



Makkah Economic Forum calls for increased role of private sector in KSA's industrial development

Achieving self-sufficiency and learning from the experiences of other countries are crucial to Saudi Arabia's pursuit of industrial development, said Fahad Al Sukait, Advisor to the Secretariat, Saudi Council of Ministers, stated at the Makkah Economic Forum, which kicked off today (Sunday) at Jeddah Ritz-Carlton. Organised under the theme, 'From Vision to Performance – Invest in Makkah', the Forum concludes on Monday.

In his introductory remarks during the Industrial Development session of the Forum, Al Sukait said: "Many advanced countries have developed and improved their industries by taking advantage of factors such as labour, geographic location, technology and energy. The Kingdom has several of strengths in several areas, including robust transportation networks and raw material, and the Vision 2030 has set objectives to overcome challenges in these areas.

Underscoring the importance of building up industrial activity in the Kingdom's defence sector, Al Sukait said the sector has a pivotal role in the economies of several countries around the world. The Government has set major objectives related to the development of the industrial sector and launched numerous incentives such as increasing the capital of the Industrial Development Fund and the Kafala Programme, which aims to promote financing to small and medium enterprises in the Kingdom, he said.

Soon an export import bank will be launched to strengthen the industrial sector, he said, adding that production should be localized to meet domestic needs and the private sector should be developed to promote industrialization. He encouraged investors, local and international, to invest in Makkah Region.

Hussein Al-Otaibi, Head of the Geological Survey Authority, said the Makkah Province enjoys considerable investment opportunities in mining considering that the Kingdom is rich in mineral resources, particularly uranium, phosphate, gold, copper, zinc, and non-metallic minerals. He also highlighted investment opportunities for local and international private sector companies to tap into the region's diverse terrain of coasts, valleys, strategic geographical locations.

He mentioned some of the sites that are rich in minerals resources in the region such as Shaiban Mount, Samran Mount, Huwaidan Area, which also have cement, granite, basalt and other precious stones. These mineral resources constitute one of the main pillars of economy.



He said that while there are 17 cement companies in the Kingdom there will be more demand for cement because it is needed to excavation and exploration operations for uranium.

He said a 10,000 square-metre geological museum will be built to attract investment based on international best practices. "The Kingdom has several tourist sites such as caves as well as virgin islands located on the coasts of the Makkah Region such as Al-Badea Island and Jabal Aleith Island," he said.

During a panel discussion on the occasion, Abdulaziz Al-Rashid, Deputy for Economic Affairs, Ministry of Economy and Planning, said Vision 2030 has put the national economy on track to a diversified economy, driven by the manufacturing sector. "We believe we can contribute more in this field as most of the Vision 2030 themes target the industrial sector," he said.

Dr. Abad bin Abdullah Al-Saadoun, Deputy Minister for Companies Affairs & Head of National Industry Development & Logistics Programme, Ministry of Energy, Industry and Mineral Resources, stressed the importance of supporting the private sector to achieve effective diversification.

Yasuhiko Hashimoto, Executive Officer and Joint Head of Europe, Middle East and Africa, Mizuho, said Japan and Saudi Arabia have strong relations in SME development, and stressed the importance of supporting SMEs to play a bigger role in economy.

Doug Peel, Head of the Middle East, White & Case LLP, called for improved legislation to open up the capital market. He said enhanced human capacity is crucial to support SMEs, and called for incentives to stimulate investments and eliminate financial barriers.

Ross McKenzie, Transportation Leader, Honeywell, talked about the importance of building post-automation industrial sector and investing in SMEs and software development.

On a question about the role of women in industrial development, Abdulaziz Al-Rashid said the Ministry of Education will open an engineering department for women in universities.