SAUDI BRITISH
JOINT BUSINESS COUNCIL

**Executive Summary: DIT & SBJBC UK Renewable Energy Trade Mission to Saudi Arabia**
18-20 March 2019

1. SBJBC UK was contracted by DIT to manage the recruitment, logistics and programme management of the first UK renewable energy mission to Saudi Arabia from 18-20 March 2019.

2. We recruited 20 UK companies (including 6 SBJBC members) and helped to put in place a substantive Riyadh based programme with the support of DIT and the British Trade Office comprising the following main elements:

   - Introductory business briefing by DIT, SBJBC, AEI Saudi and Pinsent Masons
   - Briefing on project opportunities and regulatory structures by key government agencies including SAGIA, REPDO, ECRA and KaCare
   - Visit to SABIC's Home of Innovation to see model carbon neutral home and be briefed on SABIC's renewable energy and local content initiatives.
   - Meeting with ACWA Power, a leading power generation developer and operator, which is 33% owned by PIF, and 60% by Abu Nayyan Group.
   - Networking dinner reception at the British Embassy with 80 guests
   - Business Roundtable hosted by the Council of Saudi Chambers in partnership with SBJBC and Eversheds Sutherland to discuss the private PPA market for off-grid solar energy.

3. Main conclusions where that the Saudi authorities were committed to a target of achieving 30% (or 60GW) of energy to be generated from renewable resources by 2030, with the balance generated through gas. This would replace the current largely oil-fired electricity generation, and would require significant foreign and domestic investment.

4. REPDO said that 12 projects with a capacity for 3.1 GW were being launched in 2019. These would be advertised through their portal through an open-bid system and a request for RFPs. The current local content target of 30% would be raised to between 40-60% in subsequent phases. Projects awarded so far had been very price competitive, and SME access to supply chain opportunities was challenging.

5. It was clear from the roundtable that the market for smaller scale solar PV systems was still under development, and regulatory frameworks for projects over 2MW were not yet in place. Contractors and developers for rooftop solar also had to be approved by SEC. While the private PPA market constituted a major opportunity, much depended on bankable projects, the length of any concession and further progress on regulation. Useful reference was made to lessons learned elsewhere and to planned privatisation of the electricity and water desalination sectors.

6. Feedback from UK delegates has been very positive so far, both on the organisation and substance of the programme. One company was invited to bid for KaCare projects and another signed an agreement with Saudi partners. All delegates said they would be following up specific opportunities through return visits to the market.

*For further information please consult the following presentation*