

Q&A INTERVIEW

Reviving Diriyah's Legacy

Diriyah as the heart of Saudi cultural identity, and the sustainability and community-first approach transforming the ancient city into a modern destination.

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"Diriyah is the birthplace of the Kingdom of Saudi Arabia and where the Arabian Peninsula began; it is the source of Saudi Arabian identity and pride."

JERRY INZERILLO · DIRIYAH GATE

Can you describe the significance of Diriyah and the At-Turaif District to both prospective visitors and Saudi Arabians?

The Kingdom of Saudi Arabia aims to attract 100 million to 150 million visitors by 2030, for which Riyadh is being reimagined. Diriyah received a United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Site designation in 2010, and we are currently working under our Diriyah Masterplan. Diriyah is uniquely special with a very rich 600-year history. It is the birthplace of the Kingdom of Saudi Arabia and where the Arabian Peninsula began; it is the source of Saudi Arabian identity and pride. King Abdulaziz Al-Saud unified Saudi Arabia in 1932. We celebrate this on September 23rd, our national holiday, and we celebrated our 91st year as a unified nation in 2023.

However, this is unfortunately not an accurate representation of Saudi Arabia's overall history. People settled into the oasis, which we call Wadi Hanifa, 300 years ago. The land is elevated and therefore four to six degrees cooler during the summers. The city was built out of mud. Najdi architecture was practical at the time because of its thick walls, which made it cooler in the summer and warmer in the winter. The characteristic Nadji triangle shape is clever as it allows full ventilation without additional structures. Also, square structures require pillars for support while triangles do not due to their optimal weight distribution. In 2018, we floated the idea that there should be a national federal holiday to celebrate Diriyah's history. On February 22, 2024, we will celebrate our third Foundation Day holiday that celebrates our 300-year history.

How will the site contribute to Saudi Arabia's National Tourism Strategy?

We have already reopened the UNESCO World Heritage Site at At-Turaif, which is in its first of three phases. Between November 2023 and December 2022, we welcomed more than a million visitors. The plan is to have the site initially contribute \$7.19 billion to the country's gross domestic product. Already, the cultural heritage site has seen a double-digit return on investment. The Kingdom aims to have tourism's contributions rise from 3% of the gross domestic product to 10%. The Diriyah Masterplan will employ 178,000 direct and indirect jobs and is a large component of the National Tourism Strategy. Diriyah is meant to be a pedestrian-friendly walkable city. It is essentially a city within a city. We aim to house a population of 100,000 people.

What efforts is the project making to incorporate sustainability and environmental conservation?

The construction and development of the site is held within the highest standards of sustainability and environmental protection. We have the world's foremost experts on sustainable methodologies in the treatment of water, mud and horticulture. The Diriyah 1 or DG1 area, a northern section spanning three-and-a-half kilometers in front of the UNESCO site, recently received the Leadership in Energy and Environmental Design or LEED platinum designation, the largest platinum certification in history. We have an active oasis; the oasis still floods when it rains. In the past rainwater assimilated into the local area. All the natural rainwater is now captured and used for irrigation. We also dug up this area and took out all species of plants that were not indigenous and replaced them with only indigenous trees, bushes and shrubs. We have planted more than 6 million and are on our way to reaching our target of planting 50 million in DG1. We have dozens of nurseries. It is important that everything be authentic; this is not a theme park. Everything above ground must look like it did 300 years ago, while everything below will be operated with state-of-the-art smart city technology. We are currently making 185 million mud bricks to clad all buildings in mud. Buildings that are not tall, such as one- or two-level shops, will all be made with the original mud. In Wadi Hanifa and Bujairi, all stone, wood and paper are made of natural materials and made here.

To make the historical part of the city walkable, we have put all infrastructure underground. Since Diriyah is built on a raised stone shelf, it required digging through 8 million cubic meters of stone, which is around 900,000 truckloads of rock. Instead of throwing away the mustard-colored limestone and granite, we have reused it. It is now visible as mustard-colored raised terracing on King Khaled Road on the way to the airport. We also utilized the rock to improve plant beds by putting gravel below them to recapture almost 23% of rainwater depending on evaporation time and the season of the year. All traffic arrives in Diriyah underground in a sustainable environment. The underground has a filtration system that is similar to what airplanes use. We recycle all carbon dioxide emissions. Additionally, almost all vehicles in DG1 will be electric by 2030 as we move toward having zero carbon emissions.



Jerry Inzerillo
Group CEO

What is Diriyah Gate Development Authority Group doing to support and give back to the local community?

The implementation of the country's master plans is unique to Saudi Arabia. We now approach these initiatives backwards compared to what was previously done. Traditionally, developers and governments would initiate plans that were generally commercial ventures. They acquired land to improve its value by placing different assets on it such as housing, museums, commercial enterprises, shops, restaurants or schools. Now, we are more focused on the needs of the community. We work to organically reverse engineer the traditional process to retain, reflect and modernize the local cultural identity of neighborhoods. Our current master plans were developed to enhance the personality and fulfill the needs of these communities.

Supporting the socio-economic development of the entire Diriyah community is deeply ingrained in Diriyah Gate Development Authority Group's DNA. We are an employee-driven enterprise. We recently finished 100 million man-hours of construction without a principal accident. For the fourth year in a row, we won the Great Place to Work designation. We have a very happy team and a healthy working environment. While our role as an authority dictates licensing and permitting for buildings, we do not want to be seen as simply an authority. We believe it is not only strategically intelligent but a moral imperative to support one's community. We feel strongly that to be a good neighbor, one must actively do things to be a good neighbor. More than 40 people work in our community affairs division, which receives 100% of our projects from the outset. Most of these teams do not have physical offices because they are in the community all day. They go to community centers, mosques, schools and businesses to ask what we can do to improve the quality of life for locals. We deeply believe that to accomplish the Crown Prince's goals we require a well-vetted, fired-up and driven staff. We have a huge training and development budget. Every decision we make is focused on making our people happy and continually developing their skills.

We also want to mitigate all possible challenges for the community. In many similar projects around the world, the community pays a very dear price and does not benefit. Doing a project at our scale is interruptive, from land acquisition to complex demolition activities. Therefore, we have put very strict policies in place from 2018 onwards. We do not procure anything in Riyadh unless we first exhaust all the resources available in Diriyah, including food trucks, crafts, musicians, calligraphers, poets and contractors. Additionally, we do not buy anything in the Kingdom unless we exhaust all resources from Riyadh, and we do not buy anything in the Gulf region unless we exhaust the Kingdom's resources. We work concentrically. Additionally, if people from Diriyah are not skilled enough, we spend money on training them. More than \$13.3 million per year is spent on training the local community into positions of leadership. As of today, 14% of our staff are from Diriyah. We hold job fairs four times a year and recruit first from the Diriyah region. Diriyah was small and sleepy only five years ago and has grown rapidly into a solid community. However, it is not as sophisticated of a community as we want in terms of the ambitious goals of the Kingdom and our work continues.

Why is Saudi Arabia an excellent destination for foreign investment and participation?

Referring to the Wall Street Journal's old axiom, "It's not about the money," while this may be sometimes true it is not always the case. The Kingdom is establishing G20-level industries with trillions of dollars' worth of opportunities. We offer a far less of a saturated market compared with other G20 nations. Companies working in developed markets might hope to take a 1-2% market share at most while in Saudi Arabia it is possible to have a 15-30% market share. Conditions are favorable; we are making it very easy to do business in the Kingdom of Saudi Arabia. The Ministry of Investment, Ministry of Finance and Ministry of Commerce have eased regulatory procedures such as getting licenses and permits. Five years ago, it took perhaps five or six months to get a license or permit in Diriyah, whereas now you can receive them in a day or two, with more complex licenses perhaps taking a week. The laws have also changed regarding foreigners. You can rent, lease or buy your own apartment whether you are living here as an expat or not. Additionally, we enjoy a great deal of stability due to the lack of election cycles. Saudi Arabia's economy grew 8.7% in 2022 and had the highest growth rate in the entire G20 group.

Saudi Arabia is a beautiful country. Its topography is often misunderstood as it was previously never very open to tourists. For example, people do not know that it snows in the north. While Egypt is celebrated for its access to the Red Sea, Saudi Arabia controls 42% of this area compared to Egypt's 21%. We have the largest palm grove and the largest sand desert in the world. We have seven UNESCO World Heritage sites. Around 70% of our population are under the age of 35 and believe in the future of the country. It is exciting to be surrounded by young, well-educated and positive people. Most G20 nations are highly polarized, and many great countries are going through an identity crisis. However, there is no identity crisis in Saudi Arabia. We have a strong national belief under the Vision 2030 program and a powerful visionary driving it.