

WIRTSCHAFTS FORUM NAH- UND MITTELOST®

No. 1 - January / February 2016

C 46321

Contents

New targets for economic diversification in Saudi Arabia	1
Editorial	3
Personalities	3
German Chancellor hosts Tunisian Prime Minister in Berlin	4
Turkey after the Elections Panel Discussion of the German Orient-Institute	6
Turkey announces Strategy and Action Plan 2015-2018 for SMEs	7
Meeting of the GECF in Tehran	8
Bilfinger Power successful in the Middle East	9
Huge growth prospects in Iran's healthcare sector	10
Kuwait awards USD 30bn worth of projects despite oil price fall	11
Egypt: Historic discovery of 'supergiant' gas field	12
Herrenknecht implements modern drainage system in Doha	12
Turkish G20 presidency devises international economic action plan	16
Desalination projects assume priority in the GCC	20
First female national assembly leader elected in the Arab World	22
Dubai Airport Show 2015 generates USD 100bn in contracts	22
Jordan announces the implementation of the Red Sea-Dead Sea project	23
Algiers receives Siemens' largest ever railway automation order	23
News & Projects	24
Qatar's logistic zones ready for new investments	26
Introducing a NUMOV member: JMS - Jura Marble Suppliers	27
Morocco launches solar thermal plant	28
Fair News / Exchange rates	29
Business page	30
Business enquiries	30
NUMOV Services	32
Application form for membership	32
Introducing a NUMOV member: Worlée Naturprodukte GmbH	33
Imprint	34
Board of NUMOV	34

New targets for economic diversification in Saudi Arabia

by Mai Abdulwahab & David Gibson



Riyadh

Saudi Arabia is embarking on a new strategy to diversify and enhance its economy by investing heavily in its non-oil sectors. Nevertheless, the economy is still dominated by oil, responsible for around 90% of government revenue, which is highly dependent on the current oil price. The current fiscal policy has so far remained, with the government relying on foreign exchange reserves to finance its spending. A recent business-as-usual simulation concluded that Saudi Arabia would become a net oil importer by 2038. Therefore, the new targets for economic diversification are the energy, construction, chemical and housing sectors.

With regards to the energy sector, a royal decree in April 2010 announced the establishment of King Abdullah City for Atomic and Renewable Energy (KA-CARE) as part of the energy diversi-

fication plan, carrying the fundamental aim of building a sustainable future for Saudi Arabia by developing a substantial alternative energy capacity. According to the decree: "The development of atomic energy is essential to meet the kingdom's growing requirements for energy to generate electricity, produce desalinated water and reduce reliance on depleting hydrocarbon resources".

Two years ago, plans to call for preliminary bids for the first nuclear reactor – or set of nuclear reactors – the following year, with the first set to start construction in 2017 and be completed in 2022 were officially announced. KA-CARE has contracted consultancy firm Pöyry to assist in preparing a strategic plan for nuclear and renewable energy and help construct an operating model. Moreover, Saudi Arabia has signed bilat-

continued on page 14

NUMOV

NAH- UND MITTELOST-VEREIN E.V.
GERMAN NEAR AND MIDDLE EAST ASSOCIATION

Kronenstraße 1, D-10117 Berlin
Phone: +49 (0)30 - 206410-0
Fax: +49 (0)30 - 206410-10
E-mail: numov@numov.de
Internet: www.numov.de