

RIY/E&C/201/3/2023
Embassy of India
Riyadh

Monthly Commercial Report : January 2024

Overview

Saudi Arabia's real gross domestic product (GDP) decreased by 0.9 percent for the calendar year 2023 compared to calendar year 2022 according to the latest data issued by the General Authority for Statistics. The economic growth was driven by **increase in non-oil activities by 4.6 percent** and **government services activities by 2.1 percent** in the year 2023. Meanwhile **oil activities decreased by 9.2 percent** on an annual basis. The seasonally adjusted real **GDP grew by 0.4 percent** in the fourth quarter of 2023 as compared to third quarter of 2023. This effect was due to the **increase in non-oil activities by 2.6% (QoQ)** and **government services activities by 1.1%(QoQ)**. **Oil activities decreased by 2.7% (QoQ)**

Saudi Arabia's top 5 Trading Partners in November, 2023 (latest data)

Export to World (Source: www.stats.gov.sa)			Import from World (Source: www.stats.gov.sa)		
Country	Volume (in million USD)	% share	Country	Volume (in million USD)	% share
China	4294.14	16.95	China	4453.01	24.86
Japan	2787.61	11	USA	1502.72	8.39
India	2744.64	10.84	UAE	1218.55	6.81
South Korea	2166.59	8.55	India	960.91	5.37
UAE	1347.95	5.32	Germany	747.52	4.17

Saudi Arabia's commercial engagements

Internal/Multilateral

Saudi Arabia, OECD Agree to Boost Cooperation on Wide Range of Public Policy Initiatives (SPA January 17, 2024) : The Kingdom of Saudi Arabia and the Organization for Economic Co-operation and Development (OECD) signed a Memorandum of Understanding (MoU) to enhance cooperation on a wide range of public policy initiatives in areas including the economy, tax, corporate governance and sustainability. The collaboration will take various forms, including joint research, information exchange, the sharing of statistical data, the organization of meetings and events, and support for Saudi Arabia's alignment with OECD standards, which includes evaluation and comparative analyses of policy practices.

Saudi Arabia to boost petrochemical industry with Basell deal (Arab News 17 January, 2024) : A strategic partnership agreement was signed on 16.01.2024 between Saudi Arabia's petrochemical manufacturing company Alujain Corporation and Basell International Holdings, a subsidiary of LyondellBasell Industries, at the Ministry of Energy headquarters in Riyadh. The agreement outlines Basell's acquisition of a 35 percent stake in the National Petrochemical Industrial Co. still being developed by Alujain Corporation and NATPET is working to build a petrochemical complex at a cost of around SR7.5 billion (\$1.99 billion).

Aramco Digital, Intel to set up Kingdom's first Open RAN center (Arab News 17 January, 2024) : Aramco Digital, the digital and technology subsidiary of Aramco, and Intel have announced their intent to establish Saudi Arabia's inaugural Open RAN (radio access network) Development Center. The facility is expected to drive innovation, foster technological advancements and contribute to the digital transformation landscape in the Kingdom.

Saudi EXIM Bank and SABIC Sign Letter of Credit Insurance Policy (SPA January 16, 2024) : The Saudi EXIM Bank has signed an insurance agreement with SABIC to cover its sales on Letter of Credit basis worldwide. This strategic partnership will enable SABIC to insure their international sales across more than 40 countries against non-payment risks posed by the issuing banks. This is considered the largest insurance policy ever issued in the Middle East Region and the first of its kind to be offered directly to Saudi exporters. Furthermore, it also

significantly amplifies the prospects for growth and penetration into new regional and international markets, and enhances the Saudi petrochemical exports' competitiveness.

Ministry of Industry Signs MOUs with Four Countries to Foster International Cooperation in Minerals (SPA January 11, 2024) : The Ministry of Industry and Mineral Resources, in conjunction with the Ministerial Roundtable preceding the third edition of the Future Minerals Forum (FMF), held from 10-11 January in Riyadh, signed four Memorandums of Understanding (MoUs) with the Democratic Republic of Congo (DRC), Egypt, Morocco, and Russia to foster international cooperation in minerals between Saudi Arabia and these countries.

PIF Announces Completion of Investment in Middle East Paper Company (SPA January 11, 2024) : The Public Investment Fund (PIF) has finalized an investment agreement with the Middle East Paper Company (MEPCO), a manufacturer specializing in the production and recycling of paper-based products in the Middle East and North Africa region. As per a press release from the PIF, it has acquired a 23.08% stake in MEPCO through a capital increase and subscription to new shares. Through its investment, PIF aims to expand MEPCO production, enhance its operational efficiency, and support environmental sustainability, through recyclable products, including paper goods. This aligns with the sustainability objectives of both Saudi Arabia and PIF.

SPPC Offers for Bid Four Power Generation Projects as a Combined Cycle Power Plant with a Total Capacity of 7,200 MW with Provision for Carbon Capture Unit Readiness (SPA January 11, 2024) : The Saudi Power Procurement Company (SPPC) has announced the launch of four Independent Power Plant Projects for bidding with a total capacity of 7,200 MW. The company indicated that the four projects are distributed across two power plants in the central region (Rumah1 & Rumah2), and two in the eastern region (Nairyah1 & Nairyah2), with a capacity of 1800 MW per plant, all of which operate using natural gas combined cycle technology with provision for carbon capture unit readiness.

Saudi Arabia is accelerating the development of the maritime and logistics sector with investments of \$4.5 billion (AlSharq AlAwsat January 03, 2024) : Saudi Ports Authority (Mawani) said that it strengthened the country's maritime, logistics and ports sector with investment projects amounting to approximately 17 billion riyals (\$4.5 billion) during the past

year (2023), which contributed to the country achieving several exceptional leaps in international indicators, thus consolidating its position as a logistics center in line with the objectives of the national strategy for transport and logistics services.

Bilateral : India

1. Visit of Saudi Assistant Minister for Investment for Vibrant Gujarat 2024 (Jan 10-12, 2024) : Eng. Ibrahim Al-Mubarak, Hon'ble Assistant Minister of Investment, Kingdom of Saudi Arabia led the delegation from the Kingdom to Vibrant Gujarat. The Saudi delegation included officials from Ministry of Investment, Public Investment Fund (PIF), Ministry of Communication and Information Technology, Saudi Center for International Strategic Partnership (SCISP) and a number of Saudi companies. Eng. Ibrahim Al-Mubarak met with the Chief Minister of Gujarat, Mr. Bhupender Patel and discussed topics of mutual interest. The delegation visited GIFT city and also attended two round-table meetings including meeting with FICCI during the Vibrant Gujarat Summit.

2. Visit of GACA President for Wings India 2024 : A delegation led by the President of the General Authority of Civil Aviation (GACA), Abdulaziz Al-Duailej participated in the Wings India 2024 exhibition conference held from January 18 to 21 at Begumpet Airport, Hyderabad. The event was organized by the Indian Ministry of Civil Aviation in cooperation with the Federation of Indian Chambers of Commerce and Industry (FICCI). On the sidelines of the conference, Al-Duailej participated in a ministerial session with leaders of civil aviation from around the world. The session focused on reviewing the national aviation strategy's role in supporting economic development in Saudi Arabia. On the sidelines, Al-Duailej met with Honorable Minister of Civil Aviation and Steel, Jyotiraditya Scindia, to discuss topics of mutual interest.

3. Visit of Indian delegation for Future Minerals Forum (FMF) 2024 : Government of India delegation led by Ms. Farida M. Naik, Joint Secretary, Ministry of Mines participated in the 'Future Minerals Forum-2024' event from 9th to 11th January 2024 in Riyadh, Saudi Arabia. The delegation also comprised of senior officials from Geological Survey of India. This was the 3rd edition of the 'Future Mineral Forum' held at the King Abdulaziz International Conference Centre in Riyadh, Saudi Arabia.

Ms. Farida M. Naik, Joint Secretary at the Ministry of Mines, Government of India, shared crucial insights into India's exploration and mining sector during the Ministerial Roundtable. On the sidelines of the Forum the delegation held bilateral meetings with International Relations Department, Ministry of Industry and Mineral Resources, Saudi Geological Survey, Bureau of Geology of Comoros and a number of Private companies. The delegation also held a trilateral meeting with GTK Finland and National Geological Survey of Kazakhstan.

Bilateral: Other countries

Saudi –China

1. SABIC Finalizes Investment Decision for Fujian Petrochemical Complex in China (SPA January 22, 2024) : The Saudi Basic Industries Corporation (SABIC), the leading global company in diversified chemicals, announced on Sunday that it endorsed the final investment decision for the SABIC Fujian Petrochemical Complex Project (Saudi-Chinese Gulei Ethylene Complex Project) to be established in Fujian Province, China. SABIC Fujian Petrochemical Company Limited, based on a 51% to 49% equity split in the joint venture between SABIC Industrial Investments, wholly owned by SABIC, and Fujian Petrochemical Company Limited (FPCL), has decided to initiate the establishment of an industrial complex in the Gulei area of Fujian Province. The project's investments total 44.8 billion Chinese yuan (\$6.4 billion), marking the largest foreign investment in Fujian Province and a significant expansion of SABIC's core investments in China.

2. Aramco awards \$3.3bn gas facility contracts to Sinopec and Tecnicas Reunidas (Arab News 22 January, 2024) : Aramco awarded contracts worth more than \$3.3 billion to Chinese company Sinopec and Spain's Tecnicas Reunidas to build a gas facility in Saudi Arabia. According to a disclosure on the Spanish Stock Exchange, Sinopec will own 65 percent of the project and Tecnicas Reunidas will have a 35 percent share.

3. Chinese contractor to build Aramco housing project (Meed 24 January, 2024) : A Chinese contracting company, Shaanxi Construction Engineering Group, will undertake the engineering, procurement and construction (EPC) contract for Saudi Aramco's Haradh and Wudayhi staff accommodation public-private partnership (PPP) project. Located in Saudi Arabia's Eastern Province, the Haradh and Wudayhi PPP project comprises 11 residential buildings that can house up to 2,800 Saudi Aramco staff.

4. Saudi-Chinese memorandum of understanding in the field of accounting and auditing (AIRiyadh 16 January, 2024) : General Court of Audit (GCA) President Dr. Hussam Al-Angari and Auditor General of the National Audit Office (CNAO) of the People's Republic of China Hou Kai signed in Beijing a memorandum of understanding for cooperation in the field of accounting, auditing, and professional work.

Saudi –Egypt

1. Saudi-led Consortium Signs Deal for Middle East’s Largest Wind Energy Project (SPA January 11, 2024) : The Egyptian government signed an agreement yesterday with a consortium led by the Saudi company ACWA Power for the largest wind energy production project in the Middle East. With investments reaching up to \$1.5 billion, the project will be established in the Gulf of Suez and Jebel El-Zeit regions, boasting a capacity of 1.1 gigawatts.

Saudi –Korea

JADCO, Korea’s EGG Sign MoU to Localize Potato Seed Techniques in Saudi Arabia (SPA January 26, 2024) : The Ministry of Environment, Water and Agriculture witnessed the signing of a memorandum of understanding (MoU) between Al Jouf Agricultural Development Company (JADCO) and E Green Global (EGG) of the Republic of Korea. The agreement involves the transfer and localization of potato seed production techniques in the Kingdom. The Saudi-Korean MoU sets the stage for the development of this industry, contributing to the sustainability of the local agricultural sector in the Kingdom.

Saudi –Turkey

Turkish steelmaker Tosyali Holding will reportedly invest up to \$5bn in a new steel plant in Saudi Arabia (Meed 19 January, 2024) : Tosyali will build a new steel factory in Saudi Arabia as Riyadh looks to diversify the economy away from oil and gas.

Saudi –USA

Saudi Export-Import Bank signs MoU with US EXIM to boost trade (Arab News 20 January, 2024) : The Saudi Export-Import Bank signed an MoU with the Export-Import Bank of the US, focusing on fostering comprehensive collaboration, strengthening economic ties, and advancing trade relations between the two countries.

A Trade in goods

a Total trade in goods during (latest data available)

	Export (US\$ million)	Import (US\$ million)	Status (P) Provisional/ (F) Final
Country’s trade with India (November 2023)	US\$ 2744.64 Saudi export to India	US\$ 960.91 Saudi import from India	Final (Source: www.stats.gov.sa)
Country’s trade with India (December 2023)	US\$ 2727.09 India’s import from KSA	US\$ 947.47 India’s export to KSA	Final (Source: www.dgft.gov.in)

Country's trade with India	US\$ 23192.50 India's import Apr-Dec, 2023 from KSA	US\$ 9107.37 India's export Apr-Jan, 2023	Final (Source: www.dgft.gov.in & niryat.gov.in)
Saudi Arabia's total global trade	US\$ 25327.99 (November 2023) (Exports of KSA)	US\$ 17906.29 (November 2023) (Imports of KSA)	Final (Source: www.stats.gov.sa)

b Preferential trade in goods

S. No.	Preferential / Free Trade Agreement with India	Preferential Exports to India (US\$ million)	Preferential Exports to World (US\$ million)
	<p>Discussion on India- GCC (including Saudi Arabia) [India-Gulf GCC)Free Trade Agreement (FTA) negotiation talks started with the signing of a framework agreement on economic cooperation between the two parties on 25th August 2004. In this agreement, it was provided that both the parties shall consider ways and means for extending and liberalizing the trade relations and initiating discussions on the feasibility of FTA between them. The two rounds of negotiations held at Riyadh on 22nd March 2007 and September 2008 brought about a comprehensive outlook.</p> <p>In the meeting between CIM and GCC Secretary General on 10 November 2021, the matter was taken up and NVs was exchanged regarding formation of a JWG to start negotiation in January 2022.</p> <p>The Saudi Side has subsequently shared the draft terms of reference for negotiation of FTA on Dec 27, 2021.</p>	Nil	Nil

<p>Both sides committed to the early launch of GCC FTA negotiations during the visits of EAM & CIM to Riyadh in September, 2022.</p> <p>During the visit of GCC, Secretary General on November 24, 2022 to India, an announcement was made of intent to resume talks on India-GCC FTA.</p> <p>During Secretary (CPV & OIA)'s visit to Riyadh for first India-GCC SOM on 20 March, 2023, both sides agreed to continue the negotiations.</p> <p>The matter was taken up by HCIM during his meeting with Saudi Commerce Minister on 22 June, 2023.</p> <p>A virtual meeting was held on 29 August 2023 between the Chief Negotiators on India-GCC FTA negotiations and it was agreed that the GCC side will share revised Terms of Reference (ToRs) for the FTA negotiations, with suggested changes to the version of the ToRs that was being discussed between the two sides in November 2022.</p> <p>GCC side has shared the revised draft ToRs on October 2, 2023</p> <p>India side on October 16, 2023, shared the draft ToR with GCC after incorporating changes on the draft shared by them on October 2, 2023 and have requested for a meeting between Chief Negotiators on both sides for discussions on the shared ToR.</p> <p>A phone call took place between the Chief Negotiators on both sides in January 2023 to discuss draft ToR.</p>		
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**c) India's exports to Saudi Arabia across 31 commodities in FY 2023-24 (Apr-Jan)
(Source : *niryat.gov.in*)**

Commodity View	Yearly Target (\$Mn)	Achieved (\$Mn)	% Achieved	% Share of Total Export	Target Rate (p.m)	Shortfall (\$Mn)	Required Run Rate(p.m)*
Engineering Goods	3545.17	4036.39	114%	44.32%	295	-1082	-246
Organic and Inorganic Chemicals	1624.59	1072.75	66%	11.78%	135	281	276
Rice	1248.81	1017.88	82%	11.18%	104	23	115
Petroleum Products	2186.28	740.52	34%	8.13%	182	1081	723
Electronic Goods	504.15	336.8	67%	3.70%	42	83	84
Ready-made garments of all textiles	418.84	303.65	72%	3.33%	35	45	58
Others	731.91	256.25	35%	2.81%	61	354	238
Meat, Dairy And Poultry Products	274.39	243.91	89%	2.68%	23	-15	15
Plastic And Linoleum	243.72	153.41	63%	1.68%	20	50	45
Mica, Coal And Other Ores, Minerals Including Process	141.62	132.9	94%	1.46%	12	-15	4
Fruits And Vegetables	163.34	116.79	72%	1.28%	14	19	23
Drugs And Pharmaceuticals	174.71	109.56	63%	1.20%	15	36	33
Ceramic Products And Glassware	152.45	88.68	58%	0.97%	13	38	32
Spices	104.74	83.96	80%	0.92%	9	3	10
Gems And Jewellery	82.87	73.67	89%	0.81%	7	-5	5
Man-Made Yarn/Fabs./Madeups Etc.	81.63	62.45	77%	0.69%	7	6	10
Cereal Preparations And Miscellaneous Processed Item	59.55	50.66	85%	0.56%	5	-1	4
Cotton Yarn/Fabs./Madeups, Handloom Products Etc.	61.47	44.09	72%	0.48%	5	7	9
Oil Seeds	12.68	24.83	196%	0.27%	1	-14	-6
Cashew	32.78	23.54	72%	0.26%	3	4	5
Tea	28.36	23.06	81%	0.25%	2	1	3
Leather And	29.31	22.43	77%	0.25%	2	2	3

Leather Manufactures							
Tobacco	11.07	20	181%	0.22%	1	-11	-4
Handicrafts Excl. Hand Made Carpet	23.7	17.82	75%	0.20%	2	2	3
Coffee	28.85	15.42	53%	0.17%	2	9	7
Marine Products	60.15	14.2	24%	0.16%	5	36	23
Carpet	7.73	6.67	86%	0.07%	1	0	1
Other Cereals	12.38	5.39	44%	0.06%	1	5	3
Jute Mfg. Including Floor Covering	6.19	4.78	77%	0.05%	1	0	1
Iron Ore	0	4.73	0%	0.05%	0	-5	-2
Oil Meals	12.19	0.18	1%	0.00%	1	10	6
Total	12065.61	9107.37	75%	100%	1005.47	947.31	1479.12

c.1. The top 3 most Lagging Commodities are:- (Percentages show by how much they are trailing)(Source : niryat.gov.in)

- (i) 'Iron Ore'(83.33%),
- (ii) 'Oil Meals'(81.86%),
- (iii) 'Marine Products'(59.72%)

c.2. The top 3 most Leading Commodities are:- (Percentages show by how much they are ahead)(Source : niryat.gov.in)

- (i) 'Oil Seeds'(112.42%)
- (ii) 'Tobacco'(97.34%)
- (iii) 'Engineering Goods'(30.52%)

c.3. The top 3 Commodities based on 'Monthly Deviation' are - (Current month growth, Average growth) (Source : niryat.gov.in)

- (i) 'Oil Meals'(20.0%, 22.0%)
- (ii) 'Petroleum Products'(12.2%, 13.6%)
- (iii) 'Spices'(22.1%, 30.7%)

d) Potential products of imports from India (latest data available on dgft.gov.in)

S. No.	Commodity (2 digit HS Code)	Rationale (Max.200 words)
1.	Vehicles Other Than Railway Or Tramway Rolling Stock, And Parts And Accessories Thereof. (HS Code: 87)	Value of Saudi import of the item from India during December 2023 is US\$ 192.38 Million showing 113% increase as compared to December 2022 (US\$ 90.47 Million)

2.	Articles of Iron or Steel (HS Code: 73)	Value of Saudi import of the item from India during December 2023 is US\$ 62.84 Million showing 147% increase as compared to December 2022 (US\$ 25.40 Million)
3.	Copper And Articles Thereof. (HS Code: 74)	Value of Saudi import of the item from India during December 2023 is US\$ 106.21 Million showing 409% increase as compared to December 2022 (US\$ 20.88 Million)
4.	Boilers, Machinery and Mechanical Appliances; parts thereof. (HS Code : 84)	Value of Saudi import of the item from India during December 2023 is US\$ 67.79 Million showing 40% increase as compared to December 2022 (US\$ 48.58 Million)
5.	Cereals (HS Code : 10)	Value of Saudi import of the item from India during December 2023 is US\$ 122.93 Million showing 06% increase as compared to December 2022 (US\$ 116.46 Million)

1. Market Access Alerts:

(a) Alerts on customs tariff changes

Notification No. and date : The General Authority of Saudi Customs announcement dated 27 May 2020.

Description : Saudi Arabia changed the customs tariff rates on products imported based on a Royal Decree

	Original customs tariff	Present customs tariff
Meat (incl. Poultry)	7-5%	0-20%
Aquatic Products (only some)	6-12%	0-5%
Dairy products	10-15%	0%
Fruits and Vegetables	5-12%	0-5%
Other foodstuffs (Inc. sugar)	6-15%	5-12%
Mineral products	15%	5%
Chemical products	5.5-6.5%	5%
Plastic products	12%	5%
Rubber Products	6.5-8%	5-12%

Leather Products	15%	5-15%
Textiles	15%	5 %
Clothes, footwear & accessories	15%	5%
Paper products	5-10%	5-15%
Base metals (Inc. steel, iron, aluminum, zinc)	5-12%	5-15%
Building materials	15-12%	5-10%
Ceramic	10-15%	5-12%

The aforementioned customs tariffs are in effect since December 12, 2020. Detailed information on Saudi customs tariffs, etc., is available at: www.customs.gov.sa

(b) Alerts on non-tariff measures (SPS/TBT/import and export procedures/restrictions/prohibitions, Licensing/ STEs etc.)

(b.1) **Notification No.& Date** : G/SPS/N/SAU/338 dated 01/02/2018

Measure : Suspension on imports of cultured fish originating from India.

Description : Kingdom of Saudi Arabia vide SPS notification G/SPS/N/SAU/338 dated 01/02/2018 has issued temporary suspension on import of cultured fish originating from India. The reason for the temporary suspension was unclear health situation of the cultured fish originating from India based on SFDA report.

It was taken up by HCIM, during his bilateral meeting with his Saudi counterpart, on the sidelines of his visit to the Kingdom of Saudi Arabia in September, 2022. Mission has been taking up the matter with SFDA during its meetings with SFDA officials.

(b.2) **Notification No.& Date** : SFDA resolution No. 20576 dated 14 March, 2023

Measure : Temporary ban on the import of Shrimps from India.

Description : As per the recommendations of the World Organization for Animal Health, Article No. (8) and (9) of the constitution of the Health of Aquatic Animals, the SFDA issued a resolution No. (20576) dated 14th March 2023, imposing a temporary ban on the import of shrimp from India, until the Indian side provides the assurance that the White Spot Syndrome Virus will not be transmitted to the fisheries in the Kingdom of Saudi Arabia. The Mission is in coordination with SFDA & MPEDA for early removal of the ban. The matter was taken up the Ambassador during his meeting with CEO, SFDA on April 12, 2023, and the Commercial division is following up on the discussions therein.

Update : In recent developments, MPEDA has responded to some of the queries raised by SFDA. MPEDA has highlighted safety measures and good aquaculture practices undertaken by farmers in India.

(b.3) **Measure :** Barriers in importing pharmaceutical products

Description : Indian drug makers have been attempting to penetrate the Saudi drug market, with such moves encouraged by local authorities on account of the potential savings from using cheaper generic medicines produced by Indian companies. However, the drug registration system still acts as a significant barrier to entry for most Indian firms, as it requires drugs to have been previously marketed in two 'developed' markets before it can get approval in Saudi Arabia, which virtually allows only the largest Indian players to operate in the country. The Mission officials raised this issue with SFDA during a meeting on June 23, 2022. The meeting report was shared with MoC and Pharma organizations to take necessary action.

The matter has been taken up at various levels including by HCIM during his bilateral meeting with his Saudi counterpart, on the sidelines of his visit to the Kingdom of Saudi Arabia in September 2022. The matter was also taken up by Secretary (CPV & OIA) & Ambassador during their meetings with SCISP officials. The matter was also taken up by the Ambassador during his meeting with CEO, SFDA on April 12, 2023 and the Commercial division is following up on the discussions wherein it was informed that the

pricing policy has been removed and exporters are now entering market only on basis of price competitiveness.

Both sides have been negotiating an MoU which would fast-track requisite approvals (registration and marketing authorization) for Indian pharmaceutical exports to Saudi Arabia. SFDA has offered comments to CDSCO on the draft MoU proposed by them. During HCIM's meeting with Saudi Commerce Minister on 25 October, 2023, it was mentioned that this would be discussed during his meeting with CDSCO in New Delhi. CEO SFDA visited India in November 2023 and met with pharma export organizations. SFDA and CDSCO are directly negotiating.

(c) Alerts on standards, technical regulations and conformity assessment procedures

(c.1) **Notification No.& Date** : No-001-42-199644 dated 19/05/2021

Standard/ technical regulation/conformity assessment procedure : Saudi Food & Drug Authority (SFDA) had conveyed its decision to make Certificate of Conformity compliance mandatory for all fresh vegetables, fruits, agricultural crops and spices exported from India to Saudi Arabia w.e.f. 15/06/2021.

Description : Indian exporters have been facing issues due to high cost of CoC issuance and limited number of companies authorized for it. APEDA has informed that there are only 4 entities authorized by SFDA for CoC issuance i.e.

- (a) TUV Austria
- (b) Intertek International
- (c) TUV Rheinland
- (d) Cotecna Saudi Limited

In this reference, the Mission officials had a meeting with SFDA on June 23, 2022 at their headquarters to discuss the issues relating to CoC. SFDA informed that they are open to including government/ private organizations for issuing CoC. SFDA also informed that the MoC between APEDA and SFDA would facilitate in resolving the CoC issue, as after

signing of the MoC, CoC issuance entities will be appointed on recommendation of APEDA. SFDA agreed and informed that they are contemplating on reducing the frequency of CoC requirement for individual exporters, which will reduce the cost incurred by them. The MoC is currently pending with the Indian side. The matter was taken up by HCIM, during his bilateral meeting with his Saudi counterpart, on the sidelines of his visit to the Kingdom of Saudi Arabia in September, 2022 and in October 2023 on the sidelines of FII. The matter was taken up the Ambassador during his meeting with CEO, SFDA on April 12, 2023. The MoC between APEDA and SFDA has been signed on November 3, 2023.

(d) Alerts on trade defense measures taken by respective country: (Safeguards including special safeguard, anti-dumping, CVD or anti-subsidy)

(d.1) **Notification no. date or other references** : GCC Notice of initiation published on 5.11.2018 in the Official Gazette of GCC

Type (initiation, final, prov., sunset, consultations, new shipper review) : The duties have been imposed for a period of 5 years from June 6, 2020.

Details of products/ sectors affected : Ceramic tiles

Description : Anti-dumping duties have been applied against import of ceramic tiles originating from India, China and Spain.

The Indian companies had given their responses to the final provisional report in Oct 2019. A 6-member delegation led by ADG, DGTR, Ministry of Commerce visited GCC Secretariat on 26 Nov, 2019 and conveyed India's concerns to the GCC Anti-Dumping team.

GCC authorities imposed definitive anti-dumping duty against imports of ceramic and porcelain tiles from India for a period of 5 years from June 6, 2020. Concerns of India on the same were raised with GCC and Saudi authorities, including during CIM's

bilateral virtual meeting with Saudi Commerce Minister in June 2020 and April 2021, and through written letters. Mission is pursuing the matter.

The matter was taken up by CIM, during his bilateral meeting with his Saudi counterpart in September, 2022, 22 June, 2023 and on 25 October, 2023. The matter was also taken up by DG, DGTR with Governor, GAFT during his visit to Riyadh on 24 November, 2022. The matter was also taken up by Secretary (CPV & OIA) during visit to Riyadh for first India-GCC SOM on 20 March, 2023. A technical team from Saudi Arabia was to visit India for this purpose, but visit has been pending internal procedures on the Saudi side.

(d.2) **Notification no. date or other references** : GCC Notice of Initiation published on 05/04/2021 and shared with the Mission through an NV

Type (initiation, final, prov., sunset, consultations, new shipper review) : Public hearing on anti-dumping investigation by TSAIP, GCC Secretariat on import of engine batteries from India to the Gulf countries.

Details of products/ sectors affected : Battery products

Description : This Mission had received a NV from the GCC Secretariat informing that the Bureau of Technical Secretariat for Anti-Injurious Practices in International Trade in the GCC secretariat had received a complaint from industry for manufacturing batteries claiming that battery products of engine with piston 32-225 Amp exported from India to the GCC have damaged the local market. The NV was forwarded to DGTR on 08.04.2021 for the necessary steps.

Recently, this Mission has received an email from the Office Manager of Director General, GCC-TSAIP, informing that GCC-TSAIP had already concluded its investigation on imports of electrical accumulators, used for starting piston engines. They have also shared that all interested parties will be notified with a copy of the official gazette when the final decision is approved by the Ministerial Committee. The information has been shared with DGTR along with final report of the investigation.

The Ministerial Committee formed by the Ministers of Industry in the GCC Council has adopted the recommendations of the Permanent Committee to Combat Harmful Practices in international Trade for the countries of the Gulf Cooperation Council, to impose final anti-dumping duties on export engine batteries with a capacity of 32 to 225 amps originating from Turkey and India. However, there is no anti-dumping duty imposed on export from Spain.

The matter was taken up by Secretary (CPV & OIA) during visit to Riyadh for first India- GCC SOM on 20 March, 2023.

(d.3) **Notification no. date or other references** : GCC Notice of Initiation published on 13/08/2023

Type (initiation, final, prov., sunset, consultations, new shipper review) : Initiation of Anti-dumping investigation by TSAIP, GCC Secretariat on import of product of Sanitary Ware made of Porcelain or Chinese Porcelain or others

Details of products/ sectors affected : Sanitary Ware made of Porcelain or Chinese Porcelain or others

Description : GCC-TSAIP had initiated ADD Investigation on Products of Sanitary Ware made of Porcelain or Chinese Porcelain or others from India on August 13, 2023. [The Mission on request of DGTR had requested GCC for extension of deadline by 5 working days for submitting of representation by Indian exporters. However GCC denied the extension of deadline]. The issue has been taken up with GCC and Saudi side on different occasions.

A 4-member delegation from GCC-TSAIP was to visit India in early February 2024 for on-spot verification of three private establishments regarding anti-dumping investigation of Products of Sanitary Ware.

e. Alerts on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc. -

S. No.	Notification No. & Date or other references	Service sectors affected	Modes	Effective from	Remarks if any
1					

2. Feedback

a Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country: **NIL**

S. No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max. 200 words)

b Feedback on major trade activities **including logistic events** (trade fairs/BSM including Indian participation):

S. No.	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/ key participants from India	Feedback received (Max.200 words)	Source of funding (MAI, TA/TC)
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c Feedback from local commercial visitors to trade fairs in India, including under BSM:- **NIL**

S. No	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)

3. Trade and Investment:

a Significant trends in trade and investment (Sources: DGFT)

S. No.	Category	Details of significant trends (Max.200 words)	Analysis (Max. 200 words)
1	Trade in Goods	India Saudi bilateral Trade FY 2023-24 (Apr-Jan 2023)	India's export in FY 2023-24 (Apr-Jan) was marked at US\$ 9.11 bn with a growth of 2.82% when compared to FY 2022-23 (Apr - Jan) exports which were marked at US\$ 8.86 bn . Engineering goods exports are on the rise whereas decline could be seen in exports of Petroleum Products and Organic and Inorganic chemicals.
2	Trade in Services	N.A	N.A.
3	Investment	<p>Indian FDI in Saudi Arabia is US\$ 3 billion up to August 2023.</p> <p>Saudi FDI in India: US\$ 3.22 billion (June 2023) Now, Saudi Arabia ranks 18^h position in India.</p> <p>Total Saudi Investments in India : US\$ 7.82 billion Apart from FDI, PIF has shown interest in Indirect Foreign Investment by partnering with Soft bank's Vision Fund I (PIF's share is 45 % in Vision Fund I). Soft bank's Vision Fund I has invested approx \$11.25 billion (PIF's share : approx \$4.6 billion) in India, in the last five years in Indian companies such as Lenskart, Flipkart, OYO,</p>	<p>As per the latest data shared by Saudi Ministry of Investment as on August 2023 a total of 2923 Indian companies are registered in Saudi Arabia with investments amounting to US\$ 3 billion. Indian companies have shown interest in investing in sectors such as Airports, Steel Manufacturing, Mining, Construction among others. Recently, L&T has been awarded 2 major contracts including one in Saudi Megaproject Amaala.</p> <p>PIF has also invested approximately US\$1.3 billion for an equity stake of 2.04% in Reliance Retail Ventures Limited ("RRVL"). They have invested approximately US\$1.5 billion in Jio Platform; this will be translated into a 2.32% equity stake in Jio on a fully diluted basis.</p>

		delhivery, Grofers, Ola, Unacademy, Bazaar etc.	FirstCry, Paytm, Policy	
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a Opportunities for investments/ assets on offer/major company divestment:

S. No.	Sector Name (List attached)	Particulars of the asset /company	Contact details

Saudi Arabia is in the phase of fast economic and social transitional reforms/development under the ambitious 'Saudi Vision 2030' initiative.

Saudi Arabia's upcoming/ongoing projects:

1. New Murabba project

- (i) Saudi Crown Prince announced on 16 February, 2023.
- (ii) Proposed to be built in Riyadh with the concept of sustainability to enhance quality of life.
- (iii) The project is scheduled to be over an area of 19 square kilometers, to accommodate residential units, hotel rooms, retail space, office space, leisure assets, and space dedicated to community facilities.
- (iv) The project is due to be completed in 2030.

2. NEOM

- (a) NEOM is a city being built in Tabuk Province in northwestern Saudi Arabia.
- (b) Planning and construction will be initiated with \$500 billion from the Public Investment Fund of Saudi Arabia and international investors.
- (c) The first phase of the project is scheduled for completion by 2025.
- (d) NEOM city will have following four major regions:
 - (i) **Sindalah** : Red sea's first luxury island destination, it is expected to launch in early 2024 and will be the first physical project in NEOM that opens for tourism and leisure.
 - (ii) **The LINE** : The Line is a linear smart city under construction in Saudi Arabia in NEOM, Tabuk Province, which is designed to have no cars, streets or carbon emissions. The 170-kilometre-long (110 mi) city is part of Saudi Vision 2030 project.
 - (iii) **Trojena** : The first major outdoor skiing destination in the Arabian Peninsula. It will be located about 50 kilometres (31 mi) from the Gulf of Aqaba coast, in the Sarwat Mountains, with elevations ranging from 1,500–2,600 metres (4,900–8,500 ft). Although it is in the desert, the site's climate is considerably cooler than the rest of Neom's territory.

(iv) **Oxagon** : Oxagon is a floating industrial complex shaped like an octagon. It is located around 25 kilometres (16 mi) north of the town of Duba, and covers roughly 200–250 square kilometres (77–97 sq mi) of land, of which approximately 40 square kilometres (15 sq mi) forms the city. The project will focus on modern manufacturing, industrial research, and development centered on expanding the Duba port.

3. Red Sea tourism project

- (i) The project will focus on the development of resorts spread across 28,000 sq kms, including more than 90 natural islands, located between the cities of Umluj and Al Wajho, on the western coast of Saudi Arabia.
- (ii) Red Sea Tourism is currently in Phase 1.
- (iii) The project is set to be fully completed by 2030.

4. Al Qiddiya projects

- (i) It's an entertainment city located southwest of Riyadh; this major new development will include theme parks, resorts, hotels and residential units on about 100 miles of sandy coastline on the Red Sea.
- (ii) At a total size of 334 square km. Work has been under way on the \$8 billion dollar project since January 2019, with the first phase slotted to open in 2023.

5. Amala tourism project

- (i) The project involves the construction of a luxury tourism destination of 3,800 kms of nature reserves in Saudi Arabia's northwestern coast.
- (ii) The initial funding for the project will be provided by Saudi Arabia's Public Investment Fund. The project is currently in Phase 1. The project is expected to be completed in 2028.

6. The Knowledge Economic City

- (i) The location of the KEC project, which has an area of about (6.8) million square meters, is unique in its direct connection with the five most important roads in Medina, which have a width of 80-100 m.
- (ii) It is planned to start the first phase of the internal public transport network starting from Prince Mohammed bin Abdulaziz International Airport to facilitate transportation to the main location through the Al-Haramain High-Speed Railway and the KEC by 2023.

7. Ad Diriyah

- (i) Ad Diriyah is located on the outskirts of Riyadh, and is set to become a major tourist destination.
- (ii) The \$17bn development will encompass several luxury resorts, including major international hotel brands, as well as dining and entertainment options.

8. Jeddah District Revival plan

- (i) Saudi Crown Prince Mohammed bin Salman has launched an ambitious 15-year project in bid to breathe new life into the historic part of Jeddah city.
- (ii) The project aims to create an integrated environment in Historic Jeddah that has multiple natural components, including 5 km of developed waterfronts, green spaces and open gardens covering 15 per cent of the total area of the al-Balad area and within the project area of 2.5 square km.

b Information on tender Notices for projects and procurement of interest to Indian project exporters/ suppliers (USD15 million & above): **Saudi Arabia provides information on public tenders floated in the country on Etimad website (<https://monafasat.etimad.sa>).**

S. No.	Tender/ procurement notice No and date	Sector	Value of tender/ procurement

a Trade Queries for Imports/ Exports (if not uploaded on the Indian trade portal)

S. No.	Enquiry originator	Product with HS Codes	Nature (Import/ Export)	Value (US\$ million)	Action Taken (Max.200 words)
1.	Indian Companies	—	Export	—	The Embassy of India, Riyadh has received 193 trade queries and CGI Jeddah has received 31 trade queries from India during January 2023. All the queries have been replied. The queries were mainly on agro food products, textile products, Jute bag, plastic products, pharma products, ceramics granite, Iron and Steel products, charcoal, peanut butter, Pipes and fittings, pumps cosmetics, building materials, herbs, spices, tobacco etc.

4. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.: (Max. 500 words)

AI Eqtesadiah - India enters the “lithium triangle” for exploration and production through a historic agreement with Argentina (17 January, 2024)

AI Eqtesadiah - India: We do not need to import wheat.. Domestic supplies are sufficient to meet demands (14 January, 2024)

AI Eqtesadiah - To save the reputation of \$50 billion worth sector, India sets new standards for drug manufacturing...small companies ask for postponement due to debt (07 January, 2024)

AI Eqtesadiah - The pace of growth in India's manufacturing sector activity slowed last December, according to an economic report. (4 January, 2024)

AI Eqtesadiah - India turns to Saudi Arabia as Purchases of Russian oil fall in December (03 January, 2024)

5. Details of trade research, information dissemination of the commercial wing and events conducted by this Mission:

S. No	Activity Name	Remarks
1	Ambassador inaugurated India Utsav 2024 on January 28, 2024	Ambassador Dr Suhel Ajaz Khan inaugurated 'India Utsav 2024' at Lulu Hypermarket to celebrate the 75th Republic Day of India & India Saudi friendship under the theme, "Two Nations, One Culture". 'India Utsav' showcased 'Brand India' in Food products, Cuisine & Fashion. During the event, new agricultural products from India were launched in Saudi Arabia for the first time.
2	Ambassador's meeting with Saudi Minister of Communications & IT on January 24, 2024	Ambassador met with Minister of Communications & IT, H.E. Abdullah A. Alswaha. They discussed various joint initiatives, business opportunities & areas of cooperation under the JWG on Information Technology under the Economy and Investment Pillar of the Strategic Partnership Council.
3	Ambassador's meeting with VP and Secretary General of Hail Chamber on January 23, 2024	Ambassador Dr Suhel Khan visited Hail Chamber & met with Vice President Mr. Muhammed Al Rakhiz & Secretary General Mr. Abdulaziz Al Fadel. They discussed avenues of cooperation including promoting trade and investments between India and the Hail Region.

4	Ambassador's meeting with Chairman of Board of Directors of Jazan Chamber on January 21, 2024	Ambassador visited the Jazan Chamber & met with Chairman of Board of Directors Mr. Ahmed Mohammed Abuhadi & other Board members. They discussed expanding India – Saudi Arabia business collaborations, including trade & investments in various sectors.
5	Ambassador's meeting with Saudi Minister of Environment, Water & Agriculture on January 17, 2024	Ambassador met with Minister of Environment, Water & Agriculture H.E. Eng. Abdulrahman A. AlFadley. They discussed matters of trade & investments in agriculture & food commodities & other issues of mutual interests.
6	Ambassador's meeting with Governor, Saudi Central Bank on January 16, 2024	Ambassador met with Governor of Saudi Central Bank/ Saudi Arabian Monetary Authority, H.E. Ayman M. Alsayari and discussed areas of cooperation including trade in local currencies and UPI -Sarie linkage.
7	Ambassador's meeting with President & CEO, Aramco on January 11, 2024	Ambassador Dr Suhel Khan visited Aramco Headquarters in Eastern Province & met with President & CEO, HE Mr Amin Nasser. They discussed India – Saudi Arabia energy cooperation & other issues of mutual interests.
8	Trade and Investment Promotion Event in Dammam on 11 January, 2024	The Embassy organised a Business Networking Event in Dammam, Eastern Province on India-Saudi Economic & Investment Partnership. Representatives from Saudi-India Business Council, Saudi Ministry of Investment, Asharqia Chamber & large number of Indian investors & Saudi businessmen attended the event. During the event, forthcoming exhibitions in India, including BHARAT TEX and BHARAT Mobility were promoted. The participants were also given a presentation on GIFT City.
9	Business Networking Event in Riyadh on 31 January 2024	The Embassy organized a business networking event for Indian diaspora businesses and professionals. During the event, EXIM Bank of India gave a presentation on the support offered for Indian businesses and exporters. The diaspora were also briefed on opportunities in GIFT City.
10	Inputs by CGI Jeddah	1. The Hon'ble Minister of Minority Affairs & Minister of Women and Child Development, Smt. Smriti Irani along with the Minister of State for External Affairs, Shri V. Muraleedharan visited Jeddah from 06.01.2024 to

08.01.2024. A meeting of the Hon'ble Ministers with the Saudi Business Community members was held on 07.01.2024.

2. Various Saudi Business Community members were mobilized to participate in the Indus Food, Food & Beverages (F & B) exhibition held at the India Exposition Mart, Greater Noida, India during 08-10 January, 2024

3. Commerce Wing also hosted a business community meet-cum-interaction session during the Saudi-India Festival held on 20th January 2024. Pan-Saudi Arabia dealers of renowned Indian Products such as Kirloskar, Haldiram, Al Kabeer, Himalayas etc participated in the event.

4. A high level, three-member delegation from Telangana comprising Shri Sridhar Duddilla, Hon'ble Minister IT & Industries & Commerce; Shri Jayesh Ranjan, Principal Secretary to the Govt. of Telangana and Shri E.Vishnu Vardhan Reddy, Special Secretary to the Govt. of Telangana visited Jeddah on 21st January, 2024. Their target sectors were IT/ITES (IT Enabled Services), Pharma, Food Processing and Electronic Manufacturing. One-on-one meetings of the delegation with potential Saudi Investors and a road-show inviting prominent Saudi Business leaders were organized in Jeddah.

5. A wide scale publicity exercise was conducted for highlighting India's expertise in the value chain of mobility sector and to mobilize a Saudi delegation to participate in the mega event ' Bharat Mobility Global Expo 2024' held at the Bharat Mandapam at Pragati Maidan, New Delhi from 1-3 February 2024.

6. Details of activities conducted out of Trade promotion budget:

Name	BE for current financial year	RE for current financial year	Amount utilized	Details of Activity (Max.200 words)
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Embassy of India, Riyadh	Rs. 15,00,000	Rs. 11,49,000	Rs. 9,39,261	MEED Subscription Printing of Promotional Materials Payment towards GCC Anti Dumping Translation Hiring of Business Hall for CII Young Indians Delegations Photography&Videography during business meetings Payment towards ODOP Procurement Printing of Standees
CGI , Jeddah	10,000,00/-	7,000,00/-	697,368.46	A buyer seller meet was organized with prominent Saudi Buyers at Hotel Jeddah Sheraton

7. Complaints from foreign buyer/supplier on quality and trade dispute: NIL

Name of Foreign buyer/supplier	Address & contact details of foreign buyer/supplier	Name & address of Indian exporter/importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.

8. Complaints of Indian exporter/importer: NIL

Name of Indian exporter/importer	Name & address of foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome
