



# **Doing Business in Saudi Arabia:**

## **Change in market approach**

*19 January 2011*

# Fiscal Year 2010



- Actual revenue projection: **\$196 billion**
- Actual expenditure projection: **\$167.1 billion**
- Increase of actual over budgeted expenditure: **\$23.1 billion**
- **2460 projects** signed with private sector for a total value of **\$182.5 billion**
- Public debt declines from **\$60 billion** in 2009 to **\$44.5 billion** in 2010

*(Source: Ministry of Finance of Saudi Arabia)*

# Gross Domestic Product 2010



- Estimated GDP for 2010 in current prices: **\$434.7 billion**
  - **+ 16.6%** over 2009
  - Estimated inflation for 2010, based on cost of living index: **+ 3.7%**
- Estimated GDP growth in real terms compared to 2009:
  - Total GDP: **+ 3.8%**
  - Public sector: **+ 5.9%**
  - Private sector: **+ 3.7%**
- Projected growth in all sectors of GDP compared to 2009:
  - Non-oil: **+ 5.0%**
  - Construction: **+ 3.7%**
  - Electricity/gas/water: **+ 6%**
  - Transport: **+ 5.6%**
  - Hotel/restaurants/retail/wholesale: **+ 4.4%**
  - Real estate/finance/insurance: **+ 1.4%**

*(Source: Saudi Central Department of Statistics and Information)*

# Trade 2010



- Estimated total exports: **\$263.3 billion**
  - + **23%** over 2009
  - Non-oil exports: **\$33.1 billion**
    - + **14%** over 2009
- Estimated total imports: **\$87 billion**
  - + **0.7%** over 2009
- Trade Balance 2010: **\$148.8 billion surplus**
  - + **41.4%** over 2009
- Current Account 2010: **\$69.6 billion surplus**
  - + **32%** over 2009

*(Source: Saudi Arabia Monetary Agency)*

# Estimated Annual Budget 2011



- Total revenues: **\$144 billion**
- Total Government expenditure: **\$154.7 billion**
- Budgetary objectives:
  - Enhance development process;
  - Invest in programs for strong/sustainable growth;
  - Optimise use of available resources;
  - Promote employment and job creation;
  - Particular focus on Research&Development and Science&Technology projects;
- Budgets for main public and development sectors:
  - Education and training: **\$40 billion** (+8% over 2010)
  - Health and Social Affairs: **\$18.3 billion** (+12% over 2010)
  - Water/agriculture/infrastructures: **\$13.5 billion** (+10% over 2010)
  - Specialised Credit Development Institutions and Government financing programs: **\$12.5 billion**
  - Transport/telecommunications: **\$6.7 billion** (+5% over 2010)
  - Municipality services: **\$6.5 billion** (+13% over 2010)

*(Source: Ministry of Finance of Saudi Arabia)*