

## Saudi Arabia's 2030 Vision – A Snapshot

Saudi Arabia's Council of Ministers approved the Kingdom's "Vision 2030" plan yesterday. This project involves a series of major economic and social reforms, some of which were already revealed earlier this year by the country's Deputy Crown Prince, Mohammed bin Salman, and envisages raising the country's non-oil related revenues to SAR 600 bio by 2020 and SAR 1 trillion by 2030.

In order to achieve this the plan sets out a number of goals for the next 15 years including:

- **Privatize certain government assets.**
  - Up to 5% of Saudi Aramco would be floated and the ownership of the firm would be transferred to the PIC.
  - State hospital ownership transferred into a holding company and an IPO conducted.
- **Reduce inefficiencies.**
  - Clamp down on corruption.
  - Cut wastage and improve transparency.
- **Boost the private sector's contribution towards GDP from 40% to 65% & reduce unemployment from 11.60% to 7% by 2030.**
  - Increase the number of women in the workforce from 22% to 30%.
  - Develop a local defence industry which would produce 50% of the military's requirements by 2030.
  - Develop a mining industry by 2020.
  - Encourage funding to SME's.
  - Focus on renewable energy resources.
  - Develop the country's tourism potential and increase the annual number of pilgrims to Mecca from 8 mio to 30 mio.
- **Social Reform.**
  - Increase the number of affordable housing projects.
  - Streamline lending and create a mortgage guarantee fund.
  - Reduce specific subsidies & raise taxes but provide relief to poorer citizens.
  - Encourage the development of sporting activities.
- **Streamline the visa process.**
  - Introduce a "green-card" system to allow expatriates to apply for permanent residency by 2021.
  - Allow expatriates to own property.

Overall these are pretty ambitious targets and "Vision 2030's" success will of course depend very much on its execution. Thus we will wait to see the specific details on exactly when and how each of the above listed projects will be carried out before making any assumptions. Such information should be provided when the "National Transformation Plan" is released within the next 4-6 weeks. However the Deputy Crown Prince (who has been the main driver of this reform plan), does appear to have strong internal and public support (especially amongst the youth) which should make the task a little easier to implement.

26 April 2016

**Glenn Wepener**  
Executive Director & Geo-Political  
Analyst, Middle East & Africa

## Market Insights & Strategy

### Global Markets

#### National Bank of Abu Dhabi

[MarketInsights&Strategy@nbad.com](mailto:MarketInsights&Strategy@nbad.com)

Tel: +971 2 6110 127

#### **Disclaimer:**

To the fullest extent allowed by applicable laws and regulations, National Bank of Abu Dhabi PJSC (the "Bank") and any other affiliate or subsidiary of the Bank, expressly disclaim all warranties and representations in respect of this communication. The content is confidential and is provided for your information purposes only on an "as is" and "as available" basis and no liability is accepted for or representation is made by the Bank in respect of the quality, completeness or accuracy of the information and the Bank has undertaken no independent verification in relation thereto nor is it under any duty to do so whether prepared in part or in full by the Bank or any third party. Furthermore, the Bank shall be under no obligation to provide you with any change or update in relation to said content. It is not intended for distribution to private investors or private clients and is not intended to be relied upon as advice; whether financial, legal, tax or otherwise. To the extent that you deem necessary to obtain such advice, you should consult with your independent advisors. Any content has been prepared by personnel of the Global Markets division at the Bank and does not reflect the views of the Bank as a whole or other personnel of the Bank.