

## FEATURE ARTICLE

# Saudi making waves

Saudi Arabia's Made in Saudi program aimed at unlocking value from its local manufacturing sector is catching the eye of local and international investors, with the Saudi Made emblem spreading ever wider

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The Made in Saudi program led by the Saudi Export Development Authority was launched in March 2021 to encourage consumers to purchase locally made products and raise awareness and confidence in them with the ultimate goal of expanding non-oil economic growth. The initiative counts over 20 strategic partners from the public and private sectors. So far, around 1,590 companies have applied to be part of the program of which more than 1,050 have been approved. The initiative had more than 6,000 registered products within its first 11 months, with many more expected to sign on as the program picks up steam. The initiative is a key part of the nation's Vision 2030 initiative that aims to diversify its economy away from petrodollars into other industries in which it has a competitive advantage. Since the launch of the Made in Saudi program, more than 128,000 products have been made in Saudi Arabia occupying around 70% of shelf space in retail stores. Locally manufactured products are now being labeled with the Saudi Made brand. Attention is also being placed at the municipal level, with confirmation that Made in Makkah and Made in Medina brands will soon be launched for both the local and international markets.

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OMAN AL JASSER · CEO

In February 2022, the Saudi Export Development Authority launched the first edition of the Made in Saudi Expo in Riyadh. The event drew more than 170 companies, including Al-Othaim, Al-Tamimi, Panda and Lulu supermarkets, SACO, PepsiCo, Al-Dawaa, Showermer and KAFADS. Deals were inked with the Ministry of Culture, King Abdulaziz University, University of Business and Technology, the Prince Sultan Fund and the National Fisheries Development Program. At the event, Minister of Industry and Mineral Resources Bandar Alkhorayef emphasized goals of the Made in Saudi initiative: "This national program will highlight our industrial strength and capabilities in reaching the world and will enhance the attractiveness of the industrial sector for investment and help create job opportunities."

One business area that has seen a large uptick in growth is the local fragrance industry, which size was estimated to be \$1.73 billion as of 2020 and reach \$3.8 billion by 2030. Arabian Oud, which currently has a presence in more than 36 countries and owns more than 900 stores, is leading the charge. "Currently, the best-known brands in perfume are French brands. From a business perspective, we expect to turn the tables and have the biggest brands in the world in Saudi Arabia," said Oman Al Jasser, CEO of

Arabian Oud. Another local segment taking part in the program is Saudi Arabia's renewables sector. Desert Technologies Industries, one of the biggest Saudi companies manufacturing solar panels, has also signed up to the initiative and its products now wear the Saudi Made emblem in the 30 countries it exports to.

Saudi Arabia is using the Made in Saudi program to foster international participation. In January 2023, the Future Minerals Forum received a delegation from the US-Saudi Business Council consisting of companies specializing in industrial equipment, minerals, geophysical technologies and digital data platforms. Included in the mix was Connecticut-based Tronox that is partially owned by Saudi Arabia's National Industrialization Company. The company specializes in extracting and producing titanium dioxide from Saudi's largest titanium smelter facility in Jazan, which is used in manufacturing paints, coatings and finishes for use in aerospace, machinery and automotive sectors. Additionally, an April 2023 trade mission in Iraq successfully fostered deeper collaboration in construction, food and medicine segments. The meet bolstered partnerships between 40 Saudi Arabian firms and 40 Iraqi importing firms to allow Saudi Arabian products into the market.