

DECEMBER 2024

GSBM

GERMAN-SAUDI BUSINESS MAGAZINE

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Delegation der Deutschen Wirtschaft
für Saudi-Arabien, Bahrain und Jemen
German-Saudi Arabian Liaison Office
for Economic Affairs (GESALO)
مكتب الإتصال الألماني السعودي للشؤون الاقتصادية



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We create chemistry

PREFACE

The New Logistic Hub the Region

Dear Business Community,

In line with the results of the AHK World Business outlook, where 93% of the companies are more optimistic than their global peers, 2024 was a very busy year for GESALO. Over the recent years Saudi Arabia has established itself as the economic powerhouse in the region and delivered on the economic opportunities driven by the Vision 2030.

Saudi Arabia is playing an increasing role in the logistic sector, driven by the National Transport and Logistic Strategy. Besides logistic zones, the Kingdom aims to become the new logistic hub in the region with the Saudi Landbridge connecting the Red Sea with the Arabian Gulf. The ambitious transportation and infrastructure goals of the Kingdom were showcased on the Inno Trans Exhibition in Berlin. Besides the extension of the rail network the aviation sector is playing a major role. The establishment of new and refurbishment of existing airports are complementing the expansion of the aviation sector. GESALO has partnered up with the German Airport Technology network, GATE, and organized in November already the second delegation on aviation to Riyadh and Jeddah.

The Saudi food sector has been discovered by the German industry spurred by the increase of the HORECA sector. Nine German companies from the food industry met with executive level represents of Saudi Supermarkets and Trade Agents this month in Riyadh. Despite a strong focused on Saudi Arabia in these days, Bahrain as business hub should not be overlooked. Read about the Saudi-Bahraini symposium in cooperation with Applied Since University (ASU) of Bahrain in this issue.

A social highlight was the high turnout and interest in the 1st GESALO Award Gala. More than 20 companies and institutions had applied and celebrate their success in a festive atmosphere. We would like to congratulate all award winners and thank our partners for the longstanding support.

Enjoy reading another exciting issue of our GSBM!



Dr. Dalia Samra-Rohte

Delegate of German Industry
& Commerce for Saudi Arabia,
Bahrain and Yemen

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EXPERIENCE²

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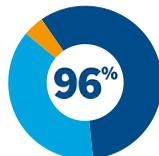
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SAUDI ARABIA

On the Way to Becoming a Logistics Hub

”

With the dedication of our exceptional workforce, we will realize our dreams of making Saudi Arabia a global logistics hub.”

H.E. Eng. Saleh Al-Jasser

Saudi Minister of Transportation and Logistics Services

This is how the Saudi Minister of Transportation and Logistics Services H.E. Eng. Saleh Al-Jasser describes the Saudi goal for the logistics sector – mainly accomplished through massive investment in new technologies. The Saudi government is planning to invest more than SAR 1 trillion (USD 267 billion) in its logistics sector.

As H.E. Eng. Saleh Al-Jasser announced in his speech at the Global Logistics Forum on October 13, 2024, SAR 200 billion of the total amount already has been deployed. The investments will primarily be used to improve the Kingdom's infrastructure.

LOGISTICS SECTOR TO BOOST GROSS DOMESTIC PRODUCT

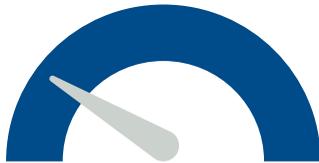
Approved by H.E. Crown Prince Mohammed bin Salman in mid-2021, the National Transport and Logistics Strategy aims to increase the transport and logistics sector's contribution to Saudi Arabia's gross domestic product from 6 percent to 10 percent.

“The National Industrial Development and Logistics Program is transforming Saudi Arabia’s Economy from top to bottom, creating synergy between vital industries for a future that is prosperous, diversified and robust.”

says H.E. Mr. Bandar Ibrahim Alkhorayef,
Minister of Industry
and Mineral Resources.

PLANS TO EXPAND THE LOGISTICS SECTOR BY 2030 | SAUDI ARABIA

SEA FREIGHT
CONTAINER CAPACITIES
ARE TO BE INCREASED



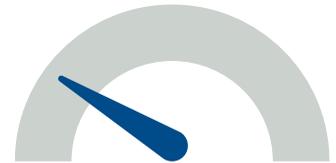
to 40 million TEU by 2030

SAUDI LAND BRIDGE
A LINK BETWEEN THE WEST
AND EAST COASTS



50 million
tons of
goods
to be transported per year

AIR FREIGHT
CAPACITY TO BE
EXPANDED



to 4.5 million tons by 2030

This growth is projected to generate an additional \$12 billion in revenue outside the oil industry by 2030. The development of the logistics sector is already yielding positive results in 2024. In the second quarter of the year, the sector experienced the highest growth among the ten most promising industries in the Kingdom. Active business registrations rose to 11,928, reflecting a 76% increase from the previous year's 6,742 registrations.

FIRST SPECIAL LOGISTICS ZONE OPENED

A key aspect of the National Transport and Logistics Strategy is the creation of 59 logistics zones across Saudi Arabia to help establish the Kingdom as a global trade hub. Currently, the country has 22 logistics zones. The minister also noted that expanding ports and airports will enhance the flexibility of Saudi Arabia's logistics sector. On October 31, 2022, the first integrated special logistics zone was launched in Riyadh.

The Integrated Logistics Bonded Zone (ILBZ), developed by the General Authority of Civil Aviation (GACA), is situated at King Khalid International Airport in Riyadh.

Companies that meet the necessary criteria are granted exemptions from corporate tax and VAT for up to 50 years, along with relief from withholding tax on certain payments related to specific non-resident activities.

ESTABLISHMENT
OF

59 LOGISTICS ZONES

**CURRENTLY, SAUDI ARABIA HAS
22 LOGISTICS ZONES**

The ILBZ is designed for companies engaged in logistics services such as maintenance, storage, import/export, value-added services, and recycling.

Firms in the zone can be fully foreign-owned, with no restrictions on capital repatriation. Imported goods entering the zone are free from customs duties and import restrictions. The General Authority for Zakat and Taxation issued the guidelines for companies wishing to establish operations in the zone, which were published in December 2023.

SAUDI LAND BRIDGE TO CREATE A LINK BETWEEN THE WEST AND EAST COASTS



One project that has been on the agenda for a long time but has not yet been implemented is the Saudi Landbridge Project. The Saudi Land Bridge project, a 950 km stretch from Riyadh to Jeddah, is to create a link between the ports on the Red Sea and the Gulf for the first time.

Construction work, which could take up to seven years, is due to start at the beginning of 2025.

The expansion of the rail network is intended to connect the deep-sea ports of Yanbu, King

Abdullah Port and Jeddah Islamic Port on the west coast with the industrial port of Dammam in the eastern province.

When completed, the Landbridge should be able to transport up to 50 million tons of goods per year.

AIR FREIGHT CAPACITY TO BE EXPANDED TO 4.5 MILLION TONS BY 2030



Before the coronavirus pandemic, air freight volume was 0.65 million tons (compared to 0.38 million in 2020), and it rebounded to 0.65 million tons in 2021. In 2023, capacity reached 0.92 million tons, with a target of 4.5 million tons by 2030.

In 2020, Saudi Arabian Logistics (SAL), the logistics division of SAUDIA Airlines, began operations at the Model Cargo Village at Riyadh King Khalid International Airport. According to GACA, the village has a capacity of 500,000 tons, with plans to reach 1.6 million tons annually once fully operational, covering an area of 350,000 square meters.

Additionally, a new terminal was added to King Abdulaziz International Airport in Jeddah in 2021.

The first phase of the terminal expansion spans 40,000 square meters and will handle inbound and outbound shipments, medical and refrigerated food shipments, high-value goods, dangerous goods, and transit shipments. The terminal is expected to increase annual capacity to 1.4 million tons.

CONTAINER CAPACITIES TO MORE THAN DOUBLE



So far, only a small portion of sea freight in Saudi Arabia has been attributed to international transit trade. The government aims to change this in the coming years. By 2030, container capacity is set to increase to 40 million TEU. From 2017 to 2023, a 55% growth has already been recorded, with container throughput reaching 20 million TEU.

King Abdullah Port is on track to become the country's largest container port, with an annual capacity of 25 million TEU planned. The port began operations in 2014 with a capacity of 2 million TEU and is now expected to handle over 5 million TEU. Since its opening in mid-2022, the port has processed a total of 15 million TEU.

STEADY EXPANSION AND AMBITIOUS GOALS OFFER GREAT POTENTIAL

Saudi Arabia has established itself as a prominent logistics hub, becoming increasingly appealing to international companies due to strategic infrastructure advancements and technological innovations.

However, the rapid growth also presents challenges in the logistics sector. One significant hurdle is the need to find skilled personnel and provide training for new staff, which could potentially hinder growth.

Despite this, the country's logistics sector will continue to benefit from Vision 2030 and the large-scale projects it entails, as well as from major events like EXPO2030, the 2029 Asian Winter Games, and the potential FIFA World Cup in 2034. As a result, the logistics sector offers diverse opportunities for German companies, alongside enhanced infrastructure for all businesses operating in or looking to enter the market.



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Source: vision2030.gov.sa

Actual Challenges of Supply Chains

A reflection by Dr. Osama Alotaik, King Saud University Riyadh & Prof. Gerald Lang, Kedge Business School Paris

The Supply Chain is being transformed by digitalization through the collection, use and sharing of data: how is this evolution taking place?

There's a lot to say about digitizing the Supply Chain. First of all, let's be clear: digitizing the Supply Chain doesn't mean managing it with spreadsheets like Excel or others! Today, digitization means using management software (ERP or specialized Supply Chain software such as WMS, TMS, APS...) which collects and uses data to manage the Supply Chain. The first step is therefore to digitize the processes before digitizing the Supply Chain management itself.

One of the major objectives of the Supply Chain today is to synchronize the various players (suppliers, manufacturers, distributors, 3PLs etc.). To achieve this, systems must be able to exchange data on products or goods, inventories, transport and forecasts of the consumption. This often begins with sales forecasts. These can be based on predictive models using AI, which then determine planning and flow management processes.

By automating planning and flow management, a "control tower" can be set up to oversee the end-to-end Supply Chain, from suppliers to end customers. A malfunction, such as the breakage of a component or a critical out-of-stock situation, can be detected and automatically resolved if the part is shipped from a location where it is available. This automates decisions in the Supply Chain.

SAUDI ARABIA'S NATIONAL TRANSPORT & LOGISTICS STRATEGY

Saudi Arabia's Vision 2030 framework, through its National Transport and Logistics Strategy (NTLS), emphasizes digitalization and advanced logistics solutions to enhance the country's global standing in logistics and transportation.

NTLS aims to create a digital ecosystem to improve air, sea, and land transport capacity, thereby streamlining global trade connections. NTLS is not only a vision of how the future should look like; it has executable programs and initiatives that shows a clear pathway of how to get to Vision 2030 goals. Some of these initiatives already achieved outstanding outcomes. For example, the efficiency of port operations, which is crucial for trans-shipment operations, has significantly improved. This achievement is the result of numerous efforts such as regulatory reforms but also a result of operational excellence through digitalization.

Other aspects of NTLS have not yet reached its goals. These aspects present promising opportunities. For example, one of the objectives of NTLS is the provision of smart solutions to transport challenges through the adoption of cutting-edge and innovative emerging technologies. Adopting innovative technologies such as the Internet of Things (IoT) will facilitate digitalization by enhancing end-to-end real time visibility of the Supply Chain.

Saudi Ports Authority (Mawani) has collaborated with IBM to launch an online learning and innovation platform to learn about developments, emerging technologies and trends prevailing in the digital world, which will contribute to accelerating the pace of digital transformation in the port sector.

The Supply Chain is faced with the imperative of sustainability & decarbonization to meet carbon neutrality targets by 2050. What answers can it provide?

The reduction of greenhouse gases (GHG), of which CO2 accounts for around 75%, is a priority for the Supply Chain, and more particularly for logistics. Saudi Arabia's logistics strategy highlights sustainability as a core pillar. One of its objectives is reducing fuel consumption by 25%.

The biggest emitters of GHGs in the Supply Chain are transport activities, due to the internal combustion engines of trucks and freight ships.

- The first line of action is to reduce the number of kilometers covered, to consume less fuel. This can be achieved by optimizing collection and/or delivery routes by the use of AI and machine learning-based tools.
- The second area of work involves optimizing truck loads to reduce the number of rides made partially empty. Some studies indicate that 25% of truck capacity is unused while on the road.

The other positive effect is that, from an economic point of view, optimizing routes and loads also reduces transport costs for companies. This proves that reducing environmental impact can often also reduce operational costs.

It's worth remembering, however, that the truck remains irreplaceable in many situations, especially over short distances: it provides access to virtually every place where there is a road, unlike more environmentally friendly modes of transport, such as boats or trains, which don't offer the same flexibility or speed in terms of delivery.

While the truck remains irreplaceable, there are other ways of reducing the carbon footprint: using trucks with greater capacity, training drivers in eco-responsible driving or using biofuels where possible.

Another lever is the sourcing of materials and products required for business activities. If this is organized in such a way as to give priority to geographical proximity, substantial savings can be made. This calls for optimized design of the Supply Chain network. Finally, the organization and efficiency of return flows also influences on environmental impact and GHG emissions.

All the above are examples of operational, tactical, or strategic actions at companies' disposal to deal with sustainability challenges in the Supply Chain. In Saudi Arabia, there is opportunity in building the infrastructure that enables the above-mentioned actions. Under Vision 2030, initiatives like expanding the national rail network are designed to reduce the carbon footprint by offering more sustainable freight transport options. The country is also investing in eco-friendly infrastructure and encouraging clean energy alternatives in logistics to align with its long-term goals of reducing emissions

What economic resilience can we expect from the Supply Chains?

Current risks, such as geopolitical instability and rising energy costs, are pushing companies to rethink Supply Chains for greater resilience. Many businesses are nearshoring or backshoring manufacturing and increasing geographically distributed storage to manage risks more effectively.

Saudi Arabia's strategy reflects this focus on resilience through its expansion of logistics infrastructure. By enhancing road, rail, and sea connectivity, the country aims to support global trade flows even during disruptions. This approach not only strengthens the national economy but also builds a more resilient Supply Chain by diversifying transportation modes and improving network flexibility.



Dr. Osama Alotaik
Professor of Industrial Engineering
King Saud University Riyadh



Prof. Gerald Lang
Professor of Supply Chain Management
Kedge Business School Paris



Head of Logistics Pascal Herr (right) next to COO Niklas Rosocha and Team Leader Warehouse Norbert Aretz stand behind the new packages

How V-LINE GROUP is Strengthening Logistics

TO BUILD RESILIENT SUPPLY CHAINS

“Logistics play a critical role in supply chains and are key to consider when building resilience. By strengthening our logistics, we simultaneously strengthen our supply chains,”



says Pascal Herr
Head of Logistics
at V-LINE GROUP.

With more than 45 years of business experience in the Kingdom and worldwide locations, clients and suppliers, the MRO supply chain solution provider understands the nuances of this complex process.

“We connect markets worldwide and rely on robust, dependable supply chains to meet our clients’ needs. Whether transporting spare parts to our warehouses, handling exports, or managing customs – all at the right price and on time – logistics presents numerous avenues for adapting and optimizing our services,” explains Hasnain Jamil, CEO of V-LINE MIDDLE EAST.

A recent example is V-LINE’s internal implementation of the ordinance on the prohibition of chemicals.

Herr shares: “This adds tremendous value for our customers. With expanded in-house competencies, we now handle more goods independently, reducing reliance on third parties and adding greater flexibility to our supply chains.” Though it’s an uncommon approach, V-LINE chose to pursue it. “We saw the need and decided to forge a new path,” Herr reflects.

FORGING NEW PATHS

Forging new paths also reflects V-LINE’s commitment to sustainability. Earlier this year, the company transitioned from plastic-taped packaging to eco-friendly materials, including sustainable tape and plastic-free shipping bags.

“Leaving a green footprint where possible is essential,” emphasizes Herr. This shift in V-LINE’s main warehouse in Sehnde alone saves around 2,500 rolls of plastic tape and 35,000 plastic shipping bags annually. Herr notes: “It’s a first step in the right direction, and we’re exploring more sustainable options where they add value.”

Jamil adds: “We see significant potential in digitalization, e.g. in vendor-managed inventory. By establishing hubs where our customers can request and access parts directly, we ensure the right parts are available at the right time.” V-LINE has already initiated such projects in the Kingdom and is optimistic about the future.

“These efforts offer real local value. Readily accessible materials enable smooth operations and foster growth. We’re proud to contribute to the Kingdom’s growth and are committed to Saudi Vision 2030,”



remarks Hasnain Jamil
CEO
of V-LINE MIDDLE EAST.

Herr concludes: “Our core objective is to be a reliable partner for our clients. By maintaining strong, close relationships with clients, suppliers, and forwarders, we can add transparency into our supply chains and are able to quickly respond to changes. This adaptability builds resilient supply chains – and that’s our ultimate aim.”

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Photo: V-LINE GROUP



Digitalization offers a tremendous value add in logistics and warehousing



MSC SAUDI

A Maritime Powerhouse in Shipping and Logistics

YOUR SHIPPING AND LOGISTICS PARTNER

MSC Saudi is a prominent player in the shipping and logistics industry, renowned for its extensive network and state-of-the-art fleet. As a part of MSC Saudi leverages global expertise to offer reliable and efficient maritime solutions. The company plays a pivotal role in facilitating international trade, connecting Saudi Arabia with key ports worldwide, and ensuring the seamless movement of goods. With a strong focus on sustainability and innovation, MSC Saudi continues to enhance its services, providing tailored logistics and supply chain solutions that meet the dynamic needs of its diverse clientele.

MSC Saudi offers comprehensive intermodal solutions that seamlessly integrate various modes of transportation, including sea, rail, and road.

By leveraging their extensive network and advanced logistics expertise, MSC Saudi ensures efficient and reliable delivery of goods across the region and beyond. Their intermodal services are designed to optimize supply chains, reduce transit times, and enhance overall cost-effectiveness, making them an ideal choice for businesses seeking flexible and sustainable transportation options.

With a commitment to excellence and customer satisfaction, MSC Saudi continues to set benchmarks in the intermodal logistics sector. In today's rapidly changing world, sustainability and innovation are crucial for long-term success. MSC Saudi places a strong emphasis on these aspects, continually enhancing its services to meet the dynamic needs of its clientele.





The company is committed to reducing its environmental footprint by adopting green practices and technologies. This includes utilizing fuel-efficient vessels, optimizing shipping routes to reduce emissions, and exploring alternative energy sources.

From initial consultation to final delivery, MSC Saudi provides comprehensive support, addressing any concerns and adapting to changing needs. This customer-centric approach has earned MSC Saudi a reputation for reliability and trustworthiness in the logistics industry.



MSC Saudi leverages cutting-edge technology to enhance its services and ensure customer satisfaction. The company utilizes advanced logistics software that offers real-time tracking, route optimization, and predictive analytics. These tools provide clients with complete visibility over their shipments, allowing them to make informed decisions and manage their supply chains more effectively.

BEYOND THE SEA

MEDLOG Saudi Arabia, a distinguished player in the global logistics and supply chain industry, stands out for its commitment to excellence and innovation. As the logistics arm of the MSC Group, MEDLOG provides comprehensive and integrated solutions tailored to the unique needs of the Saudi market.

With a robust infrastructure, state-of-the-art technology, and a dedicated team of professionals, MEDLOG Saudi Arabia ensures seamless and efficient operations across various sectors. By leveraging its extensive network and industry expertise, MEDLOG not only enhances the efficiency of supply chains but also contributes significantly to the economic growth and diversification of the Kingdom of Saudi Arabia.

The MEDLOG depot in Dammam stands as a pivotal hub in the logistics network, significantly enhancing the efficiency and reliability of cargo movement across the region.



THE MEDLOG DEPOT STRATEGICALLY LOCATED

**IN ONE OF SAUDI ARABIA'S MOST VITAL
COMMERCIAL CENTERS,
THE DEPOT LEVERAGES ITS PROXIMITY
TO KEY RAIL NETWORKS
TO STREAMLINE THE TRANSPORTATION
OF GOODS.**

By integrating advanced logistics solutions and state-of-the-art facilities, the MEDLOG depot ensures seamless connectivity between the port of Dammam and inland destinations. This rail linkage not only reduces transit times but also minimizes the environmental impact associated with road transport.

Through its robust infrastructure and dedicated services, the MEDLOG depot plays a critical role in facilitating the swift and secure movement of cargo, thus fostering economic growth and trade within the Kingdom and beyond.

MEDLOG continues to advance its development and expansion across the kingdom with remarkable determination. By investing in state-of-the-art logistics infrastructure and innovative supply chain solutions, the company is reinforcing its commitment to excellence and efficiency. This growth is bolstered by strategic partnerships and a focus on customer-centric services, positioning MEDLOG as a pivotal player in Saudi Arabia's logistics sector. As the kingdom pursues ambitious economic diversification goals, MEDLOG's expansion is not only fostering regional connectivity but also contributing significantly to the nation's Vision 2030 objectives.

A PARTNERSHIP OF TRUST AND COLLABORATION

MSC and MEDLOG Saudi Arabia have engaged in numerous strategic collaborations with various government entities. These collaborations span across multiple sectors, including transportation, trade, and infrastructure development. By working closely with the Saudi Ports Authority, the Ministry of Transport, and other relevant organizations, MSC and MEDLOG have been able to enhance their service offerings, streamline processes, and contribute to the national economic agenda.

One of the key areas of collaboration has been in the development and enhancement of maritime infrastructure. MSC and MEDLOG have supported the government's initiatives to modernize ports and improve logistics facilities. This has included investment in state-of-the-art equipment, technology integration, and capacity building. These efforts have not only improved the efficiency of port operations but have also positioned Saudi Arabia as a significant player in the global maritime industry.

Looking ahead, the relationship between MSC and MEDLOG Saudi Arabia and government entities is poised to grow even stronger. As Saudi Arabia continues to implement its ambitious Vision 2030 agenda, the collaboration between the private sector and government will be crucial in achieving the nation's goals.

MSC and MEDLOG are well-positioned to play a pivotal role in this journey, leveraging their expertise, resources, and global network to support the Kingdom's vision for a prosperous and sustainable future.

AUTHOR

Mashael Alabdulkarim

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MSC MEDITERRANEAN SHIPPING COMPANY SAUDI



[msc.com](https://www.msc.com)



NEW FACES | IN INTERVIEW

Ajanthas Kumarathas



Ajanthas Kumarathas,
Managing Director, Saudi Liebherr Company Ltd.

GESALO welcomes Ajanthas Kumarathas in his new role as the Managing Director of Saudi Liebherr Company Ltd.

Mr. Kumarathas is not a complete newcomer to Saudi Arabia as he has been in a different role in the Eastern Province. He moved to Jeddah a couple of months ago.

“Our commitment to this country remains as strong as before.”

Can you share with us the new set up of Liebherr in Saudi Arabia?

 **Ajanthas Kumarathas**

Saudi Liebherr Company Ltd. was established in 1983 through a joint venture with the local partner, E.A. Juffali & Brothers. The company’s head office is located in Jeddah, with additional branches in Dammam and Riyadh. Our main products include mobile and tower cranes, a variety of maritime cranes, earth-moving, equipment, mining equipment, and concrete equipment.

From 2019 to May 2024, I served as Division Manager for Mobile and Crawler Cranes and also held the role of Branch Manager for the Dammam branch.

Since May 2024, I have taken on the position of Managing Director, based at the head office in Jeddah, with overall responsibility for all divisions and for Liebherr's operations throughout Saudi Arabia.

Liebherr is participating in some of the country's mega projects. Can you name some of your flagship projects?



Ajanthas Kumarathas

We are involved in nearly all types of mega projects in the Kingdom. Due to our diverse range of products and our reliability in quality and service, our equipment is in demand for these large-scale projects.

We see German companies committing to Localization in KSA. Liebherr has already shown a strong commitment. Can you tell us about your efforts.



Ajanthas Kumarathas

We started our commitment in the 80s, when the visionary Mr. Hans Liebherr saw the potential in this country. Our commitment to this country remains as strong as before, even though we are currently facing challenges due to competition from the Far East. Our commitment will even be expanded, as we are planning a new production facility for transit mixers in KAEC, a new head office, warehousing and service center in Jeddah, and upgrading our service and spare parts center in Riyadh to state-of-the-art standards.

Finally, we would like to ask you a few personal questions about Germany



What is your favorite city/place and what makes it special?

Surely, my hometown Heilbronn remains forever my favorite city. It is a wonderful mid-sized city with great entrepreneurs and companies around, which provided me with a very good education. However, I must admit that Hamburg could also be considered one of my favorite cities, certainly after Heilbronn.



What is your favorite German food?

My favorite food is the "Heilbronn Leibgericht." There is probably nothing more delicious in Heilbronn cuisine than the original Heilbronn Leibgericht. This Swabian-Franconian specialty was created in 1983 for Heilbronn's gastronomy and combines several specialties from the region on one plate.



What is your favorite German cultural highlight?

Germany has such a rich cultural heritage, it's hard to pick just one highlight! I am more of a cultural and culinary person, where culture meets cuisine, such as our local Swabian festivals.

The Aviation Industry in KSA

MARKET DEVELOPMENT FOR GERMAN COMPANIES

Driven by Vision 2030, Saudi Arabia is currently undergoing a transformation and diversification in economic, social and cultural terms.

CURRENT MARKET DEVELOPMENTS

The aviation industry is also integrated into Vision 2030 through the so-called “Saudi Aviation Strategy” and is to be significantly transformed. The Kingdom of Saudi Arabia has committed to investing \$100 billion in the restructuring and expansion of the Saudi aviation industry. The General Authority for Civil Aviation (GACA) is the regulator responsible for this in Saudi Arabia.

The Saudi aviation strategy aims to achieve the goals of the national tourism strategy (330 million passengers) and to meet the national air freight requirements (2.5 million tons). In addition, Saudi Arabia is to be developed into a global transit hub (30 million passengers) and a global air cargo hub (2.0 million tons of transit). The aim is to develop the aviation sector in Saudi Arabia into the leading aviation sector in the Middle East.

EXPANSION OF CONNECTIVITY

Other pillars of the aviation strategy include the expansion of connectivity from 29 Saudi airports in Saudi Arabia to over 250 international destinations. The airports in Riyadh (RUH) and Jeddah (JED) are to act as global long-haul and air cargo hubs in the future.

Furthermore, the competitiveness of local airlines is to be increased and two new airlines, Riyadh Air and NEOM Air, are to be introduced to the market. With Saudia, flynas, flyadeal, Riyadh Air and NEOM Air, Saudi Arabia will have five local airlines in 2025.

With an expected number of 150 million tourists per year, including 30 million Umrah and 7 million Hajj (Muslim pilgrimage) tourists, the need for new airlines is increasing. A comprehensive expansion and improvement of the airport infrastructure is also being sought.

EXPANSION STRATEGY TO CONNECT

250 INTERNATIONAL DESTINATIONS

FROM 29 SAUDI AIRPORTS IN SAUDI ARABIA

ADVANCED AIR MOBILITY

Furthermore, Saudi Arabia is increasingly focusing on advanced air mobility. Here, the “Advanced Air Mobility Strategy” concentrates primarily on the core areas of passenger transportation, freight transport and utility services, particularly in the sectors of area mapping, agriculture, advertising and entertainment, infrastructure and construction site inspections, security applications and firefighting. By 2040, the Saudi government plans to contribute several billion US dollars to GDP and create thousands of jobs.

KING SALMAN INTERNATIONAL AIRPORT | ANTICIPATION

AREA OF

57

SQUARE
KILOMETERS

ANNUAL VOLUME OF

120

MILLION
PASSENGERS

REPLACING KING KHALID INT. AIRPORT

BECOMING A GLOBAL HUB

There are currently a large number of projects in the Saudi aviation industry. In order to function as a global hub with optimal international connectivity in the long term, Riyadh Airport is currently undergoing a fundamental restructuring with extensive new construction measures. The new master plan for King Salman International Airport covers an area of 57 square kilometers and will expand and replace the existing King Khalid International Airport in Riyadh. The airport is set to become one of the largest airports in the world with an annual volume of 120 million passengers. The airport is expected to contribute SAR 27 billion (\$7.18 billion) annually to Saudi Arabia's gross domestic product (in the non-oil sector).

Traditionally busy with pilgrimages to the holy sites of Mecca and Medina, the airport in Jeddah has already built its own Hajj terminal and is constantly working to expand capacity and optimize passenger flow at the airport. Some projects such as the construction of Jubail Airport, Amaal Airport and the two airports located in NEOM (NEOM Bay Airport and NEOM International Airport) are already at an advanced stage of planning. Furthermore, the development of Taif, Hail and Al Qunfudah airports are in an early planning phase.

POTENTIAL FOR GERMAN COMPANIES

The Saudi aviation industry offers great potential for German companies. From large global players to innovative niche providers and SMEs looking for partnerships, there are a variety of opportunities for cooperation.

Some global players have recently benefited from the current expansion. Frankfurt airport operator Fraport, for example, plays a key role in the transformation of the aviation industry and has established itself as a strategic partner. There is also a long-standing partnership between Airbus and the Saudi airlines, which is being intensified by the transformation.

German companies also have numerous opportunities to contribute their expertise and know-how to the development and expansion of the airports. German technology solutions are already in place in the areas of baggage handling, logistics and passenger management. For example, the German company Beltcon supplies baggage conveyor belts for various airports in Saudi Arabia via its local partner MAFA.

Advanced air mobility also offers opportunities. There is a willingness in Saudi Arabia to invest in new technologies and to promote new forms of mobility.

German technologies in this area are in high demand and have a good chance of establishing themselves on the Saudi market. Overall, German companies are in a position to play a central role in the ongoing transformation of Saudi Arabia by contributing expertise, innovation and value creation, thus creating mutually beneficial partnerships.



Lisa Freisewinkel

GTAI Research Manager /
DEinternational Consultant GESALO

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source: Vision 2030 Annual Report 2023

GATE & GESALO

Partner in the Aviation Sector

Air travel is set to change greatly, and with it so will airports and their infrastructure and services.

Sustainability, resource-saving technologies, and autonomous systems are having a major effect on the airport industry. In addition, increased passenger expectations in terms of safety and comfort are driving our members to make further progress.

GATE has been active in the airport industry worldwide since 1992.

GATE is the leading partner in many trade fairs. GATEs working groups and events interlink industry participants and stakeholders. The members are global leaders with their products and services. Together, they develop the concepts and technologies of tomorrow.



An Interview with Kevin Fischer, Head of Innovation GATE – The Leading Network of the Airport Industry

Kevin, Saudi Arabia is still a new market for GATE. But this is the third year in a row that you and your members came to exhibit at the Saudi Airport Exhibition. Do you see a growing interest in Saudi Arabia among your members?



Kevin Fischer

Definitely, we are seeing growing interest among our members. We started in 2022 with 12 German exhibitors at the Saudi Airport Exhibition. This year we already had 17 from our members.

This is also reflected in the number of participants in the delegation trip that we organized with GESALO both last year and this year following the trade fair.

Things are moving in the right direction - it is a great sign that the trade fair will be part of the foreign trade fair program next year and that there will be a German pavilion.

And the delegation trip with GESALO is also being promoted as part of the market development program. These are great signals!

What opportunities do you see for German companies in the aviation industry in Saudi Arabia?

 **Kevin Fischer**

We see immense potential in Saudi Arabia. The mega projects alone - the construction of King Salman Airport in Riyadh and the expansion of the airport in Jeddah - offer fantastic opportunities. In addition, there is the construction of smaller airports such as NEOM and Alula. Saudi Arabia wants to handle 330 million passengers per year by 2030. A huge amount of technology and know-how will be needed to achieve this.

German companies can also benefit here - if they do their homework. Companies need to take a close look at the market and get involved in it - without a certain focus on the market, it will be rather difficult. But one can say: due to the large number of projects in this tight time frame, the Saudi market is certainly one of the most interesting markets in the coming years.

After visiting the Kingdom with aviation companies twice, where do you see the biggest hurdles in doing business?

 **Kevin Fischer**

Certainly, a lack of knowledge and unfamiliarity with the market. In addition, Entrepreneurs utilize the visits whether the investment and commitment to the country is worthwhile for them. Especially the localization trend for SME companies something to be scrutinized in detail.

German companies need to find their competitive edge and niche, as we observe a strong competition from far east.

We see the importance in finding the right local partner. It becomes particularly difficult if you don't have the right local support - so it's good that GESALO is on hand to help our companies in entering the market.



GATE Business Delegation to Riyadh and Jeddah, KSA in November 2024

Redefining Shipping in Saudi Arabia



ROUTECH GLOBAL SHIPPING GATEWAY

REVOLUTIONIZING LOGISTICS: THE FUTURE IS HERE

The logistics and shipping industry is undergoing a significant transformation driven by globalization and the rapid growth of e-commerce. As businesses increasingly prioritize efficient shipping solutions, the demand for logistics services aggregators is surging. In this context, “Routech Global Shipping Gateway” emerges as an innovative platform poised to revolutionize the shipping landscape in Saudi Arabia.

UNITING BUSINESSES AND SHIPPING PROVIDERS: A MISSION TO SIMPLIFY SHIPPING

“Routech Global Shipping Gateway” is a logistics services aggregator based in Riyadh, Saudi Arabia. By connecting businesses with shipping providers from around the globe, our platform enhances the logistics process, offering a variety of shipping options in one place.

This empowers our clients to select providers that align with their specific needs, ultimately optimizing their shipping experience.

“Routech Global Shipping Gateway” aims to address key challenges in the Saudi logistics market by streamlining access to a wide range of services, ensuring high-quality standards and competitive pricing across more than 220 countries.

Photo ALOD

ROUTECH GLOBAL SHIPPING GATEWAY

High-Quality Service across

220 COUNTRIES

ADDRESSING KEY CHALLENGES IN THE SAUDI LOGISTICS MARKET

OVERCOMING CHALLENGES: YOUR GATEWAY TO EFFICIENT LOGISTICS

Businesses often struggle to find reliable shipping providers that offer the best rates and services. The logistics landscape can be complex, leading to confusion and inefficiencies. *Routech Global Shipping Gateway* addresses these challenges by offering a user-friendly platform that aggregates various shipping services, enabling real-time comparisons of rates, delivery times, and service options. Our technology-driven approach ensures that users can navigate the crowded local market effectively.

VISION 2030: BUILDING A SEAMLESS TRANSPORT AND LOGISTICS NETWORK

The “National Transport and Logistics Services Strategy” aims to achieve integration and connectivity within the transport and postal systems under “Vision 2030”. This sector, valued at 67.5 billion SAR, represents 55% of the total logistics services volume in the Gulf Cooperation Council (GCC) countries. Saudi Arabia’s strategic location—at the crossroads of global trade—positions it as a vital logistics hub, serving over 2 billion customers across three continents.

DRIVING GROWTH: COMMITMENT TO EXCELLENCE IN LOGISTICS SERVICES

Under the leadership of King Salman bin Abdulaziz and Crown Prince Mohammed bin Salman, the Kingdom emphasizes the importance of the transport and logistics sector. The Vision 2030 program focuses on transforming Saudi Arabia into a leading industrial power and a global logistics platform, creating job opportunities for Saudis and enhancing the trade balance. “Routech Global Shipping Gateway” is committed to providing high-quality services that align with government goals, contributing to the Kingdom’s vision of becoming a global logistics leader.

SHAPING THE FUTURE: TOGETHER TOWARDS A GLOBAL LOGISTICS HUB

As the logistics and shipping industry continues to evolve, *Routech Global Shipping Gateway* is at the forefront of this transformation. By offering innovative solutions that streamline shipping processes and enhance connectivity, we are poised to capture market share and drive significant advancements in the logistics sector. Together, we aim to elevate Saudi Arabia’s position as a global player in logistics, ensuring that businesses can thrive in an increasingly interconnected world.

ABOUT ROUTECH - GLOBAL SHIPPING GATEWAY

Routech was born to disrupt the traditional shipping model. Founded in 2020, with a cloud technology platform and digital-only approach. Routech aim is to provide, lead services in the field of Freight forwarding and the express shipping in the Kingdom of Saudi Arabia and the Gulf Cooperation Council (“GCC”) countries. With a global approach covering more than 200 countries around the world.

AUTHOR



Jihad Aldaoud
CEO
Routech Logistics



tryroutech.com

KUEHNE+NAGEL

Driving Logistics Innovation and Enabling Vision 2030

Kuehne+Nagel, a global leader in logistics and supply chain solutions, has built a solid foundation in Saudi Arabia to support the Kingdom's Vision 2030.



With a presence in the country since 1979, Kuehne+Nagel is dedicated to advancing Saudi Arabia's economic growth and development goals.

With four strategically located offices in Riyadh, Jeddah, Dammam, and Tabuk, Kuehne+Nagel provides a robust logistics network that enables it to deliver tailored solutions across diverse industries, fostering economic growth and operational efficiency for its customers.

“In a world where unexpected disruptions have become the norm, our strength lies in delivering resilient and agile solutions for customers across diverse sectors, including healthcare, FMCG, technology, and aerospace,”

says Serge Boustany,
Managing Director Saudi Arabia
and Bahrain at Kuehne+Nagel

“We collaborate closely with partners and local authorities, developing multiple contingency plans to safeguard the supply chain.”, Serge Boustany continuous.



“But what sets Kuehne+Nagel apart is our expertise in tailored solutions, such as sea-air and sea-road services, which integrate multiple transport modes to ensure products reach their destination safely and on time.”

Aligned with the Vision 2030 pillars of building a thriving economy, capitalising on Saudi Arabia’s strategic location, and fostering a vibrant society, Kuehne+Nagel partners with the Saudi Logistics Academy to attract young talent. These talents later join as full-time team members, contributing to a strong and capable Saudi local workforce.

From temperature-sensitive products to oversized cargo like wind turbines and tower sets for the iconic Neom project, Kuehne+Nagel combines global expertise with local knowledge to deliver operational excellence and results for its customers.

“Our sea, air, road, project logistics, and customs brokerage solutions are the backbone of our services,” says Serge Boustany.

Photos: Kuehne+Nagel (4)

AUTHOR



Serge Boustany
Managing Director
Kuehne+Nagel
Saudi Arabia and Bahrain



kuehne-nagel.com



NEW FACES | IN INTERVIEW

Bjoern Bodenstein

GESALO welcomes Bjoern Bodenstein in his new role as the Managing Director of Siemens Healthineers in KSA. Mr. Bodenstein moved to KSA a couple of months ago. This is not his first post to the region as he has been in Dubai for some years.

There have been a lot of reports about Vision 2030 and the transformation of the country. How do you perceive the social and economic transformation?

 **Bjoern Bodenstein**

So much has changed in the last 4.5 years since my last visit to Saudi Arabia in December 2019. When I returned to the Kingdom earlier this year - after being based in Thailand - I felt like I was coming to a completely different country, which I had not experienced in previous visits.

In general, there is a positive vibe when you move through the cities and the country—you can feel the difference. There are many options, for example, in entertainment - that were simply unavailable in the past. I have to say I am impressed with the dynamics and the speed of the transformation - at the same time, these dynamics similarly impact the economy.

Saudi Arabia is undergoing one of the largest global healthcare transformations. Siemens Healthineers is already well-established in the market. Where do you see further opportunities within the upcoming years?

 **Bjoern Bodenstein**

From a Siemens Healthineers perspective and our company’s purpose of “Pioneering breakthroughs



Bjoern Bodenstein, Managing Director,
Siemens Healthineers Saudi Arabia

for everyone. Everywhere. Sustainably.” there are a lot of overlaps between the Vision 2030 and the strategic goals of the Healthcare Transformation Program.

For example, the drive to increase access to care and the ambition to provide world-class precision medicine. Looking at our history and partnerships in public and private healthcare, I believe Siemens Healthineers can significantly contribute to the changes in the Saudi Healthcare System, coming of a strong basis.

Considering the market opportunities, I see significant potential for us and business in other industries as well, to grow through public-private partnerships. This is mostly due to the government's support for privatization and the ease of regulations. These partnerships offer unique opportunities to create innovative business models which prioritize value-based delivery, precision medicine, and efficiency.

Also, there will be growth opportunities lie in AI and digitization. Partnerships addressing these topics with the aim, for example, to connect providers with patients or to create digital twins of patients, hold a lot of potential.

With the government actively supporting privatization and digitalization plans, Siemens Healthineers is well-positioned to make major contributions by using its expertise and technological advancement. Collaboratively, we can transform the healthcare sector and improve efficiency in a sustainable manner.

Innovation and digitalization are strong focus areas for Siemens Healthineers, two factors are going hand in hand with the Vision 2030. Can you give us some examples of reference projects in the Kingdom.



Bjoern Bodenstein

For decades, Siemens Healthineers has partnered with leading public and private healthcare institutions in Saudi Arabia. We built strong partnerships by delivering cutting-edge diagnostic imaging, advanced therapies, laboratory diagnostics, and radiation oncology technologies.

This dedication to advancement is illustrated by our engagement with SEHA Virtual Hospital (SVH), which has been a key part of this journey. For us, these initiatives are more than just projects — they're about making a difference in the healthcare ecosystem. By improving access to care, driving innovation, and building local expertise, we're proud to support the Kingdom's vision of becoming a global leader in healthcare through innovation and digitalization.

One example is introducing the remote scanning solutions as a proof of concept. This solution allows specialists to guide imaging in real-time, even in remote areas, making healthcare accessible and within reach.

Beyond digitalization, we've contributed through our Innovation Think Tank Program, shaping a Sandbox policy to encourage startups to create solutions for local needs. To ensure lasting impact, we've worked with key stakeholders—such as the Deputy Minister of Health, SVH leadership, Saudi Food and Drug Authority, Saudi National Institute of Health, and King Abdulaziz City for Science and Technology—through a Capacity Building Program equipping leaders with tools to drive innovation and digital health changes.

Together, these efforts are helping to build a more robust, digitalized, and innovative healthcare ecosystem in Saudi Arabia that is ideally in sync with Vision 2030.

Finally, we would like to ask you a few personal questions about Germany



What is your favorite city/place and what makes it special?

For me, the Thüringer Wald will always be my favorite place in Germany. This is where my roots are. A place of nature, fresh air and loads of lifetime memories.



What is your favorite German food?

Thüringer Bratwurst mit Senf (When I was young, I was never a big fan of German dumplings in any shape or form)



What is your favorite German cultural highlight?

There are some poems that I can still recall and liked very much from my school days, like Schimmelreiter and the Osterspaziergang from Faust, but I keep this answer along the lines of my favorite place and food: Das Rennsteiglied by Herbert Roth.



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GESALO NEWS

Business Delegations - Initiating business opportunities

OCTOBER 2024

**COMPANIES FROM MAGDEBURG
EXPLORE MARKET
OPPORTUNITIES IN SAUDI ARABIA**



As the construction market in Saudi Arabia has emerged as a leader in the Middle East and North Africa with an estimated size of USD 70.33 billion in 2024, projected to reach USD 91.36 billion by 2029, there is plenty of market potential for German companies.

The market exploration trip which comprised nine participating enterprises from the Magdeburg, mainly located in the construction and metal sector, led by IHK president Klaus Olbricht, offered the chance for first-hand experience of the booming construction sector in Saudi Arabia under Vision 2030.

Especially, it granted participants the opportunity to exchange and connect with established Saudi businesses on spot, and to gain insights into how to enter the Saudi market.

Following a briefing on the current market situation by Dr. Dalia Samra-Rohte, Delegate of German Industry & Commerce for Saudi Arabia, Bahrain, and Yemen and legal insights provided by counselor Jochen Hundt, during visits to NEOM Investment Fund, the Ministry of Investment and the Al Rajhi Bank, the participants were introduced to financial aspects of conducting business in Saudi Arabia.

An ensuing roundtable at the Jeddah Chamber allowed for exchange and the establishment of contacts with local enterprises from the construction sector.

Appointments with the Saudi Authority for Industrial Cities and Technology Zones, MODON, and the leading project development company ROSHN, as well as a visit to the megaprojects Red Sea Global and Diriyah, granted insights into the Saudi infrastructure and industrial sectors which are more popular than ever, as well as the vastness of connected megaprojects.





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NOVEMBER 2024

SAUDI AVIATION SECTOR VAST OPPORTUNITIES FOR GERMAN TECHNOLOGY PROVIDED IN KSA



Saudi Arabia is increasingly solidifying its role as a key player in fostering innovation, particularly across the areas of customer experience, safety, and environmental sustainability. Aviation already stands as a key pillar in the country’s Vision 2030, playing a pivotal role in enabling the kingdom’s broader economic and social ambitions through global connectivity.



In November 2024, eight German companies explored market potential in the aviation sector during a delegation trip collaboratively organized by GESALO and German Airport Technology and Equipment e.V. (Gate Alliance).

Visits to airport developers and operators JEDCO (Jeddah Airport), Riyadh Airport, as well as the responsible state regulator MATARAT Holding and Saudia Airlines, during which high-ranking representatives of the respective institutions and stakeholders presented the current expansion plans



of their airports, as well as specific logistical challenges, emphasizing the need for foreign know-how and technology, granted the participants first-hand insights into current market chances.

Appointments at Saudia Logistics and Saudi Ground Services Co. granted insights into the fields of transport and airport logistics and specifically characteristics of the current market in this area.

An ensuing roundtable at the Jeddah Chamber allowed for exchange and the establishment of contacts. Furthermore, the delegation gained additional insights into the current infrastructure expansion of passenger and freight transport by air, water and land.





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Saudi Liebherr Company Ltd. was founded in 1998 under a joint venture agreement with the local partner, E.A Juffali & Brothers. Saudi Liebherr exclusively distributes the entire range of Liebherr construction machines in Saudi Arabia, through its head office in Jeddah and two branches in Dammam and Riyadh region.

www.liebherr.com

LIEBHERR

Saudi Liebherr Company Ltd.

NOVEMBER 2024

THE BOOMING F&B SECTOR IN SAUDI ARABIA – A SECTOR ON THE RISE



The food market in Saudi Arabia is changing rapidly. Current developments towards organic products, dietary products and healthy eating are on the rise.

With a growing, young population with an average age of 30.6 years, consumer behavior in the food sector is rapidly changing, demanding new products and fresh trends. Saudi Arabia's food importers are adapting to these demands and are focusing on several products that are expected to do very well in the next period: processed meat, seafood, ready-made meals, baby food, ice cream, breakfast cereals, processed fruits and vegetables, beverages. The fast-growing segment of restaurants which are in between Michelin-star locations and fast-food places also drives the import of high-quality, gourmet food ingredients.

A delegation with German manufacturers from the food sector, organized by GEFA Exportservice GmbH, in cooperation with the Delegation of German Industry & Commerce for Saudi Arabia, Bahrain and Yemen in Saudi Arabia and the German

Emirati Joint Council for Industry and Commerce United Arab Emirates (UAE) and the association Food - Made in Germany e. V., on behalf of the Federal Ministry of Food and Agriculture (BMEL), granted the opportunity for first-hand exploration of the Saudi food market and the establishment of contacts therein.

Following a briefing at the GESALO headquarters by Dr. Dalia Samra-Rohte, Delegate of German Industry & Commerce for Saudi Arabia, Bahrain, and Yemen, providing an overview over the current market situation, a visit to the Ministry of Investment (MISA) gave insights into particularly financial questions.

Ensuing store checks at different Saudi supermarkets granted the opportunity for on-the-spot exploration and offered direct insights into the product ranges of respective market chains, as well as potential market niches.



During B2B talks with established players in the Saudi food sector, prospective business opportunities and existent market potentials could be explored. This gave room for exchange with interesting partners establishing first contacts and for networking with potential future partners. Beyond that, at a roundtable with senior experts from renowned businesses in the Saudi Food & Beverage Sector gave room for exchanging experiences and strategies on how to enter the market, showcasing paths already taken.

Following their stay in Saudi Arabia, the delegation continued its market exploration trip in Dubai.



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NOVEMBER 2024

MARKET EXPLORATION TRIP SAUDI ARABIA BY SAXONY TRADE & INVEST CORP.



Cooperatively, the Delegation of German Industry & Commerce for Saudi Arabia, Bahrain and Yemen in Saudi Arabia and Saxony Trade & Invest GmbH organized the market exploration trip Saudi Arabia from November 24th-28th 2024 which took place in Riyadh and Jeddah.

Particularly, the trip focused on Saudi Arabia's main growth sectors, namely the fields of construction and infrastructure, renewable energies and environmental technologies, technology, and digitalization, as well as suppliers for the tourism and hospitality industry.

Featuring meetings and room to exchange with locally established players, senior experts and potential cooperation partners in the Saudi market, the trip aimed at offering the chance to familiarize with the Saudi business culture and to explore a potential future market to help the participants develop their own strategies to enter the market in a sustainable manner.

Following a reception joined by German Ambassador H.E. Michael Kindsgrab and a briefing at



the GESALO office by Dr. Dalia Samra-Rohte, Delegate of German Industry & Commerce for Saudi Arabia, Bahrain, and Yemen, providing an overview over the current market situation, counselor Jochen Hundt provided an overview over legal regulations and requirements.

Appointments at NEOM Investment Fund and Al-Yamama Group constituted a chance for the seven participating enterprises to get to know two of the market-leading mega-companies and to establish new contacts. A dinner with representatives of German companies that have already established themselves in the Kingdom served as an opportunity to exchange and connect with settled experienced experts.

On the following day, ensuing appointments at the Ministry of Investment (MISA) and at Saudi Fransi Bank gave insights into financial questions. Furthermore, a visit to Diriyah introduced the participants to examples of the practical realization of sustainability strategies for the restoration and preservation of ancient cultural heritage sites as host locations for the modern hospitality sector.

In Jeddah, appointments with ROSHN and Juffali and Brothers, two further mega-companies, in addition to a shared breakfast with German consul general Dr. Eltje Aderholt and a roundtable at Jeddah Chamber, provided the participants with additional networking and exchange opportunities. Finally, a visit to King Abdulallah City (KAEC), which with Abdullah Port according to the worldbank features the most efficient port in the world, allowed for insights into particularly the logistics sector.



GESALO NEWS

Always on the pulse of the industry



SEPTEMBER | RIYADH

GESALO ROUNDTABLE ON TRAINING & RETAINING EMPLOYEES

One of the crucial points in building a value chain is not only qualified workforce but also employee retention. The GESALO CEO Roundtable exchanged different perspectives on this topic with German company representatives. The German Ambassador, H.E. Michael Kindsgrab and our Delegate, Dr. Dalia Samra-Rohte kicked off the discussion with an update on the bilateral economic relations. The discussion was continued by a presentation from OakHill Development Academy, highlighting some findings and facts from the region on the retaining of employees

SEPTEMBER | RIYADH

GESALO ROUNDTABLE ON DIGITALIZATION

Digitalization and Artificial Intelligence were the focus of the discussion during the GESALO Roundtable on the occasion of the Visit of the Secretary of State H.E. Stefan Schnorr from the German Federal Ministry of Digital and Transport. Saudi Arabia is a global front-runner in the application of digital technology and AI. German companies based in the Kingdom are participating in the vast developments. Innovative German technologies are applied in the industrial sector, healthcare, energy, or automotive. After the discussion, the delegation and the German Embassy visited SAP, which represents a German success story in the field of digitalization and AI. Thanks to SAP of the warm welcome and the interesting insights.





OCTOBER | JEDDAH

COOPERATION IN THE WESTERN PROVINCE

Dr. Dalia Samra-Rohte, Delegate of German Industry met with local businesspeople in Jeddah for an exchange to enhance the cooperation. During the visit GESALO organized in the presence of the Consul General Dr. Eltje Aderhold a roundtable, which illustrated the strong German commitment in setting up a value chain in the Kingdom. The Western Province of Saudi Arabia - and Jeddah in particular - are home to numerous German companies. With our German Desk headed by Rawabi Basyouni, GESALO is in constant exchange with German and Saudi companies as well as institutions.

It was a great pleasure meeting with the team at Bayer and having a fruitful exchange. In the commemoration of world heart day, Bayer has achieved a new Guinness World Record for conducting the highest number of cardiovascular disease (CVD) screenings at a single point of check in 12 hours. Congratulations to the entire Bayer Team.

OCTOBER | RIYADH

ROUNDTABLE ON ECONOMIC AND FISCAL SECTOR

The GESALO team had the honor of receiving Dr. Nicolaus Heinen, Director-General Economic and Fiscal Policy Strategy and Mr. Florian Rohde, Head of Directorate I C Growth Policy and Resilience from the Bundesministerium der Finanzen during their visit in Riyadh.



The visit was concluded at the GESALO office with an interesting roundtable with representatives from various companies and the financial sector to discuss about the market and Saudi German collaboration.

GESALO NEWS

Bahraini-German Symposium

Utilizing Talents in an Evolving Economy was the title of the Bahraini-German Symposium GESALO organized in cooperation with the Applied Science University (ASU) in Bahrain at the ASU premises.

Over 100 students, attending from various faculties, engaged in an interactive knowledge exchange throughout two panel discussions with German industry leaders. The panels discussed integrating graduates into workforce as well as the application of innovative German technology in collaboration with the education Sector.



Prof. Dr Waheeb Alkhaja, Chairman of the Applied Science University

The symposium was opened by Prof. Dr Waheeb Alkhaja, Chairman of the Applied Science University and Board Member of the Bahrain Chamber of Commerce as well as the German Ambassador H.E. Clemens Hach. Our Delegate Dr. Dalia Rohte moderated both panel discussions with industry experts from Siemens, BASF, SAP and RMA Technologies. The discussions gave the students an insight into the uses of Artificial Intelligence, necessary soft skills, or recruitment processes.



German Ambassador H.E. Clemens Hach

“The symposium was an excellent platform for the Bahraini students and academia to exchange ideas with the German industry based in the region. In a transforming world the exchange and application of innovative technology in the education sector became even more important.”



said Dr. Dalia Samra-Rohte, Delegate of the German Industry for Saudi-Arabia, Bahrain and Yemen.

“As the format was very successful, we look forward to expanding our cooperation with ASU in the future”, continuous Dr. Dalia Samra-Rohte, Delegate GESALO.



As the symposium was coinciding with Bahrain Women ´s Day the panelist also highlighted female integration programs of the industry as well as the achievements of female participation in the workforce.



NOVEMBER | MANAMA, BAHRAIN

JEWELLERY ARABIA | THE MOST INFLUENTIAL JEWELLERY EXHIBITIONS

Since its launch in 1992, Jewellery Arabia has evolved into one of the most influential jewellery exhibitions in the Middle East. Bringing together over 650 global brands and attracting more than 40,000 buyers, the event serves as a premier platform for jewellery and watch enthusiasts.

Visitors can explore a dazzling array of pieces, from everyday jewellery to exclusive contemporary designs and classic timepieces. The exhibition also features dynamic pavilions, including those dedicated to India, Hong Kong, Thailand, and Singapore, as well as a Gold Souq showcasing 18K and 22K gold. In addition, the International Designers Pavilion offers a rare opportunity to connect directly with some of the world's top jewellery designers.



Meeting with Mr Heinz Mayer at his booth

Astrid Crookes, Deputy Delegate, participated in Jewellery Arabia in November for fruitful exchanges and high-level discussions with exhibitors. During their visit, they also met with Ms. Stefanie Mändlein, Exhibition Director of INHORGENTA Messe Munich, to discuss the upcoming INHORGENTA Munich 2025, set to take place from 21–24 February 2025.



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NOVEMBER | MANAMA, BAHRAIN
**EXPORT BAHRAIN:
EMPOWERING GLOBAL GROWTH**



Export Bahrain has been a key driver in helping local businesses expand internationally since November 2018. As the national export development arm of Bahrain, it provides vital support for businesses looking to access global markets.

With a mission to promote, nurture, and accelerate the growth of Bahraini businesses, Export Bahrain offers a comprehensive range of services, including

export financing, market intelligence, export credit insurance, and international exposure.

Export Bahrain's strategic solutions empower businesses to overcome challenges in the dynamic export environment, ensuring they can successfully navigate the complexities of international trade. By acting as a trusted partner, Export Bahrain continues to reinforce Bahrain's position as a leading global export hub, creating pathways for Bahraini businesses to thrive on the world stage.

Fatima Bakhsh, Head of the German Desk for the Eastern Province and Bahrain, and Astrid Crookes, Deputy Delegate at the German-Saudi Arabian Liaison Office (GESALO), recently visited Export Bahrain to discuss their potential participation in the AA+ Mobility 2025 trade fair in Germany. During the meeting, GESALO discussed the services and support they can offer to exhibitors, emphasizing the benefits of these resources for enhancing the success of Bahraini companies at international events and fostering global trade connections.

**» IAA MOBILITY
2025**

VENUE
Munich, Germany

WHEN
September 9-14, 2025

The world's leading platform for mobility, sustainability, and technological innovations



The German-Saudi Symposium

ON INNOVATION IN THE VALVE INDUSTRY

Held on September 9th, 2024, at the Asharqia Chamber in Dammam, the German-Saudi Symposium marked a significant step forward in strengthening economic and trade relations between Saudi Arabia and Germany. This unique and collaborative event brought together industry leaders to explore opportunities, address challenges, and foster partnerships in the valve industry. Organized by GESALO in behalf of Valve World Expo and Messe Düsseldorf, and supported by the Asharqia Chamber, the symposium created a pivotal gathering to advance the valve industry's future.

Key discussions revolved around innovation, sustainability, and international cooperation, with a focus on advancing the growth and development of the valve industry. Dr. Dalia Samra-Rohte, Delegate of German Industry & Commerce for Saudi Arabia, Bahrain, and Yemen, highlighted the 20% increase in bilateral trade from 2022 to 2024, as well as the growing interest of German companies in Saudi Arabia's mega projects.

Notably, WIKA and AUMA have established regional headquarters in the Kingdom, demonstrating the strength of this collaboration.

PRODUCT CATEGORIES AT THE VALVE WORLD EXPO

Valves

Pumps

Actuators & Positioners

Engineering & Software

Associations & Publishing Houses

Valve Components & Parts



DEC 3-5, 2024 | DUESSELDORF



Mr. Abdulrahman Albassam, board member of the Asharqia Chamber, played a key role in organizing the event and fostering bilateral cooperation. His leadership and dedication were instrumental in bringing together industry experts from both nations, ensuring a platform for meaningful dialogue and partnership-building.

Mr. Omar Muhammed, representing WIKA, spoke about their efforts to localize operations in Saudi Arabia, supporting the Kingdom’s infrastructure plans by establishing local value chains and strengthening the local workforce. Similarly, Mr. Prasad Durga, from AUMA, shared insights on AUMA’s localization strategy, which includes developing local manufacturing capabilities to meet Saudi Arabia’s growing demand for advanced valve technologies.

Both companies are committed to enhancing the local economy and advancing industrial innovation.

Eng. Bandar Alharbi, Vice President for Technical Affairs at the National Water Company, emphasized the critical role of valve technologies in water desalination, a key area for Saudi Arabia’s infrastructure development. The event provided a platform for sharing insights and exploring innovations in water management, energy efficiency, and sustainable valve technologies.

Mr. Daniel Ryfisch, representing Messe Düsseldorf, discussed the opportunities presented by the Valve World Expo, one of the world’s leading trade fairs for industrial valves. He highlighted how the Expo serves as a vital platform for showcasing the latest advancements in valve technologies and offers significant opportunities for both Saudi and German companies to collaborate, innovate, and expand their presence in international markets.

By leveraging German engineering expertise and Saudi Arabia’s resources, the event showcased how collaboration can drive industrial efficiency and sustainability.



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GESALO Excellence Awards

RECOGNIZING CORPORATE ACHIEVEMENTS IN THE VARIOUS SECTORS

The German Saudi Liaison Office for Economic Affairs (GESALO) celebrated the 1st GESALO Award Gala on November 6th in Riyadh. The event honored outstanding company achievements and enduring partnership of the bilateral economic relationship.

ABOUT THE AWARD

With the GESALO Excellence Awards, we recognize corporate achievements in the various sectors varying from medical, tourism, entertainment, automotive, waste management, machinery, food, and chemicals as well as the support of setting up the circular carbon economy in Saudi Arabia.

The prestigious GESALO Awards confer entities in different categories. A great selection of companies applied for the award with their company's achievements.



The respected leadership of 30 companies and institutions have been awarded in the categories:

- Innovation and Technology,
- Saudi German Business Partnership,
- Excellence in Customer Interaction,
- Responsibility for the Future,
- Above & Beyond





GESALO Delegate Dr. Dalia Samra-Rohte congratulated the winners in the presence of the German Ambassador, H.E. Michael Kindsgrab in a festive atmosphere. GESALO is a vital link between businesses in Germany and Saudi Arabia, promoting trade and investment. By facilitating dialogue and collaboration, GESALO played over the last 45 years crucial role in strengthening bilateral economic relationship.

“We are thrilled to launch this award gala as a platform to celebrate the strong economic partnership between Germany and Saudi Arabia. German companies are participating in numerous megaprojects and infrastructure development contributing to the national objectives of the Vision 2030.”,



says Dr. Dalia Samra-Rohte
Delegate of the German
Industry, GESALO



“We see a constant increase in the export numbers with a plus of 20% compared to last year. While German companies focused solely on exporting in the past, we are also seeing more German companies creating their value chain locally,” The continuous interest of German companies in the region is also illustrated by the visit of several German delegations“. Just in November, four German delegations are expected - among them companies from the aviation and food sector.”, adds Samra-Rohte.

Following the ceremony, attendees had the opportunity to network with leaders from various industries, enhancing connections that could lead to fruitful collaborations and partnerships.



LEARN MORE

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FALL 2024

AHK World Business Outlook

The AHK World Business Outlook (WBO) is based on a regular DIHK survey of the member companies of the German Chambers of Commerce Abroad, delegations and representative offices (AHKs). In fall 2024, it collected feedback from around 3,400 German companies, branches and subsidiaries worldwide, as well as companies with close ties to Germany. 69 companies from Saudi Arabia and Bahrain participated. The survey was conducted from September 23 to October 16, 2024.



DOWNLOAD WBO

How has the competitive position of your company changed at your location in the last 5 years?

The region - Africa, Near and Middle East - has experienced one of the most positive developments regarding its economic position in recent years. 60% of companies expect that economic development will improve over the next 12 months. Compared to the World Business Outlook in Spring 2024, the number of companies that expect a positive economic outlook have doubled.

**The region
"Africa, Near and Middle East"
is among the most
competitive regions globally**



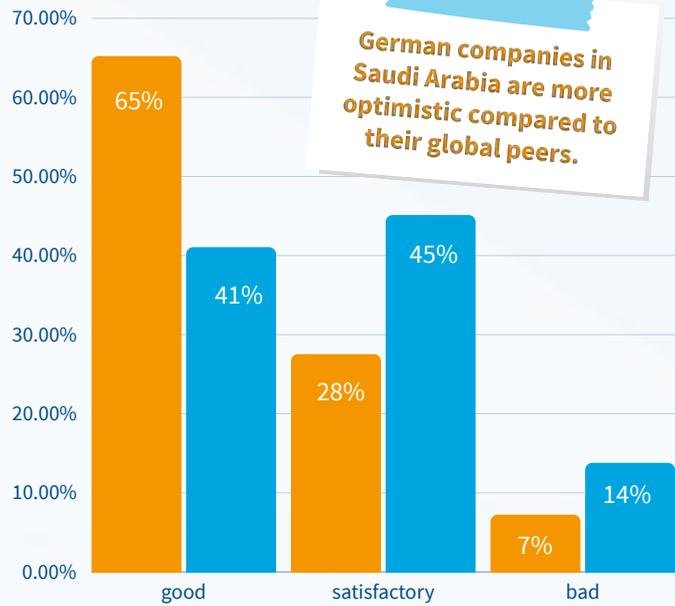
How do you assess the current situation of your company?

Survey submissions by companies :

- Saudi Arabia & Bahrain
- Worldwide

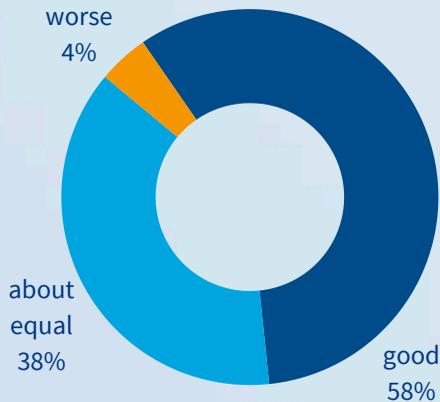
93%

of German companies located in Saudi Arabia assess their current situation as good or satisfactory (64 out of 69).



German companies in Saudi Arabia are more optimistic compared to their global peers.

How do you judge the local economic development in the next twelve months?



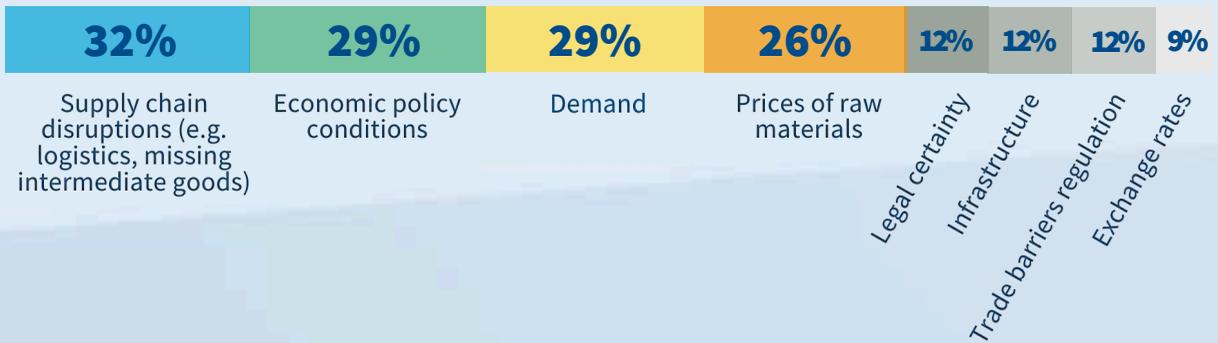
Being one of the largest economies in the region, Saudi Arabia leads the positive economic outlook.

96%

of companies judge the local economic development positively - More than half of the respondents (60%) expect "good" economic development and 26% forecast an "equal" economic situation.

Source: AHK World Business Outlook Fall 2024

What are the biggest risks for your company’s economic development in the next twelve months?



The biggest risks companies see while operating in Saudi Arabia are: Lack of skilled workers, labor costs, financing conditions, and supply chain disruptions.

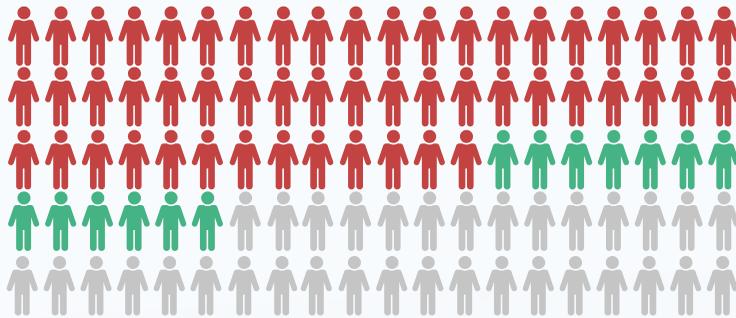
Globally, demand and economic policy are regarded as the highest risk factors. These factors only play a minor role in the Saudi market.

Skilled workforce and labour costs are the biggest hurdles for growth

How do the following factors influence your own competitiveness?

Cost structure & Costs for Preliminary Products

Half of the companies in Saudi Arabia perceive the cost of raw materials / preliminary products as a challenge



53%
negative impact

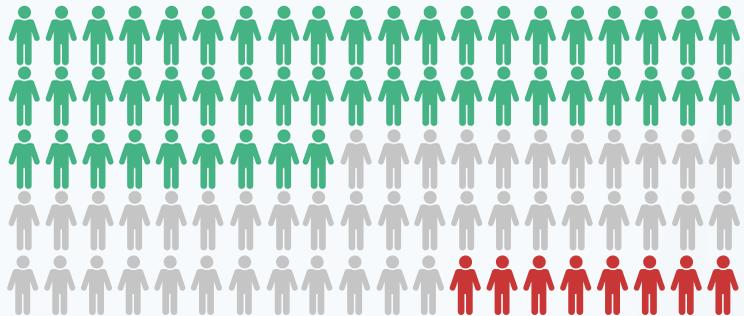
- 13% positive impact
- 34% neutral

Strong buy-in for sustainability requirements

Sustainability requirements

49%
positive impact

- 43% neutral
- 8% negative impact



Source: AHK World Business Outlook Fall 2024

GESALO | OUR SERVICE OFFER

Saudi Arabia & Bahrain

CHECK YOUR MARKET

1 PRODUCT BASED MARKET RESEARCH

Overview of market trends, competitor products, etc. | from EUR 1,000

2 COMPANY INTERNAL BRIEFING

On the current market developments
Price upon request

FIND YOUR BUSINESS PARTNER

3 BUSINESS PARTNER MATCHING ORGANIZATION OF MEETINGS & ROADSHOWS, ACCOMPANIED BY AHK

OPTION 1

Virtual appointments - up to 5 appointments á EUR 360, reduction for each additional appointment.

OPTION 2

In person appointments - up to 5 appointments á EUR 450, reduction for each additional appointment.

4 ADDRESS RESEARCH

We find suitable contacts of potential partners in the market for you. Price upon request.

YOUR PARTNER IN KSA & BAHRAIN

5 INFORMATION AND ADMINISTRATIVE SUPPORT

EUR 250

6 WORKING SPACE FOR A DAY

EUR 50/ day

7 LEGAL CONSULTATION THROUGH A PARTNER

of the legal
GESALaw - Network

8 FINANCIAL AND PAYROLL ACCOUNTING SERVICES

Implementation with an external partner

9 ORGANIZATION OF EVENTS

like company launches/ jubilees on site. Price upon request.

10 INDIVIDUAL SUPPORT

Package deals on request



Delegation der Deutschen Wirtschaft für Saudi-Arabien, Bahrain und Jemen
German-Saudi Arabian Liaison Office for Economic Affairs (GESALO)
مكتب الاتصال الألماني للصحة، للشؤون الاقتصادية



MARKET ENTRY WITH GESALO

Meet the Team

You want to enter the Saudi market and explore new business prospects? The Saudi Arabian economy is in a state of change with a lot of new opportunities for German and international companies. Plan your market entry with us!



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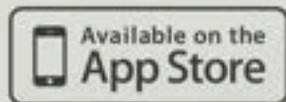
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**building
bridges** BETWEEN LEADING ECONOMIES
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Product
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P-AZSF-1-4-23-056
P-AZSF-1-4-23-058
P-AZSF-1-8-15-023



COPERION SMART FACTORY

Smart Manufacturing Operations Management

Coperion Smart Factory integrates process control and data management to provide a comprehensive service along the whole chemical and polymer process chain. Logistics processes are a competitive differentiator.

Comprehensive logistics processes management is crucial to optimizing revenue, improve resource utilization and service the end customer efficiently.

To bring forth a modern distribution intelligence Coperion has formed a strong partnership with Körber Supply Chain Software (SCS) who provides the IT expertise required to perfect this offering – from initial business plan and plant conception to full plant implementation and chemical/polymer tracing, quality management, logistics and distribution intelligence.

In recognition of these chemical and polymer market challenges, Coperion and Körber SCS provide innovative logistics solutions for new plant design, network integration and also for retrofit modernization and improved network integration of existing plants.



CONTACT



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General Manager
Coperion Middle East



coperion.com



BASF, SABIC, and Linde celebrate the start-up

of the world's first large-scale electrically heated steam cracking furnace

In a significant milestone for the petrochemical industry, in April BASF, SABIC, and Linde inaugurated the world's first large-scale electrically heated steam cracking furnaces at BASF's Verbund site in Ludwigshafen.

Since then, the demonstration plant has been in operation. This groundbreaking facility is a lighthouse project, marking the dawn of a new era where electricity could replace in the long term conventional fuels in steam cracking—a process essential for producing vital chemicals like olefins..

REPLACING THE CONVENTIONAL USE OF NATURAL GAS

The innovative technology powering the demonstration plant seeks to replace the conventional use of natural gas with electricity derived from renewable sources, highlighting the industry's commitment to sustainability. The two electrically heated furnaces together process around 4 tons of hydrocarbon feedstock per hour and consume 6 megawatts of renewable energy. Our demonstration plant is the culmination of three years of meticulous collaboration and innovation among the three industrial giants

BASF and SABIC have extensive know-how and intellectual property in developing chemical and petrochemical processes as well as longstanding experiences and knowledge in operating steam crackers.

THIS PROJECT AIMS
TO SIGNIFICANTLY REDUCE CO2 EMISSIONS

BY AN
IMPRESSIVE
UP TO **90%**

OVERCOMING A PERENNIAL CHALLENGE IN
THIS ENERGY-INTENSIVE SECTOR

Both companies have holistic programs in place to address emission reductions. Linde, as Engineering, Procurement & Construction (EPC) partner contributes with its intellectual property, its expertise in building and developing steam cracking furnace technologies as well as driving future commercialization for process engineering systems and technical development.

SABIC's role in the electric furnace project supports Saudi Vision 2030's focus on diversifying the economy and fostering innovation and sustainability. This reflects Saudi Arabia's dedication to advancing sustainable technologies within the global chemical sector.



REVOLUTIONIZING STEAM CRACKERS METHOD

Traditionally, steam crackers require immense energy to break down hydrocarbons, achieving temperatures of up to 850 degrees Celsius through fossil fuel combustion. This process has been a major contributor to greenhouse gas emissions. However, the new electrically driven furnace aspires to revolutionize this method, significantly curtailing emissions associated with one of the industry's most energy-intensive processes.

Fully integrated into the existing infrastructure at Ludwigshafen, the plant is poised to enrich the scientific community with valuable data on material behavior under commercial conditions.



It features two distinct demonstration furnaces exploring different heating methods: direct heating, which allows electric currents to flow through cracking coils, and indirect heating, which uses radiative heat from surrounding elements. Together, these methods process approximately 4 tons of hydrocarbon feedstock per hour, underscoring the plant's substantial contribution to decarbonization.

SIGNIFICANT BOOST FUNDING UNDERSCORES GERMANY'S COMMITMENT

This innovation received a significant boost from the German Federal Ministry for Economic Affairs and Climate Action, which granted €14.8 million to support this groundbreaking initiative. This funding underscores Germany's commitment to aiding energy-intensive enterprises in their quest for carbon neutrality. BASF, SABIC, and Linde have not only laid the groundwork for technological advancement but also illuminated a path toward a more sustainable, climate-neutral future for the global chemical industry. Through their collective vision and determination, they have redefined what is possible, inspiring the industry to envision a world where sustainability and productivity coexist harmoniously.

AUTHOR

Khaldou Bouacida
Managing Director BASF
Middle East



[basf.com](https://www.basf.com)

THE HEARTBEAT OF OUR INDUSTRY

bauma, Munich, April 7-13, 2025



VISIT bauma:
[bauma.de/en/
trade-fair/why-visit](https://bauma.de/en/trade-fair/why-visit)



Boost your success: the construction machinery industry's future begins at bauma—the World's Leading Trade Fair for Construction Machinery, Building Material Machines, Mining Machines, Construction Vehicles and Construction Equipment.

trade shows 2025

January

- JAN 13-17 BAU 2025 | MUNICH**
Leading Trade Fair for Architecture, Materials and Systems
- JAN 17-26 Grüne Woche (IGW) | BERLIN**
Leading International Trade Fair for Food, Agriculture and Horticulture
- JAN 18-26 boot | DUSSELDORF**
World's Largest Yacht and Watersports Show
- JAN 28 - FEB 01 Spielwarenmesse | NUREMBERG**
The Centre of the Toy Industry for Innovations and Trends
- JAN 31 - FEB 02 opti | MUNICH**
International Trade Show for Optics & design

February

- FEB 05-07 Fruit Logistica | BERLIN**
World's Most Important Trade Fair for the Fresh Produce Business
- FEB 18-20 EuroCIS | DUSSELDORF**
The Leading Trade Fair for Retail Technology
- FEB 18-20 XPONENTIAL Europe | DUSSELDORF**
The Leading European Trade Fair for Autonomous Technologies & Robotics
- FEB 21-24 Inhorgenta | MUNICH**
Europe's Leading Industry Platform for Jewelry, Watches and Gemstones

March

- MAR 31 - APR 04 Hannover Messe | HANOVER**
Shaping the Future with Technology
- MAR 28-30 BEAUTY 2025 | DUSSELDORF**
Where Glamor meets Cosmetics & Innovation
- MAR 29-30 TOP HAIR | DUSSELDORF**
Europe's Ultimate Event for the Hairdressing Industry

April

- APR 08-10 DMEA 2025 | BERLIN**
Europe's leading event for Digital Health
- APR 22-24 DOMOTEX Middle East | DUBAI**
The Leading Platform for the Carpet and Flooring Industry in the Middle East
- APR 07-13 bauma 2025 | MUNICH**
World's Leading Trade Fair for Construction Machinery, Building Material Machines, Mining Machines, Construction Vehicles
- APR 26 - MAY 05 LIGNA | HANOVER**
World's Leading Trade Fair for woodworking and wood processing plant, machinery and tools

May

- MAY 18-22 iba 2025 | DUESSELDORF**
Leading Trade Fair for Baking Industry

June

- JUN 02-05 transport logistic | MUNICH**
Logistics, Mobility, IT and Supply chain
- JUN 24-27 World of Quantum | MUNICH**
International Trade Fair for Quantum Technologies

GESALO is an experienced partner in the trade fair business. We are organizing individual visits to the trade fairs abroad as well as delegation trips. GESALO is the official representative of Messe Dusseldorf, Messe Munich, Deutsche Messe Hannover, Messe Berlin and Spielwarenmesse Nuremberg.



A PREMIER EVENT FOR THE LOGISTICS INDUSTRY

Transport Logistic 2025:

In June 2025, Munich will host Transport Logistic, the world's leading trade fair for logistics, mobility, IT, and supply chain management. This prestigious event showcases the full spectrum of the logistics sector and is an essential gathering for industry professionals.

LATEST ADVANCEMENTS IN INFORMATION TECHNOLOGY

Transport Logistic highlights the latest advancements in information technology, telematics, e-business, and telecommunications across various exhibition areas. The trade fair brings together pioneering innovations in intralogistics, warehouse management systems, auto-ID technology, and packaging solutions.

Focusing on freight transport, the event covers a wide array of vehicles and solutions spanning road, rail, maritime, and air freight, including combined transport options.

Attendees will also have the opportunity to engage with numerous service providers offering specialized services in freight transport and logistics.

A PREMIER EVENT IN THE LOGISTICS INDUSTRY

The 2023 edition of Transport Logistic featured an impressive 2,320 exhibitors from 67 countries and regions, underscoring its status as a premier event in the logistics industry.

During this gathering, we proudly supported Saudi Arabian and Bahraini companies in showcasing their capabilities at the trade fair.

Notable participants included the National Shipping Company (Bahri), Four Winds Saudi, the National Development & Logistic Program (NIDLP), along with several ministries from the Kingdom of Saudi Arabia, the Saudi Export Development Authority (with their co-exhibitors), Saudi Global Ports, and the Bahrain Airport Company. We eagerly await their return in 2025.

Transport Logistic presents a unique opportunity to experience the diversity and dynamism of the logistics industry, fostering collaboration and innovation among global leaders. We look forward to welcoming industry professionals and decision-makers in 2025 for another impactful event

CONTACT



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Experience Connectivity

2.–5. Juni 2025
Messe München

Jetzt Ticket sichern!
transportlogistic.de/ticket

German Pavilion



GERMAN COMPANIES AT TRADE FAIRS WORLDWIDE

The German Federal Ministry for Economic Affairs and Climate Action and the German Federal Ministry of Food and Agriculture support German companies exhibiting at foreign trade fairs in cooperation with the Association of the German Trade Fair Industry (AUMA).

In 2025, German pavilions will be present at the following trade fairs in Riyadh, Saudi Arabia:

Feb 15-27	Big 5 Construct Saudi Sector Construction incl. Windows, Doors & Facades, Marble & Stone, Urban Design & Landscape
May 12-14	The Saudi Food Show 2025 Sector Food and Beverage Industry
May 20-22	SEA Expo 2025 Sector Entertainment and Attractions Industry
Sep 8-10	Global Water Expo 2025 Sector Water Infrastructure, Planning, and Construction
Oct 2025	SAUDI AGRICULTURE 2025 Sector Agriculture, Food, Aquaculture, Packaging, and Agro-industry
Nov 2025	BIOFACH SAUDI ARABIA 2025 Sector Organic Food & Beverages
Nov 2025	Future Power Expo Sector Renewable Energy, Sustainable Technology, and Power Generation
Nov 10-11	Saudi Airport Exhibition 2025 Sector Airports, Airport Operators, Airport Planners, Civil Aviation Authorities, Airport Security





Astrid Crookes, GESALO & Mr. Alomar, Al-Ayuni at InnoTrans 2024

Saudi Arabia Shines at InnoTrans 2024

STRATEGIC PARTNERSHIPS AND INNOVATIONS DRIVE VISION 2030

At InnoTrans 2024, Saudi Arabia showcased its ambitious transportation and infrastructure goals, with prominent participation from Saudi Arabia Railways (SAR), Al-Ayuni Investment and Contracting Company, and BFG International from Bahrain. SAR achieved several milestones. Saudi Arabia Railways (SAR) signed several agreements during this week’s show, including a shadow operator contract with German Rail (DB). Under the partnership, DB will undertake a limited time service agreement for the Haramain high-speed railway. BFG International highlighted its innovative composite solutions, supporting Bahrain’s infrastructure growth.

Reflecting on the event, Al-Ayuni stated, “It’s been an honor to showcase our railway infrastructure solutions. We are inspired by the energy shared at InnoTrans and remain committed to playing a key role in Saudi Arabia’s Vision 2030 transformation.” Saudi Arabia’s participation emphasized its determination to build a modern, interconnected logistics ecosystem, driving sustainable and cutting-edge transportation solutions.

INNOTRANS BREAKS ALL RECORDS

The world’s leading trade fair draws a successful balance sheet

- > Largest trade fair for transport technology worldwide
- > 2940 exhibitors from 59 countries
- > Record attendance: around 170,000 visitors from 133 countries
- > Focus on digitalisation and sustainability



NEXT INNOTRANS
SEP 22-25, 2026

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SHAPING THE FUTURE WITH TECHNOLOGY



VENUE

Hanover, Germany



WHEN

Mar 31 - Apr 04, 2025



PLAN YOUR VISIT

hannovermesse.de

HANNOVER MESSE

HANNOVER MESSE is the most important international platform and hot spot for industrial transformation - with excellent innovations or unusual products

HANNOVER MESSE is the world's leading trade fair for industry. Companies from the engineering, electrical and digital industries, as well as the energy sector, come together under the main theme of "Industrial Transformation" to present solutions for production and energy supply, today and tomorrow. The main exhibiting areas for 2025 will be Smart Manufacturing, Digital Ecosystems, Energy for Industry, Compressed Air & Vacuum Technology, Engineered Parts & Solutions, Future Hub and International Trade & Investment. A conference program with around 1,600 speakers complements the program. This trade fair will be held next in Hanover from March 31 to April 4, 2025. The partner country is Canada.

HANNOVER MESSE 2025

TOPICS & TRENDS

- > Automation & Sensor Technology
- > Business Management Software
- > Compressed Air & Vacuum Technology
- > Digital Platforms, Data & Cloud
- > Drive & Fluid Technology
- > Energy 4.0
- > Engineered Parts & Solutions
- > Engineering Software
- > Future Hub
- > Hydrogen & Fuel Cells
- > IT/OT Security
- > International Trade & Investment
- > Power Engineering
- > Robotics & Logistics
- > Wireless Technology & 5G

CONTACT



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Find out more





WORLD OF TOYS

Spielwarenmesse Dialog in Riyadh

For the first time, the German-Saudi Arabian Liaison Office for Economic Affairs (GESALO) welcomed Mr. Christian Ulrich, CEO of Spielwarenmesse in Saudi Arabia. Mr. Ulrich gave valuable insight into the upcoming toy fair in January next year and current trends in the toy industry.

LEADING INDUSTRY EVENT

In the world of toys, the Spielwarenmesse is the highlight of the year and an unmissable platform for business development and face-to-face encounters. Its doors are open in Nuremberg for the 74th time from 28 January to 1 February 2025.

The organizer, Spielwarenmesse, has several innovations to respond to the future needs of the market and further reinforce the position of this leading B2B event on the international stage.

Visitors will benefit from a future-orientated hall arrangement and innovative new ideas and trends, along with tailor-made Specials and networking opportunities.



SPIELWARENMESSE | WORLD OF TOYS BUSINESS DELEGATION WITH GESALO

Make your experience truly exceptional. Benefits of Joining Our Business Delegation to Spielwarenmesse (World of Toys) in Nuremberg, Germany.

- › Special official welcoming at the Exhibition grounds, tailored itinerary and onsite guide for the entire delegation,
- › Access to guided tours, expert insights, and personalized introductions to key industry players,
- › B2B Meetings with several international companies,
- › Networking Opportunities with top industry professionals, potential partners, and suppliers
- › Entry Tickets & onsite support

Join the delegation with GESALO to Germany.

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7 WORLD'S LEADING TRADE FAIRS IN ONE PLACE -
PERFECT FOR YOUR BUSINESS



SAUDI ARABIA

5-7 MAY

2025

RIYADH | SAUDI ARABIA

metalflow ALLIANCE
SAUDI ARABIA

at METAL & STEEL
SAUDI ARABIA

METALFLOW ALLIANCE GOES SAUDI ARABIA

GLOBAL BUSINESS. POWERED BY





Mr. Jamal AlKersh, United Diagnostics Industry Company (UDI)



Attayer Factory, represented by its, Swetlana Rowkowskij, X-Line24

A Strong Presence at MEDICA

A SHOWCASE OF INNOVATION AND EXCELLENCE

Saudi Arabia made a remarkable impression at this year's MEDICA trade fair, with United Diagnostics Industry Company (UDI) and Attayer Factory Co. proudly representing the Kingdom's growing prominence in the global healthcare sector.

UDI, a longstanding exhibitor, continues to lead in the field of diagnostics, showcasing reliable and innovative solutions that align with global standards. It was a pleasure to meet Mr. Jamal AlKersh from Dammam, who represented UDI and highlighted the company's commitment to delivering excellence in healthcare diagnostics.

Making an impressive debut at MEDICA, Riyadh-based Attayer Factory Co. presented its pioneering healthcare manufacturing capabilities. Attayer Factory stands out not only for its high-quality products produced in Saudi Arabia but also for its strong international presence. Through its German distributor, X-Line24, represented by Ms. Swetlana Rowkowskij from Bielefeld, the company is making significant inroads into the European market.

The participation of these two companies exemplifies Saudi Arabia's Vision 2030, a transformative plan to position the Kingdom as a global leader in healthcare, technology, and innovation. Both UDI and Attayer Factory reflect the progress being made in achieving world-class quality and advancing the healthcare sector's resilience and global reach.

MEDICA 2025 CHANGE AHEAD. SEE YOU 2025

From 17 to 20 November 2025, MEDICA will once again gather international experts from the medical industry in Düsseldorf, Germany.

- > Medical Imaging
- > Laboratory Technology
- > Diagnostics
- > Health IT
- > Mobile Health
- > Physiotherapy/ Orthopaedic Technology
- > Medical consumables



NEXT MEDICA
NOV 17-20, 2025

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Deputy Delegate & Head of Trade Fairs
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Sustainable value chains - fueled by renewable energy sources

We are looking at probably the biggest paradigm shift since the industrial revolution and now face the tremendous task to rethink existing infrastructures and build up new sustainable value chains – fueled by renewable energy sources. The core technologies for decarbonizing the industry are available with thyssenkrupp Uhde. Green chemicals: You have the vision, we have the solutions. www.thyssenkrupp-uhde.com

engineering.tomorrow.together.



thyssenkrupp

OUR GESAlaw NETWORK

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Landmark Reform of KSA Labor Law

The KSA Council of Ministers has passed a transformative labor law reform with innovations designed to foster a more inclusive and high-performance work environment for employees and employers alike.

EMPLOYER-PAID MATERNITY LEAVE

Amongst the most significant key amendments is the extension of employer-paid maternity leave, which now increases from 10 to 12 weeks, with six weeks required post-delivery – bereavement leave has also been increased to provide three days of paid leave for employees mourning the loss of a sibling, in a solicitous step ahead towards strengthening kinship ties.

RESIGNATION PROTOCOLS ON FIXED-TERM CONTRACTS

The reforms also shed light on resignation protocols, particularly for non-Saudi employees in regard to fixed-term contracts as they can now resign with a 30-day notice.

Employers, however, can delay acceptance of resignation by up to 60 days if operationally necessary, provided they notify the employee in writing with justification.

The notice period for indefinite-term contracts for Saudi nationals has also been reduced, requiring only 30 days' notice from employees for voluntary termination, though the employer remains obliged to provide a 60-day notice for terminations.

THE REFORM
OF SAUDI ARABIA'S
LABOR LAW



EFFECTIVE FROM

**February
2025**

PROMOTING WORK-LIFE INTEGRATION

The amendments bring clarity to the adaptability in overtime arrangements, permitting employers, with employee consent, to offer paid leave in lieu of overtime compensation, promoting work-life integration. The probation period for new hires has also been extended, allowing employers to define up to 180 days of probation in employment contracts.

The reforms address essential living conditions as well. Employers are now mandated to provide either adequate housing and transportation or allowances to cover these needs, bolstering employee welfare and convenience.

A pivotal enactment is the prohibition of discrimination based on race, color, gender, disability, or age in recruitment practices.

REFORM COMES INTO FORCE

Set to come into force 180 days after its publication in the Official Gazette on 23/08/2024 – in a sweeping reform to underscore Saudi Arabia’s commitment to labor integrity and contribution to its ever-evolving workforce demands.

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Liability For International Transport Damages in Saudi Arabia: A Legal Analysis

The international transport of goods is a central component of global trade and Saudi Arabia, as one of the largest economic centres in the Middle East, plays a significant role in this. As part of Vision 2030 and in line with the country's national transport and logistics strategy, the transport of goods is to be further diversified by 2030 and capacities by land, sea and air are to be massively expanded.

The country's main exports are oil, gas, petrochemical products and chemical products. The main imports are food, vehicles, machinery and electronics. In 2023, goods worth an estimated USD 211 billion were imported into Saudi Arabia. German direct investment in Saudi Arabia mainly takes place in energy and infrastructure projects.

International trade is usually associated with transport damages, which can lead to considerable financial losses for exporters and importers. Legal liability in such cases is often complex and can arise from numerous legal bases. This article is intended to provide an overview and shall highlight the most important issues in connection with international transport damages in Saudi Arabia.

I. INTERNATIONAL CONVENTIONS

Global trade is strongly characterised by international conventions, which provide a legal framework for the international transport of goods and can be used as a legal source for liability issues.

SEA TRANSPORT



The area of maritime transport is regulated by the International Maritime Organisation (IMO) and the International Convention for the Unification of Certain Rules relating to Bills of Lading (Hague Rules).

The latter contains provisions regarding liability in maritime transport. Among other things, a limitation of liability for carriers is provided for. This limitation is often a certain amount per unit of weight of the damaged goods, unless the shipper has declared a higher value of the cargo and recorded this in writing, or the transport damage is due to intent or gross negligence on the part of the carrier. The respective contracts should therefore take these regulations into account accordingly.

RAIL TRANSPORT



Regarding rail transport, the Convention concerning National Railway Traffic (COTIF) is central to this. The agreement applies in Europe, in some Maghreb states and in parts of the Middle East. Saudi Arabia is not yet a member of the agreement, which is also due to the fact that the country's railway infrastructure has not yet been fully developed. Saudi Arabia has published plans to triple the national rail network in 2022 by building more than 8,000 kilometers of track, which could make the issue more relevant in the future.

AIR TRANSPORT



When it comes to air transport, the so-called Conventions on International Air Transport (initially the 'Warsaw Convention', later replaced by the 'Montreal Convention') must be taken into account. The Montreal Convention regulates liability issues in international civil air transport and therefore also covers cargo transport in addition to passenger transport. Saudi Arabia is a party to this convention, which means that it applies to all relevant matters in this context. Specifically, the liability of the contractual air carrier for damage to persons, baggage or cargo is regulated. The convention introduces clear maximum liability limits and exemptions from liability, which must be taken into account when drawing up contracts for the transport of passengers or goods by air.

II. NATIONAL LEGISLATION

However, the most important point of reference for the question of liability in international transport is the respective national law. With the recently modernized Saudi Commercial Maritime Law, there is a special national legal basis for maritime trade in addition to the applicable international agreements. In addition to provisions on registration and rights in rem at sea, it also contains detailed regulations on maritime contracts, including the carriage of passengers and goods by sea under bills of lading.



In addition, road transport in particular, which still plays a fundamental role in global trade alongside other transport routes, has so far been largely subject to Saudi Arabia's national legislation. In this context, the Saudi Commercial Law and the Saudi Civil Code, which came into force at the end of 2023, are particularly relevant.

Both laws contain provisions that can be applied in connection with transport damages. They therefore form the primary basis for the legal assessment of claims for damages in Saudi Arabia. In addition, many regulations, e.g. the Regulation for Transport of Goods, Freight Forwarders and HGV Hire on Land Roads (Regulation for Transport of Goods), contain technical legal provisions on the transport of goods, which could be also considered as a breach of duty in contractual relationships and can therefore help determine liability issues.

Which regulations apply always depends on the structure of the respective contractual relationships in each individual case.

THE CONTRACT OF CARRIAGE

The contractual agreements between the shipper (importer or exporter) and the carrier generally form the basis for liability in the event of damage. The so-called duties of care of the carrier are particularly important here. It should be clearly and comprehensibly regulated in the contract to what extent the carrier must control and monitor the proper transport of goods and to what extent he is responsible for what damage. It is also important to keep an eye on the rights and obligations of subcontractors and transport assistants in order to be able to quickly and legally resolve constellations with several companies involved.

LIABILITY OF THE CARRIER

If the contract of carriage or freight contract does not contain any special provisions, Saudi Arabian law generally stipulates that a carrier is liable for damage to the transported goods if he does not transport them properly and safely. The decisive factor here is whether the damage was caused by the fault of the carrier or its vicarious agents. According to the new regulations of the Saudi Civil Code, a hypothetical calculation of damages is possible for breaches of contractual obligations, which now expressly includes loss of profit.

The Saudi Civil Code also contains the possibility of agreeing liquidated damages. This gives the parties the opportunity to map financial risks at the beginning of the contractual relationship - e.g. by means of staggered lump sums for certain scenarios - without the amount of the claim for damages having to be subsequently determined by a court. However, the court seized retains the right to adjust the damages upwards or downwards at its discretion if the situation so requires. In addition, the prohibition of interest (riba) in Saudi Arabia, which is based on Sharia law, also applies in connection with transport damage.

EXCLUSIONS AND LIMITATIONS OF LIABILITY

In order to limit the liability of the carrier or other companies involved, exclusions or limitations of liability are often contractually agreed between the parties.

From the carrier's point of view, it is advantageous to reduce its liability to a minimum or to be able to pass it on to other companies involved.

From the commissioning company's perspective, on the other hand, it should be ensured that the exclusions and limitations of liability are only moderate. Of course, this always depends on the respective negotiating position of the parties.

In this context, however, it should be noted that contractual clauses can be deemed invalid by Saudi courts if they unreasonably disadvantage one of the two parties or violate Sharia principles in the opinion of the court. In addition, limitations of liability can be cancelled if transport damage is due to gross negligence or willful misconduct on the part of the carrier.

In addition to contractual limitations, there are also statutory exclusions of liability that are directly enshrined in Saudi law. For example, a carrier can be exempted from liability if the damage was caused by external influences such as force majeure, acts of war or natural disasters. Another liability privilege relates to damage caused by inadequate packaging or insufficient labelling on the part of the shipper. Here too, the carrier's liability may be limited.

III. INTERNATIONAL COURT AND ARBITRATION PROCEEDINGS

In addition to the question of the carrier's liability, the extent to which clauses on applicable law and jurisdiction can be effectively agreed and then enforced is particularly important in the case of transport damage in international trade.

In principle, the Saudi Civil Code does not recognise any private international law or corresponding conflict of laws rules. Consequently, a Saudi court seized will generally always apply Saudi law and will not recognise a choice of law clause in an international contract. International law is only applied within the framework of the UN Convention on Contracts for the International Sale of Goods, which was recently also recognised in Saudi Arabia, and when arbitration clauses are agreed.

With regard to the enforcement of foreign judgements, there are still no bilateral agreements between Saudi Arabia and Germany or other European countries. The enforcement of such judgements is therefore still subject to extreme legal uncertainty. In contrast, foreign arbitration awards are increasingly being recognised by Saudi courts, even if Sharia law and a comprehensive ordre public reservation linked to it do not yet allow for a fully secure recognition practice.

IV. INSURANCE TOPICS

Finally, a key aspect in dealing with transport damage is the role of the respective insurance company, which covers the insolvency and enforcement risk of any claims that may arise. In the best case scenario, appropriate insurance policies fully cover both national and international risks during the transport of goods.

Companies should therefore make absolutely sure that their freight is adequately insured, especially when transporting high-priced goods or goods with a high risk potential. As the injured company can assert claims in Saudi Arabia both directly against the carrier and against the insurer, it is advisable for the carrier to take out appropriate public liability insurance to protect itself against major financial risks.

CONCLUSION

Liability for transport damage requires a careful legal assessment based on the relevant international and national legal sources. Economic operators should always inform themselves about the applicable laws and regulations and - as far as legally possible - define clear liability provisions in their contracts. This not only helps to minimise financial losses, but also to avoid legal disputes in the event of damage.

Due to the rapid economic and legal developments in Saudi Arabia, it is to be expected that the handling of transport damage will continue to be a major topic in the legal practice of lawyers in the Middle East and in Saudi Arabia in particular. Companies should therefore familiarise themselves comprehensively with the relevant regulations and respective structuring options.

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Overall, this new law represents a significant step forward in the regulatory environment and promotes a more reliable and efficient business environment for traders and companies.

Christine Baltzer-Zacharias
Senior Lawyer, Meyer-Reumann

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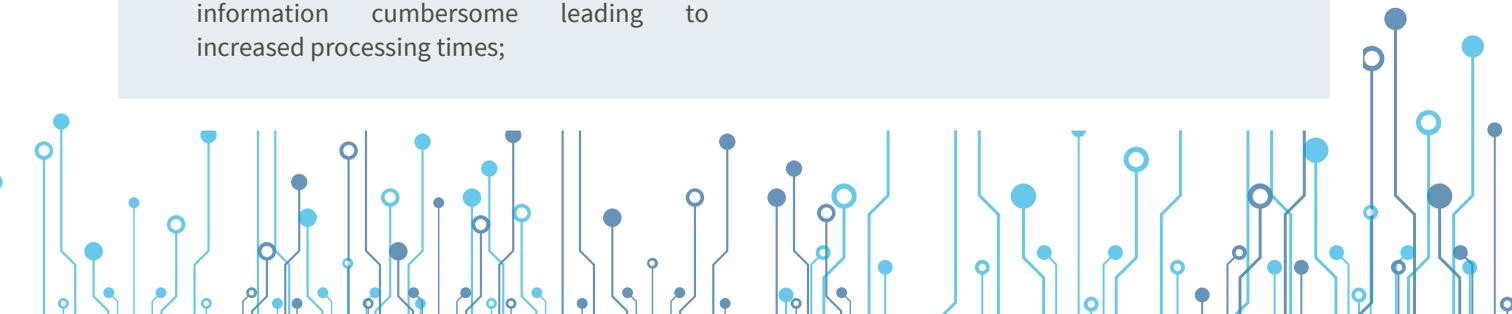
Centralized and Electronic Commercial Register to Enter Into Force on March 30th 2025

A centralized electronic commercial register managed by the local Ministry of Commerce will enter into force on March 30, 2025. The new Commercial Register Act pursuant to Royal Decree No. (M/83) of 19.3.1446 AH and Resolution No. (237) of the Council of Ministers of 14.3.1446 AH modernizes the law of the previous registration procedure

The law renders registration mandatory for all companies. Further, it requires that any changes to existing registration data be updated in a timely manner and provides clear procedures for deletions. It also introduces a structured framework of sanctions for violations.

UNDER THE CURRENT LAW

- the registration requirement only applied to merchants with a capital of more than SAR 100,000.00. Accordingly, merchants had to register within 30 days of commencing business or reaching the defined capital limit;
- the paper-based system was based on physical documents, making access to information cumbersome leading to increased processing times;
- Changes were to be submitted via requests within 30 days, which often lead to delays in updating information, as the actual registration of the update in the register required additional time;
- Sanctions for non-compliance are fines, but these are generally not enforced.



KEY FEATURES OF THE NEW LAW:



- Universal registration requirement: all traders are required to register their business to ensure uniform compliance.
- Centralized electronic registration platform: an electronic system for submitting registration applications will be introduced, reducing processing time to just 10 days.
- Streamlined information requirements: Traders now only need to provide key data, such as trading name, legal form and capital
- Accelerated amendment procedures: Updates to registered data must be made within 15 days.
- Specific penalties for violations, higher fines (SAR 50,000.00) for repeated violations and provisions for issuing warnings before imposing fines.

CENTRALIZED AND ELECTRONIC COMMERCIAL REGISTER



ENTER INTO FORCE

Mar 30, 2025

FOR INDIVIDUAL RETAILERS, THE NEW REGULATIONS HAVE THE ADVANTAGE THAT

- business activities can be started earlier thanks to faster registration.
- improved transparency allows customers and interested entities to check officially registered company data.
- regular mandatory data updates will ensure that information remains accurate and reliable.
- comparable to the inspection of a German commercial register, traders can access important market data that can be decisive for well-founded business decisions.

The new law therefore fosters reliability and thereby strengthens the competitiveness of the market and is a further building block to attract investment.

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How Saudi Arabia's New Laws Are Set to Redefine Product Safety

The Kingdom of Saudi Arabia is setting new standards in consumer protection. With the entry into force of the laws on product safety and standardization on November 16, 2024, a comprehensive new legal framework was introduced, which holds manufacturers and importers accountable. This is intended not only to increase the safety of products, but also to strengthen consumer confidence in the Saudi market.

A NEW COMPREHENSIVE LEGAL FRAMEWORK

The Kingdom of Saudi Arabia has enacted two significant legislative measures under Cabinet Decision No. 93/1446, creating a comprehensive legal framework for product safety and recall procedures. The Standards and Quality Law and the Product Safety Law, which came into force on November 16, 2024, are designed to regulate the responsibilities of manufacturers and importers while expanding the oversight capabilities of regulatory authorities.

STANDARDS AND QUALITY LAW

The Standards and Quality Law is intended to establish a general framework for standardization and quality control across Saudi Arabia. The law defines "quality" as the degree to which products meet specified requirements, consumer expectations, or regulatory goals.

It outlines the obligations of manufacturers and importers, appointing the Saudi Standards, Metrology, and Quality Organization (SASO) as the central authority responsible for overseeing all standardization and quality-related activities, except for those products regulated by the Saudi Food and Drug Authority (SFDA).

THE STANDARDS &
QUALITY LAW AND THE
PRODUCT SAFETY LAW



EFFECTIVE FROM

Nov 16, 2024

Under this law, SASO is vested with enhanced authority to monitor and enforce compliance with product standards. This includes the power to appoint inspectors authorized to conduct routine inspections and verify adherence to safety standards. The enactment of this legislation represents a pivotal step forward in consumer protection and reflects Saudi Arabia's commitment to improving market safety and regulatory enforcement.

PRODUCT SAFETY LAW

The Product Safety Law applies to all products, including those sold through online platforms, with the exception of items regulated by the SFDA. The primary objective of the law is to safeguard consumers from potential risks posed by unsafe products in the marketplace.

The law imposes stringent legal obligations on manufacturers, authorized representatives, and importers. These include ensuring that products meet all safety requirements, compiling a comprehensive technical dossier to demonstrate compliance, and issuing a declaration of conformity. Distributors are required to undertake due diligence to ensure that the products they offer comply with relevant legal and regulatory standards, and they are prohibited from selling non-compliant goods. The law further stipulates that manufacturers are liable for defects in their products, while importers assume liability for products manufactured outside the Kingdom.

PENALTIES FOR NON-COMPLIANCE

Violations of these laws are subject to severe penalties, including fines of up to ten million Saudi Riyals, closure of the company for up to one year, or imprisonment for up to ten years for deliberate violations. These penalties underscore the seriousness with which Saudi Arabia is addressing consumer protection and market regulation.

Overall, the new laws represent an important step towards more comprehensive consumer protection in Saudi Arabia. With the introduction of the new laws, manufacturers and retailers should prepare for the new requirements early and consult their legal advisors to ensure compliance.

The article was provided by Bandar Shanneik, LL.M., Roedl & Partner | Riyadh. Bandar has several years of experience in the GCC region and mainly advises on corporate matters, including M&A transactions, contracts and arbitration. He speaks Arabic, German and English.

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DISCOVERY SAUDI ARABIA

Museums in the Eastern Province

Discovery Report by Barbara Schumacher |
German Journalist and Photographer

The Eastern Province with the conurbation of Dammam, Dahrhan and Al Khobar is becoming increasingly interesting - for tourism, business and culture. This is the centre of the oil industry and ARAMCO is omnipresent - including spectacular cultural centres, museums and industrial parks.

INVESTING IN THE PRESERVATION OF NATIONAL IDENTITY

It is interesting to note that the giant oil company has been investing in culture, education and renewable energies, among other things, for many years. ARAMCO executives invest in the preservation of national identity through decades of collecting artefacts from the rich cultural heritage, creating private museums worth seeing as a reflection of culture, archaeology and history.

During my visit to Dammam/Dahrhan, two extraordinary private museums and 'Ithra' are on the programme.

ITHRA - KING ABDULAZIZ CENTRE FOR WORLD CULTURE

Opened in 2018, Ithra, an ARAMCO venture in Dahrhan, is still one of the biggest visitor attractions when it comes to architecture, art, history and culture. There is a huge library and the museums, theatre, cinema, congress hall and art gallery host sensational exhibitions and international conferences. The permanent exhibition on Islamic art is also outstanding.

Ithra has been awarding an art prize worth USD 100,000 for several years now,' explains my guide Mohammed.

One of the most important exhibitions to date was ‘Hijrah: In the Footsteps of the Prophet’ in 2022, which covered the Prophet Mohammad’s eight-day journey from Mecca to Madinah. It traced the course of this journey for the first time and in an unprecedented and contemporary way, exploring its social, political and cultural impact on the world through an immersive multimedia show. Remarkably, the project involved more than 70 researchers, prominent scholars, international organisations and artists from over 20 countries around the world.

Laila Al-Faddagh, Director of the National Museum in Riyadh, said: ‘Through these exhibitions, which are held in collaboration with other institutions such as Ithra, we at the National Museum aim to increase understanding of our culture, our history and the ancient and diverse civilisations that resided in our country.’



MOUNIRA MUSEUM

Our next destination is within sight of Ithra: the heavily guarded ARAMCO complex with a large number of private houses inhabited by ARAMCO executives and their families. We are checked at the barrier at the entrance to the complex but are allowed to pass quickly because we are registered at the ‘Mounira Museum’ and are expected there - in the home of Mounira Ashgar and her husband Saud Ashgar.



The special thing about their house is that it is both a home and a private museum and is used as such for special events. Mounira Ashgar welcomes us with great friendliness in the spacious, pillared reception hall. I discover traditional artefacts and handicrafts of the very best quality. These include mashrabia and paintings in gilded wooden frames as well as calligraphy on the walls. Several gigantic chandeliers and brass lamps hang from the ceiling; large porcelain and glass vessels are placed on the marble floor, as well as brass dallahs in various sizes. Beneath the glass of numerous wooden tables, traditional daggers, pistols, short swords and ammunition belts richly decorated with silver and gold are displayed alongside jewelry. Traditional Bedouin jewelry can be seen in a glass display case.



Alfelwah and Aljowharah Museum in Dammam

And finally, I find a traditional face mask that women wore before the introduction of the black abaya - ornately decorated with real silver coins and pearl embroidery. I am still engrossed in the fossils when Mr. and Mrs. Ashgar join me and invite me for tea and biscuits. They both talk about their many travels around the world and Mounira tells me about her special interest in traditional fashion. "You are welcome to see such dresses in the exhibition rooms of my museum on the first floor." On the way up, antique wooden farming tools can be seen on small platforms. Once at the top, a large room opens up with many shelves and display cabinets filled to bursting with exhibits of Islamic art. The collection of traditional dresses from all regions of the Kingdom is sensational. Many of the garments are worn by life-size dolls.

What's your next destination?' asks Mounira Ashgar. She is delighted with my answer: 'It's a good thing you came to me first - when you get there, you'll know why!'

ALFELWAH AND ALJOWHARAH MUSEUM IN DAMMAM

Only half an hour's drive separates us from this private museum in Dammam and now I understand Mounira Ashgar's reaction.

Millionaire Abdulwahab Al Ghunaim, an avid collector of cultural and traditional artefacts, welcomes us into his huge, multi-storey, palatial building.

Al Ghunaim tells us: 'The museum is named after my two daughters. It was opened in 2017 and contains over half a million artefacts, making it the largest private museum not only in Saudi Arabia, but in the Middle East. I can look back on 45 years of collecting. I have turned my hobby of collecting rare and esoteric artefacts into a serious vocation. You can expect not only Eastern art, Saudi culture, Islamic art, the natural history of the Arabian Peninsula and the archive gallery, but much more. Enjoy the exhibition, my son will accompany you'.

The exhibition in rooms over several floors, grouped around a huge, covered hall, is organised by theme. What you see in a display case in other private museums takes up an entire room. An impressive collection of vintage cars - from VW Beetles to Rolls Royces - can be found on the first floor, where valuable oriental carpets cover the walls. The centrepiece is a complete, old curtain of the Kaaba - very unusual, as such curtains are rarely seen outside Mecca. No less unusual are the entire office of the former King Saud with all the original furniture and King Saud's private limousine.

Text and photos by Barbara Schumacher



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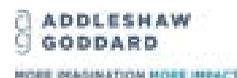
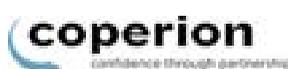
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