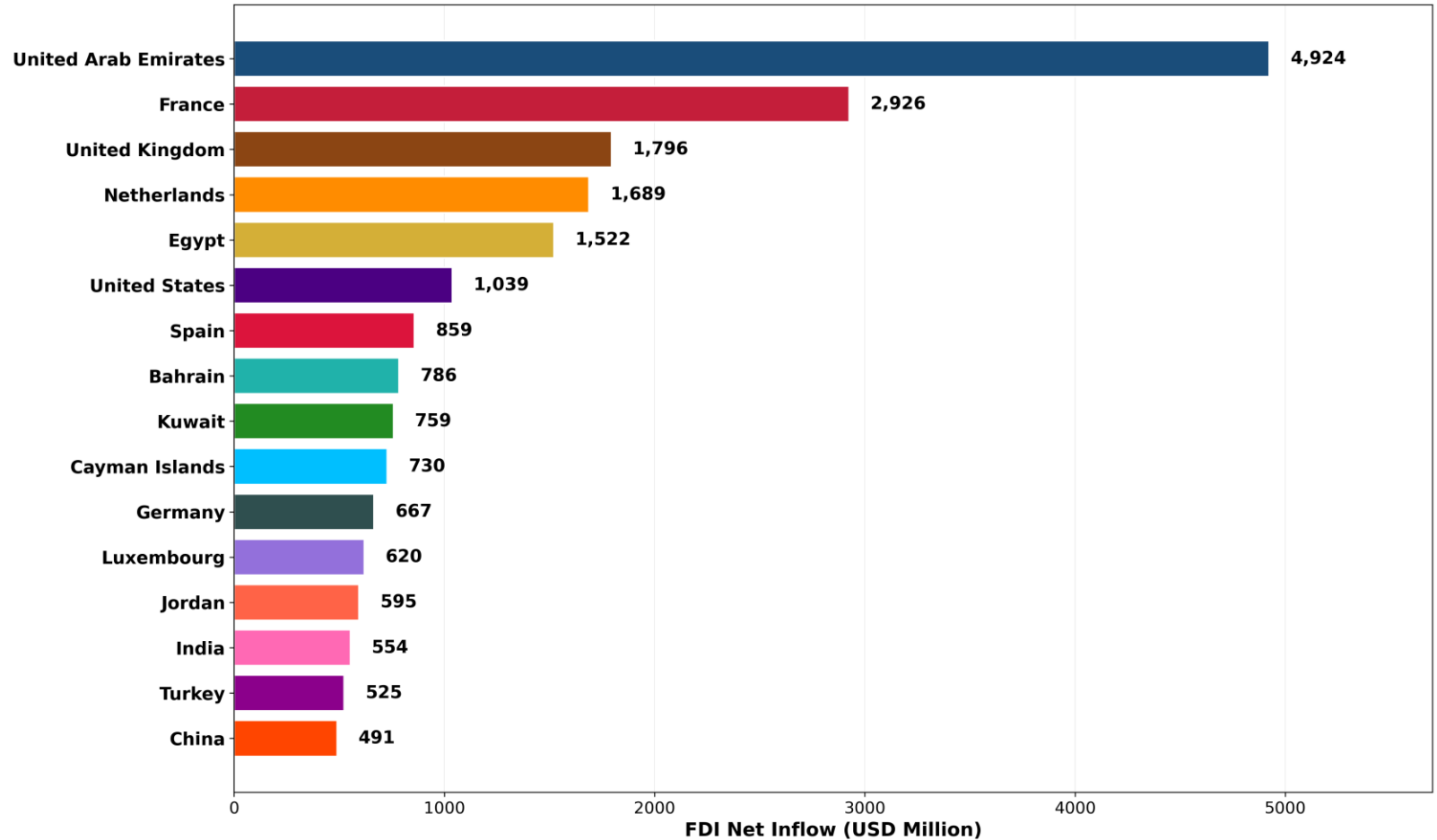
French FDI in Saudi Arabia surged by 180% over five years, reaching a cumulative stock of approximately €16 billion.

France ranked as the 2nd largest foreign investor in Saudi Arabia in 2023 (after the UAE) and 3rd in 2024, with net FDI inflows of €1.07 billion.

The Kingdom has issued 433 investment licenses to French companies (as of April 2024), and 180 French subsidiaries are currently operating in Saudi Arabia, with 30+ French regional headquarters (RHQs) established.

Covering more than 25 sectors of activity, French companies showcase a comprehensive economic footprint that extends far beyond traditional industries, reflecting alignment with Saudi Vision 2030's diversification objectives.

FDI Net Inflow Distribution by Countries in 2023 (USD Mn)



# 3. Bilateral Saudi-French trade relations

From an ownership structure perspective, French entities in Saudi Arabia predominantly operate through two main models:

- 51% are registered as fully-owned French subsidiaries (100% foreign ownership), demonstrating strong confidence in the Saudi market and leveraging the Kingdom's liberalized foreign investment regulations
- 26% are established as joint ventures, reflecting strategic partnerships with local entities that provide market knowledge, regulatory navigation, and access to local networks

Notably, 60% of French companies registered in Saudi Arabia set up within the last five years, and 50% of them are headquartered in Riyadh region.

In 2024, France also ranked 5th in the number of contracts attributed in the Kingdom's giga-projects.

**French Companies in Saudi Arabia by Sector Distribution (%)**

